



# **PERFORMANCE & SERVICE COMMITTEE MEETING**

## **AGENDA**

**22 SEPTEMBER 2015**

*Your attendance is required at a meeting of the Performance & Service Committee to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 22 September 2015 commencing at 9:00am for transaction of the enclosed business.*

A handwritten signature in black ink, appearing to be "C. R.", is positioned above the printed name of the Chief Executive Officer.

**CHIEF EXECUTIVE OFFICER**  
15 September 2015

Next Meeting Date: 27.10.15

**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.

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**1 OPENING**

**2 PRESENT**

Members Present:

Acting Mayor, Councillor A P Williams (Chairperson)  
Councillor C E Smith  
Councillor C R Rutherford  
Councillor S J Schwarten  
Councillor R A Swadling  
Councillor N K Fisher

In Attendance:

Mr E Pardon – Chief Executive Officer

**3 APOLOGIES AND LEAVE OF ABSENCE**

The Mayor, Councillor Margaret Strelow has tendered her apology and will not be in attendance.

Councillor Greg Belz is on Leave of Absence from 20 September 2015 to 2 October 2015 inclusive.

**4 CONFIRMATION OF MINUTES**

Minutes of the Performance & Service Committee held 25 August 2015

**5 DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA**

## **6 BUSINESS OUTSTANDING**

### **6.1 BUSINESS OUTSTANDING TABLE FOR PERFORMANCE AND SERVICE COMMITTEE**

**File No:** 10097

**Attachments:** 1. Business Outstanding Table for Performance and Service Committee

**Responsible Officer:** Evan Pardon - Chief Executive Officer

**Author:** Evan Pardon - Chief Executive Officer

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#### **SUMMARY**

*The Business Outstanding table is used as a tool to monitor outstanding items resolved at previous Council or Committee Meetings. The current Business Outstanding table for the Performance and Service Committee is presented for Councillors' information.*

#### **OFFICER'S RECOMMENDATION**

THAT the Business Outstanding Table for the Performance and Service Committee be received.

# **BUSINESS OUTSTANDING TABLE FOR PERFORMANCE AND SERVICE COMMITTEE**

## **Business Outstanding Table for Performance and Service Committee**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

Date	Report Title	Resolution	Responsible Officer	Due Date	Notes
29 July 2014	Renewable Energy Solutions	THAT a report on renewable energy solutions that may be able to be implemented across Council facilities be brought back to the table.	Sharon Sommerville	05/08/2014	Researching information for report to be presented late 2015.
24 March 2015	Disaster Management Policy	THAT Council adopt the updated Disaster Management Policy as detailed in attachment to this report.  THAT Council provide training to the elected representatives in regards to Disaster Management and communication strategies.	Martin Crow	07/04/2015	Training for Councillors planned to be completed prior to the next disaster season. Training planned to include a brief overview of the Qld Disaster Management framework and operations of LDMG and LDCC during an activation.
25 August 2015	Rockhampton Region Fire Management - Mount Archer Plan	1. THAT Council receive the draft Mount Archer Bushfire Management Plan; 2. THAT Council approve the publication of the Mount Archer Bushfire Management Plan; 3. THAT the Mount Archer Bushfire Management Plan be incorporated in the sub-plan under Council's Disaster Management Plan; and 4. THAT the MOU be expedited.	Margaret Barrett	08/09/2015	
25 August 2015	Keep Queensland Beautiful - 2015 Tidy Towns Competition	THAT due to the ongoing cyclone recovery efforts and the concomitant constraints on community participation, that Council resolves not to enter the 2015 Tidy Towns Competition, but that significant effort be made with a view to a fully developed nomination in 2016.	Kerri Dorman	08/09/2015	
25 August 2015	Analysis of Rockhampton River Festival & 2016 Dates	1. THAT Council accept the report for use in informing changes for the 2016 event plan, and select June 23-26 as the date for 2016 as it has no direct clashes and coincides with school holidays; and 2. THAT discussions be held with the Rockhampton Show Society in regard to next year's festival dates.	Sarah Reeves	08/09/2015	

Date	Report Title	Resolution	Responsible Officer	Due Date	Notes
25 August 2015	Local Government Association of Queensland Inc Annual Conference, 19 to 21 October 2015, Toowoomba	<p>THAT:</p> <ol style="list-style-type: none"> <li>1. Councillor Smith, Councillor Williams and Councillor Swadling be authorised to attend the Local Government Association of Queensland's Annual Conference to be held at Empire Theatre, Toowoomba from 19 to 21 October 2015 as a matter of Council business;</li> <li>2. Councillor Greg Belz be authorised to attend in his role as a member of the LGAQ Executive;</li> <li>3. Councillor Williams and Councillor Swadling be appointed as delegates with voting rights for Rockhampton Regional Council;</li> <li>4. Council not submit a nomination to host the Conference in 2017.</li> </ol>	Evan Pardon	08/09/2015	
25 August 2015	Dog Registration Fees	<ol style="list-style-type: none"> <li>1. THAT Council receives the Dog Registration Fees report for their information and review prior to the 2016/2017 Budget: <ul style="list-style-type: none"> <li>• the cost of the entire dog reduced to bring more in line with Category 6 Councils</li> <li>• the cost of signage and tags be separated out from dog registration in future fees and charges; and</li> </ul> </li> <li>2. THAT a further report on fees and charges and processes for animals on rural properties come back to the table.</li> </ol>	Catherine Hayes	08/09/2015	
25 August 2015	Funding request by Fleckeri Pictures	THAT Council not accept the funding offer from Fleckeri Pictures.	Rick Palmer	08/09/2015	
25 August 2015	Properties affected by Natural Disasters	<ol style="list-style-type: none"> <li>1. THAT a draft policy be prepared for the Council's consideration in accordance with the parameters discussed at this meeting;</li> </ol>	Robert Holmes	08/09/2015	

Date	Report Title	Resolution	Responsible Officer	Due Date	Notes
		<p>2. THAT budgetary consideration be given to the establishment of a Disaster Mitigation and Resilience Reserve with an annual budgetary allocation to be made with a view to building the reserve to enable programs and works to be undertaken for disaster mitigation/resilience purposes; and</p> <p>3. THAT Council sponsor a motion at the LGAQ Conference to seek funding support from both Federal and State Governments to support local governments with such schemes to assist their respective communities.</p>			
25 August 2015	Monthly Report from Chief Executive Officer for the period ending 17 August 2015	<p>1. THAT the monthly report from the Chief Executive Officer for the period ending 17 August 2015 be received.</p> <p>2. THAT a report be prepared on the airport matters raised.</p> <p>3. THAT a further report on the Infrastructure Agreement with Arrow be brought back to Council.</p>	Evan Pardon	08/09/2015	

## **7 PUBLIC FORUMS/DEPUTATIONS**

Nil

## 8 OFFICERS' REPORTS

### 8.1 AMENDING COUNCIL POLICY: HANDLING OF CONFIDENTIAL INFORMATION POLICY

**File No:** 2562

**Attachments:**

1. Extract of Sections 171, 171A & 200 of the Local Government Act 2009
2. Marked Up Version of Existing Handling of Confidential Information Policy to be considered
3. Final version of Policy as considered at the Councillor's Policy Workshop in August 2015

**Authorising Officer:** Evan Pardon - Chief Executive Officer

**Author:** Shane Turner - Manager Governance Support

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#### SUMMARY

*The Handling of Confidential Information Policy is an Administrative Policy that requires Council adoption. The existing policy has been reviewed and has been amended where necessary to add some additional clarity where the existing legislation is not definitive. It is considered prudent that the Council adopt the amended Handling of Confidential Information Policy.*

#### OFFICER'S RECOMMENDATION

THAT the Handling of Confidential Information Policy be adopted.

#### COMMENTARY

In the ongoing process of reviewing Council's policies and procedures it has been identified that the Handling of Confidential Information Policy was required to be reviewed. The responsibilities of councillors, employees and contractors of Council, in regard to the handling of confidential information are identified in sections 171, 171A and 200 of the *Local Government Act 2009* however there is use of terms that do not provide clear interpretation or definition. For this reason it is considered prudent that Council adopt a policy that put a degree of certainty around those areas of the Act.

Sections 171 and 171A of the Act relates to Councillors, including previous Councillors. An extract of Sections 171 & 171A of the Act are provided in the attachments.

Section 200 relates to Council's current and previous employees and contractors. An extract of Section 200 of the Act is provided in the attachments.

The sections listed above are in addition to the general responsibilities for Councillors and local government employees under Sections 20 and 21 of the Act. Councillors and or employees that fail to follow their responsibilities under the Local Government Act may be subject to disciplinary action by council.

#### CONCLUSION

For these reasons listed in the report it is considered that the Handling of Confidential Information Policy is still required and has been suitably amended and has also been presented to the Councillor's Policy workshop in August this year.



# **AMENDING COUNCIL POLICY: HANDLING OF CONFIDENTIAL INFORMATION POLICY**

## **Extract of Sections 171, 171A & 200 of the Local Government Act 2009**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

**Extract of Sections 171 & 171A of the Local Government Act 2009**

[s 171]  
Local Government Act 2009  
Chapter 6 Administration  
Part 2 Councillors  
Page 157 Current as at 1 January 2015

**171 Use of information by councillors**

(1) A person who is, or has been, a councillor must not use information that was acquired as a councillor to—

- (a) gain, directly or indirectly, a financial advantage for the person or someone else; or
- (b) cause detriment to the local government.

Maximum penalty—100 penalty units or 2 years imprisonment.

(2) Subsection (1) does not apply to information that is lawfully available to the public.

(3) A councillor must not release information that the councillor knows, or should reasonably know, is information that is confidential to the local government.

*Note—*

A contravention of subsection (3) is misconduct that is dealt with by the tribunal.

[s 171A]  
Local Government Act 2009  
Chapter 6 Administration  
Part 2 Councillors  
Pages 157, 158 & 159 Current as at 1 January 2015

**171A Prohibited conduct by councillor in possession of inside information**

(1) This section applies to a person (the *insider*) who is, or has been, a councillor if the insider—

- (a) acquired inside information as a councillor; and
- (b) knows, or ought reasonably to know, that the inside information is not generally available to the public.

(2) The insider must not cause the purchase or sale of an asset if knowledge of the inside information would be likely to

influence a reasonable person in deciding whether or not to buy or sell the asset.

Maximum penalty—1000 penalty units or 2 years imprisonment.

(3) The insider must not cause the inside information to be provided to another person the insider knows, or ought reasonably to know, may use the information in deciding whether or not to buy or sell an asset.

Maximum penalty—1000 penalty units or 2 years imprisonment.

(4) In this section—

*cause*, in relation to an action, includes the following—

- (a) carry out the action;

- (b) instigate the action;
- (c) direct, or otherwise influence, another person to carry out or instigate the action.

**corporate entity** means a corporation that is owned by the local government.

**inside information**, in relation to a local government, means information about any of the following—

- (a) the operations or finances of the local government (including any business activity of the local government) or any of its corporate entities;
- (b) a proposed policy of the local government (including proposed changes to an existing policy);
- (c) a contract entered into, or proposed to be entered into, by the local government or any of its corporate entities;
- (d) a tender process being conducted by or for the local government or any of its corporate entities;
- (e) a decision, or proposed decision, of the local government or any of its committees;

[s 171B]

Local Government Act 2009

Chapter 6 Administration

Part 2 Councillors

Current as at 1 January 2015 Page 159

- (f) the exercise of a power, under a Local Government Act, by the local government, a councillor or a local government employee;
- (g) the exercise of a power, under an Act, by the State, a Minister, a statutory body or an employee of the State or statutory body, that affects the local government, any of its corporate entities or land or infrastructure within the local government's area;
- (h) any legal or financial advice created for the local government, any of its committees or any of its corporate entities.

**Extract of Section 200 of the Local Government Act 2009**

[s 200]  
Local Government Act 2009  
Chapter 6 Administration  
Part 6 Authorised persons  
Pages 189 & 190 Current as at 1 January 2015

**200 Use of information by local government employees**

(1) This section applies to all local government employees, including the chief executive officer.

(2) A *local government employee* includes—

- (a) a contractor of the local government; and
- (b) a type of person prescribed under a regulation.

(3) A person who is, or has been, a local government employee must not use information acquired as a local government employee to—

(a) gain (directly or indirectly) an advantage for the person or someone else; or

(b) cause detriment to the local government.

Maximum penalty—100 penalty units or 2 years imprisonment.

(4) Subsection (3) does not apply to information that is lawfully available to the public.

(5) A person who is, or has been, a local government employee must not release information that the person knows, or should reasonably know, is information that—

(a) is confidential to the local government; and

(b) the local government wishes to keep confidential.

Maximum penalty—100 penalty units or 2 years imprisonment.

# **AMENDING COUNCIL POLICY: HANDLING OF CONFIDENTIAL INFORMATION POLICY**

**Marked Up Version of Existing  
Handling of Confidential Information  
Policy to be considered**

**Meeting Date: 22 September 2015**

**Attachment No: 2**



## HANDLING OF CONFIDENTIAL INFORMATION POLICY (ADMINISTRATIVE POLICY)

### 1 Scope:

~~The Handling Of Confidential Information Policy~~ This policy applies to ~~all~~ current and former Councillors, ~~employees, volunteers and contractors~~ of the Rockhampton Regional Council.

### 2 Purpose:

~~This Policy To:~~

- ~~Provides~~ guidance ~~to Councillors~~ in complying with ~~S~~section-250(2) of the *Local Government Act 1993* and ~~sections 171 and 200~~ ~~Section 171(2) of the~~ *Local Government Act 2009* regarding the proper handling of confidential information; ~~and.~~
- ~~The Policy aims to a~~ Assist Council in determining what might be considered confidential information and how this information should be handled.

### 3 Related Documents:

**Primary**  
Nil

**Secondary**

~~Crime and Corruption Act 2001~~  
~~Integrated Planning Act 1997~~  
*Local Government Act 1993 (Until June 30 2010)*  
*Local Government Act 2009 (From 1 July 2010)*  
~~Right to Information Act 2009~~  
~~Sustainable Planning Act 2009~~  
~~Code of Conduct "Handling Confidential Information" Guidelines for Local Government, (Crime and Misconduct Commission advisory publication)~~  
~~Complaint Management Policy~~  
~~Information Security Policy~~  
~~Information Security and Handling Guidelines – Crime and Misconduct Commission advisory publication~~  
~~Privacy Complaint Handling Procedure~~  
~~Reporting Official Misconduct Policy~~  
~~Right to Information Policy~~

### 4 Definitions:

To assist in interpretation, the following definitions apply:

<del>CCC</del>	<del>Crime and Corruption Commission</del>
CEO	<del>Chief Executive Officer</del>
	<del>A person who holds an appointment under section 194 of the</del>

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	<del>Local Government Act 2009. This includes a person acting in this position</del> Chief Executive Officer of the Rockhampton Regional Council.
CMC	Crime and Misconduct Commission

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<u>Contractor</u>	<u>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.</u>
<u>Council</u>	<u>Rockhampton Regional Council</u>
<u>Council Table</u>	<u>The body of elected Councillors of Rockhampton Regional Council</u>
<u>Councillor/s</u>	<u>The Mayor and Councillors of Rockhampton Regional Council, within the meaning of the Local Government Act 2009.</u>
<u>Employee</u>	<u>Local government employee:</u> <u>(a) the chief executive officer; or</u> <u>(b) a person holding an appointment under section 196 of the Local Government Act 2009.</u>
<u>Information</u>	<u>information in any number of forms including letters, reports/documents, facsimiles, attachments, tapes, emails, electronic media, and/or other forms of information including discussions during meetings</u>
<u>Manager</u>	<u>3<sup>rd</sup> line management – Rockhampton Regional Council Structure and Band 3 under Council's Human Resource Management Delegations Policy</u>
<u>Volunteer</u>	<u>Any person, who of their own free will, offers to undertake unpaid work for Council and is accepted as a Volunteer by the Chief Executive Officer and/or his authorised delegates</u>

## 5 Policy Statement:

~~Section 250(2) of the Local Government Act 1993 and Section 171(2) of the Local Government Act 2009 sets out provisions relating to the release of confidential information by Councillors:~~

~~A person who is or has been a local government councillor must not release information that the person knows, or should reasonably know, is confidential to the local government.~~

~~The maximum penalty is 100 penalty units or two (2) years imprisonment.~~

Council operates in an environment of public accountability in which it seeks to inform the public of issues under consideration and the nature of decisions made by the Council table and its eCommittees. Therefore, information should ordinarily be released to the public unless there are compelling reasons which indicate that this is not in the public interest.

At the same time, Council is conscious of the need to handle eCouncil information in a way that promotes and maintains the public's trust and confidence in the integrity of the local government.

It is accepted that Councillors, employees, volunteers and contractors will be in receipt of confidential information that may or may not be part of a formal Council meeting. It is Council's responsibility to ensure that such information is treated confidentially, so as not to harm, prejudice or compromise the interests of Council or any individual or organisation, or enable any individual or organisation to gain a financial advantage.

Whilst endeavouring in the interests of public accountability to limit the number of matters which are considered in confidential sessions, eCouncil acknowledges that it is appropriate to consider certain items in closed meetings.

### 5.1 Responsibilities of Councillors

Councillors, employees, volunteers and contractors must be aware of their responsibilities and agree (either through the Oath of Office or Code of Conduct) that they should:

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- Exercise due care when handling or using information acquired in their role; ~~as a Councillor~~;
- Acknowledge that there will be information that must be treated as confidential, because to release it would prejudice public trust and confidence in the integrity of ~~the Council~~;
- Acknowledge that disclosure of confidential information constitutes a breach of the *Local Government Act 2009* ~~and the Code of Conduct for Councillors~~ and that Council may take ~~legal disciplinary~~ action for any damages caused;
- If uncertain, presume information is confidential and seek advice from the CEO ~~or manager/general manager~~ prior to any release of it;
- Undertake not to disclose and to use their best endeavours to prevent disclosure of confidential information to any person or organisation, specifically:
  - Avoid discussing confidential Council information with family, friends and business associates; ~~and~~;
  - Ensure documents containing confidential information are properly safeguarded at all times – including materials stored at private or business residences.
- Not use confidential information ~~(or any information acquired as a Councillor)~~ to gain improper advantage for themselves or any other person or body; ~~and~~;
- Not use confidential information ~~(or any information acquired as a Councillor)~~ to cause harm or detriment to Council or any other person or body.

## 5.2 Confidential Information

The following types of information ~~shall are be~~ deemed to be confidential to Council unless or until ~~the Council table~~ resolves to the contrary ~~in a particular instance~~:

- ~~Commercial in confidence information,~~ including where the release of information would affect a company's competitive advantage ~~(particularly including competitive tender situations);~~
- ~~this is particularly relevant in a competitive tender situation.~~
- Information derived from government departments or ~~ministers that~~ ~~has ministers that have~~ been classified as confidential;
- Information of a personal nature or about personal affairs, for example the personal details of Councillors or ~~Council employee staff~~;
- Information relating to a property disposal or acquisition process where release of the information may prejudice Council;
- Financial and legal analysis where the disclosure of that information may compromise Council or someone else;
- Information relating to clients of Council;
- Information not owned or controlled by Council;
- Information that could result in any action being taken against Council for defamation;
- Information involving legal advice to Council or a legal issue or a matter before the courts;
- Information that is expressly given ~~to Councillors~~ in confidence ~~is confidential; or~~;
- Information about:

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- The appointment, dismissal or discipline of employees;
- Industrial matters affecting employees;
- The local government's budget;
- Rating concessions;
- Contracts proposed to be made by it;
- Starting or defending legal proceedings involving it; ~~or~~
- Any action to be taken by Council under the *Integrated Planning Act 1997* or the *Sustainable Planning Act 2009*, including deciding applications made to it under the Act.

It is acknowledged that some of the above classes of information may need to be disclosed from time to time for legal reasons or in accordance with the *Right to Information Act 2009*.

### 5.3 Confidential Information at Council Meetings

As a minimum, the following may occur relating to matters addressed at the Council table or Committee meetings: ~~This Policy deems that as a minimum:~~

- The CEO may make a declaration that information concerning a specific matter is to be treated as confidential to Council and the information will remain confidential unless or until Council resolves to the contrary;
- An item on a Council or Committee ~~M~~meeting ~~A~~agenda, ~~including — and the~~ information contained in the documentation or supporting material, ~~— that is~~ declared confidential by the CEO is to remain confidential unless or until ~~the~~ Council ~~table~~ or ~~the~~ relevant Committee resolves to the contrary;
- If the Mayor or a Councillor in a meeting asks that a matter be treated as confidential, ~~the~~ Council ~~table~~ will formally resolve as to whether all information concerning the matter is confidential;
- If a meeting of a Committee resolves an item, ~~including — and the~~ information contained in the documentation or supporting material, ~~— is to be confidential~~ it ~~will remain~~s confidential unless or until ~~the~~ Council ~~table~~ resolves to the contrary;
- If ~~the~~ Council ~~table~~ exercises its powers to close a meeting to members of the public, all information in relation to the matters discussed during that closed meeting or the closed portion of the meeting is confidential, unless and until the Council ~~table~~ resolves to the contrary;
- Confidential information ~~shall~~ will be clearly identified, where possible, as confidential;
- Any information of a type deemed to be confidential ~~(as per section 5.2)~~ is ~~to be~~ presumed ~~by Councillors~~ to be confidential to Council and must not be released without seeking advice from the CEO ~~or manager/general manager;~~ or
- If ~~a Councillor has any~~ there is any doubt as to whether Council considers information to be confidential, ~~the it should be Council is to act on the assumption~~ed that Council ~~does so~~ intends the information to be confidential until the doubt is resolved at a subsequent meeting ~~of at the~~ Council ~~table~~.

### 5.3 Release of Confidential Information

Any release of confidential information for any purpose to any person or organisation (other than to those who are entitled to the information, ~~such as other~~

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~~Councillors or Council staff~~ is a breach of ~~the Section 250(2) of the Local Government Act 1993 (until 1 July 2010) and Section 171(2) of the Local Government Act 2009 (beyond 1 July 2010) that date and the Code of Conduct for Councillors.~~

Release of information can include:

- Orally telling any person about the information or any part of the information;
- Providing the original or a copy of documentation or any part of the documentation that is marked confidential; ~~or-~~
- Paraphrasing ~~— putting into your own words —~~ any confidential information and providing that in writing or orally.

#### 5.4 Breach of this Policy

~~Both the ILegislation and the Code of Conduct for Councillors~~ makes it clear that when Councillors, ~~employees, volunteers or contractors~~, in the course of carrying out their duties, receive information that is not available to the public they must not misuse the information, particularly for personal gain.

A person may make a complaint about a statutory breach by a Councillor of this provision by giving written notice of the complaint to the local government's CEO.

~~A person may make a complaint about a statutory breach by an employee, volunteer or contractor in line with Council's Complaint Management Policy. The CEO must refer the complaint to the CMC and to the Department of Local Government as per the Local Government Act 2009, where appropriate, because it raises a suspicion of official misconduct.~~

#### 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 the Council.

#### 7 Responsibilities:

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Manager Governance Support
Policy Quality Control	Corporate Improvement and Strategy

EVAN PARDON  
CHIEF EXECUTIVE OFFICER

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# **AMENDING COUNCIL POLICY: HANDLING OF CONFIDENTIAL INFORMATION POLICY**

**Final version of Policy as considered at  
the Councillor's Policy Workshop in  
August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 3**



## HANDLING OF CONFIDENTIAL INFORMATION POLICY (ADMINISTRATIVE POLICY)

### 1 Scope:

This policy applies to current and former Councillors, employees, volunteers and contractors of the Rockhampton Regional Council.

### 2 Purpose:

To:

- Provide guidance in complying with section 250 of the *Local Government Act 1993* and sections 171 and 200 the *Local Government Act 2009* regarding the proper handling of confidential information; and
- Assist Council in determining what might be considered confidential information and how this information should be handled.

### 3 Related Documents:

#### Primary

Nil

#### Secondary

*Crime and Corruption Act 2001*

*Integrated Planning Act 1997*

*Local Government Act 1993 (Until June 30 2010)*

*Local Government Act 2009 (From 1 July 2010)*

*Right to Information Act 2009*

*Sustainable Planning Act 2009*

Code of Conduct

Complaint Management Policy

Information Security Policy

Information Security and Handling Guidelines – Crime and Misconduct Commission advisory publication

Privacy Complaint Handling Procedure

Reporting Official Misconduct Policy

Right to Information Policy

### 4 Definitions:

To assist in interpretation, the following definitions apply:

CCC	Crime and Corruption Commission
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

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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
Council Table	The body of elected Councillors of Rockhampton Regional Council
Councillor/s	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> .
Information	information in any number of forms including letters, reports/documents, facsimiles, attachments, tapes, emails, electronic media, and/or other forms of information including discussions during meetings
Manager	3 <sup>rd</sup> line management – Rockhampton Regional Council Structure and Band 3 under Council's Human Resource Management Delegations Policy
Volunteer	Any person, who of their own free will, offers to undertake unpaid work for Council and is accepted as a Volunteer by the Chief Executive Officer and/or his authorised delegates

## 5 Policy Statement:

Council operates in an environment of public accountability in which it seeks to inform the public of issues under consideration and the nature of decisions made by the Council table and its Committees. Therefore, information should ordinarily be released to the public unless there are compelling reasons which indicate that this is not in the public interest.

At the same time, Council is conscious of the need to handle Council information in a way that promotes and maintains the public's trust and confidence in the integrity of the local government.

It is accepted that Councillors, employees, volunteers and contractors will be in receipt of confidential information that may or may not be part of a formal Council meeting. It is Council's responsibility to ensure that such information is treated confidentially, so as not to harm, prejudice or compromise the interests of Council or any individual or organisation, or enable any individual or organisation to gain a financial advantage.

Whilst endeavouring in the interests of public accountability to limit the number of matters which are considered in confidential sessions, Council acknowledges that it is appropriate to consider certain items in closed meetings.

### 5.1 Responsibilities

Councillors, employees, volunteers and contractors must be aware of their responsibilities and agree (either through the Oath of Office or Code of Conduct) that they should:

- Exercise due care when handling or using information acquired in their role;
- Acknowledge that there will be information that must be treated as confidential, because to release it would prejudice public trust and confidence in the integrity of Council;
- Acknowledge that disclosure of confidential information constitutes a breach of the *Local Government Act 2009* and that Council may take disciplinary action for any damages caused;

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- If uncertain, presume information is confidential and seek advice from the CEO or manager/general manager prior to any release of it;
- Undertake not to disclose and to use their best endeavours to prevent disclosure of confidential information to any person or organisation, specifically:
  - Avoid discussing confidential Council information with family, friends and business associates; and
  - Ensure documents containing confidential information are properly safeguarded at all times – including materials stored at private or business residences.
- Not use confidential information to gain improper advantage for themselves or any other person or body; and
- Not use confidential information to cause harm or detriment to Council or any other person or body.

## 5.2 Confidential Information

The following types of information are deemed to be confidential to Council unless or until the Council table resolves to the contrary:

- Commercial in confidence information, including where the release of information would affect a company's competitive advantage (particularly including competitive tender situations);
- Information derived from government departments or ministers that have been classified as confidential;
- Information of a personal nature or about personal affairs, for example the personal details of Councillors or employee;
- Information relating to a property disposal or acquisition process where release of the information may prejudice Council;
- Financial and legal analysis where the disclosure of that information may compromise Council or someone else;
- Information relating to clients of Council;
- Information not owned or controlled by Council;
- Information that could result in any action being taken against Council for defamation;
- Information involving legal advice to Council or a legal issue or a matter before the courts;
- Information that is expressly given in confidence; or
- Information about:
  - The appointment, dismissal or discipline of employees;
  - Industrial matters affecting employees;
  - The local government's budget;
  - Rating concessions;
  - Contracts proposed to be made by it;
  - Starting or defending legal proceedings involving it; or

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- Any action to be taken by Council under the *Integrated Planning Act 1997* or the *Sustainable Planning Act 2009*, including deciding applications made to it under the Act.

It is acknowledged that some of the above classes of information may need to be disclosed from time to time for legal reasons or in accordance with the *Right to Information Act 2009*.

### 5.3 Confidential Information at Council Meetings

As a minimum, the following may occur relating to matters addressed at the Council table or Committee meetings:

- The CEO may make a declaration that information concerning a specific matter is to be treated as confidential to Council and the information will remain confidential unless or until Council resolves to the contrary;
- An item on a Council or Committee meeting agenda, including the information contained in the documentation or supporting material, that is declared confidential by the CEO is to remain confidential unless or until the Council table or relevant Committee resolves to the contrary;
- If the Mayor or a Councillor in a meeting asks that a matter be treated as confidential, the Council table will formally resolve as to whether all information concerning the matter is confidential;
- If a meeting of a Committee resolves an item, including the information contained in the documentation or supporting material, is to be confidential it will remain confidential unless or until the Council table resolves to the contrary;
- If the Council table exercises its powers to close a meeting to members of the public, all information in relation to the matters discussed during that closed meeting or the closed portion of the meeting is confidential, unless and until the Council table resolves to the contrary;
- Confidential information will be clearly identified, where possible, as confidential;
- Any information of a type deemed to be confidential (as per section 5.2) is presumed to be confidential to Council and must not be released without seeking advice from the CEO or manager/general manager; or
- If there is any doubt as to whether Council considers information to be confidential, it should be assumed that Council intends the information to be confidential until the doubt is resolved at a subsequent meeting at the Council table.

### 5.3 Release of Confidential Information

Any release of confidential information for any purpose to any person or organisation (other than to those who are entitled to the information) is a breach of the *Local Government Act 1993* (until 1 July 2010) and the *Local Government Act 2009* (beyond 1 July 2010).

Release of information can include:

- Orally telling any person about the information or any part of the information;
- Providing the original or a copy of documentation or any part of the documentation that is marked confidential; or
- Paraphrasing any confidential information and providing that in writing or orally.

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**5.4 Breach of this Policy**

Legislation makes it clear that when Councillors, employees, volunteers or contractors, in the course of carrying out their duties, receive information that is not available to the public they must not misuse the information, particularly for personal gain.

A person may make a complaint about a statutory breach by a Councillor of this provision by giving written notice of the complaint to the local government's CEO.

A person may make a complaint about a statutory breach by an employee, volunteer or contractor in line with Council's Complaint Management Policy.

**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 the Council.

**7 Responsibilities:**

Sponsor	Chief Executive Officer
Business Owner	Chief Executive Officer
Policy Owner	Manager Governance Support
Policy Quality Control	Corporate Improvement and Strategy

**EVAN PARDON**  
**CHIEF EXECUTIVE OFFICER**

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**8.2 ROCKHAMPTON MOUNTAIN BIKE CLUB INC REQUEST FOR CO-FUNDING TO ASSIST BUILDING MOUNTAIN BIKE TRAILS****File No:** 5918**Attachments:**

1. Letter from RMBC Inc to Council requesting assistance 6 September 2015
2. First Turkey Master Plan 2015

**Authorising Officer:** Michael Rowe - General Manager Community Services**Author:** Wade Clark - Community Engagement Officer

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**SUMMARY**

*The Rockhampton Mountain Bike Club Inc has made a formal request to Council to co-fund additional mountain bike trails at the First Turkey Mountain Bike Reserve. The Mountain Bike Club is also seeking co-funding from the State Government and Stanwell Power.*

**OFFICER'S RECOMMENDATION**

THAT Council allocates \$20,000 to the Rockhampton Mountain Bike Club Inc for the project of constructing mountain bike trails on the provision that the State Government allocates funding towards the project; and

THAT Council provides a letter of endorsement to the Rockhampton Mountain Bike Club Inc to assist its application to the State Government for this project.

**COMMENTARY**

The Rockhampton Mountain Bike Club Inc (the Club) is seeking to build three new mountain bike trails at the First Turkey Mountain Bike Reserve at a total cost of \$75,000.

To assist in this endeavour the Club has raised \$10,000 and is seeking funding from three other organisations to help cover the total costs:

- Rockhampton Regional Council (\$20,000),
- Department of National Parks, Sport and Racing (DNPSR) through the 2015 round of Get Playing - Places and Spaces program (\$25,000), and
- Stanwell Power (\$20,000).

The Club has formally written to Council seeking financial support and endorsement in its application to the DNPSR for additional mountain bike trails (refer Attachment 1).

The focus of the proposed project will be to begin the second stage of the trail construction on the First Turkey Mountain Bike Reserve. This will expand the trail network for riders at an intermediate skill level.

The Club's proposed project is to construct trails 5, 5a and 6 with the financial support of the DNPSR, the Council and Stanwell Power. The second attachment to this report, First Turkey Master Plan 2015, provides a detailed outline of the Club's current trails and planned trails for future construction.

The total cost for the proposed project is estimated at \$75,000 and comprises of:

- Construction of 1,800m of new trail at \$35/lineal metre (\$63,000),
- New signage (\$3,000),
- Establishment to site and accommodation for an experienced trail builder, and
- 10% Contingencies and escalation.

**BACKGROUND**

The Rockhampton Mountain Bike Club Inc has a lease over the German Street Bushland area for the purpose of mountain bike activities, this is known as the First Turkey Mountain Bike Reserve.

Since the beginning of their lease the Club has been proactive in developing mountain bike trails within the First Turkey Mountain Bike Reserve for a wide range of users, from beginners through to more advanced riders.

Late 2014, the Council agreed to co-fund (through the Small Projects Scheme) the development of a detailed Master Plan for the First Turkey Mountain Bike Reserve. The Club undertook this activity with the assistance of a specialised consultant. The second attachment: First Turkey Master Plan 2015 is the outcome of this process.

The Club has also been a key stakeholder group involved in the development of the Draft Mount Archer Activation Master Plan.

Recent community consultation through the Draft Mount Archer Activation Master Plan with the local community of Sunset Drive and surrounding streets indicated that:

- The Rockhampton Mountain Bike Club Inc has always been mindful of the local community and the relationship was working well.
- The local residents had no concerns with further mountain bike trails within First Turkey Mountain Bike Reserve as they are also used by many of the locals.

**BUDGET IMPLICATIONS**

Council is requested to contribute \$20,000 towards the project. In the 2015-16 budget formulation process Councillors for the impacted Divisions, Divisions 9 & 10, identified the need for improvements to the German Street reserve and consequently budget allocation for improvements in amenities has been made in the current budget. This allocated funding can be directed towards the application.

**STAFFING IMPLICATIONS**

There are no staffing implications as the Rockhampton Mountain Bike Club Inc will undertake all elements of project management for the construction of the mountain bike trails.

**RISK ASSESSMENT**

The proposed construction of the mountain bike trails will be undertaken by a professional trail building contractor that will be contracted by the mountain bike club. Signage will also be put in place to promote the trails to be intermediate trails.

**CORPORATE/OPERATIONAL PLAN****Corporate Plan**

Parks & Open Space, Provide and maintain an open space parks network and recreation facilities, to meet community expectations and enhance community wellbeing.

Activity: Provide developmental programs for sporting and recreational groups

**Operational Plan**

Parks Recreation Services, manages the presentation, heritage conservation and maintenance of the Rockhampton Botanic Gardens and Zoo, Kershaw Gardens, and burial and memorial services at the Region's cemeteries. This unit is the liaison between Council and the various user groups of Council's parks, sport and recreation facilities to assist in building active and healthy communities.

**CONCLUSION**

The building of new recreational facilities is important to the community and there is a current demand from the local community to provide more mountain bike trails. The Rockhampton Mountain Bike Club Inc has a proven track record in developing mountain bike trails and has thoughtfully pulled together a project with multiple funders to improve the likelihood of obtaining funding.

**ROCKHAMPTON MOUNTAIN BIKE  
CLUB INC REQUEST FOR  
CO-FUNDING TO ASSIST BUILDING  
MOUNTAIN BIKE TRAILS**

**Letter from RMBC Inc to Council  
requesting assistance  
6 September 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 1**



6th September 2015

Michael Rowe  
Rockhampton Regional Council  
Bolsover Street, Rockhampton 4700

Dear Michael

The Rockhampton Mountain Bike Club Inc is applying to the Department of National Parks, Sport and Racing for funding in the 2015 round of Get Playing - Places and Spaces. If successful the grant will allow the club to begin the second stage of trail construction on the First Turkey Mountain Bike Reserve which will expand the trail network for riders at an intermediate skill level. Stage one repaired and expanded on trails aimed at a beginner level and has opened the Reserve to a greater number of new riders.

The attached master plan map details existing and proposed trails. The Club's next goal is to construct trails 5, 5a and 6 with the assistance of the grant. The cost of this construction is estimated at \$75,000. This figure allows for 1,800m of new trail at \$35/lineal metre (\$63,000), new signage (\$3,000), establishment to site and accommodation for an experienced trail builder, and 10% contingencies and escalation.

The Club expects to have three quotes for this work by 11/9/15.

The following table outlines the contributions expected to reach this goal.

Rockhampton Regional Council	\$20,000
Rockhampton MTB Club	\$10,000
Stanwell Corporation	\$20,000
Dept. NPSR	\$25,000
<b>TOTAL:</b>	<b>\$75,000</b>

If Stanwell Corporation are unable to fund \$20,000, then construction of trail 5 (\$17,500) would be deferred to a later date.

Thank you for considering our proposal. Please feel free to contact me if you have any further questions.

Regards

A handwritten signature in black ink that reads 'Andrew Dunn'.

Andrew Dunn  
President  
Rockhampton Mountain Bike Club Inc.  
Ph 0418791834 e-mail jab10@dodo.com.au

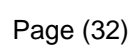
**ROCKHAMPTON MOUNTAIN BIKE  
CLUB INC REQUEST FOR  
CO-FUNDING TO ASSIST BUILDING  
MOUNTAIN BIKE TRAILS**

**First Turkey Master Plan 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 2**







**8.3 TRAVEL APPROVAL FOR GALLERY CURATOR TO ATTEND A MEETING IN CARDIFF, WALES ON BEHALF OF ROCKHAMPTON ART GALLERY****File No:** 3147**Attachments:** Nil**Authorising Officer:** Michael Rowe - General Manager Community Services**Author:** Tracy Cooper-Lavery - Gallery Director

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**SUMMARY**

*The Gallery Director is seeking approval for the Gallery Curator to travel to Cardiff, Wales return from London (22-23 October 2015) to attend a meeting at the National Museum of Wales as part of ongoing negotiations towards an international exhibition for Rockhampton Art Gallery in mid-2018.*

**OFFICER'S RECOMMENDATION**

THAT Council agrees to approve the travel request and fund the visit by the Gallery Curator to the National Museum of Wales, Cardiff as part of ongoing exhibition negotiations.

**COMMENTARY**

The Art Gallery Director is currently in negotiations to present an important exhibition of French and British Art from the National Museum of Wales exclusively for Rockhampton and two other regional venues from mid-2018. If successful, this would be the first time that the National Museum of Wales has ever toured an exhibition of their works to Australia and would be a landmark moment in the Gallery's history.

The Gallery Curator will be travelling to the United Kingdom en route to Venice for her volunteer placement at the Australian Pavilion, Venice Biennale (see Communities Committee and Council Minutes: 4 & 11 August). This travel provides a unique opportunity for the Gallery Curator to meet with the Keeper of Art at the National Museum of Wales and view first-hand, potential works for the exhibition and discuss further details of the proposed tour.

Estimated travel costs for return train (London-Cardiff-London) and one night's accommodation in Cardiff are approximately \$350. In accordance with Council's Travel Policy all international travel requires the approval of Council.

#### 8.4 INFORMATION AND COMMUNICATION TECHNOLOGY SPECIALISED AND SOLE SUPPLIER ARRANGEMENTS

**File No:** 3609  
**Attachments:** Nil  
**Authorising Officer:** Ross Cheesman - General Manager Corporate Services  
**Author:** Drew Stevenson - Manager Corporate and Technology Services

#### SUMMARY

*The purpose of this report is to seek a Council resolution that the nominated information and communications technology suppliers are deemed as specialised or sole suppliers in accordance with Section 235 (a) and (b) of the Local Government Regulation 2012.*

#### OFFICER'S RECOMMENDATION

THAT pursuant to s235(a) and (b) of the *Local Government Regulation 2012*, Council approve the nominated information and communications technology suppliers as specialist or sole suppliers of information technology software, maintenance and support services.

#### BACKGROUND

In previous years Council has procured specialist software that can only be maintained and supported by suppliers who have supplied this software. A review of specialist suppliers has been completed and summarised below. Deeming these software vendors as specialist or sole suppliers will permit the suppliers to be re-engaged to continue to provide the required services on expiry of their existing contract terms.

Supplier	IT Software	Justification
AAM	GeoCortex	Selected as Council's web based geospatial mapping engine based on assessment of available market solutions and standard quotation process. AAM are a reseller of the GeoCortex solution and have developed customised integration and as such are the only supplier for the entire solution.
Adamas	TRAACS	Selected as Council's Home Assist management platform based on assessment of available market solutions and standard quotation process. The software developer, Adamas, is the only supplier for this licensed software, also providing maintenance and support.
ASP - Australian Software Professionals	WastEdge	Selected as Council's waste collection routing management platform. The software developer, ASP, is the only supplier for this licensed software, also providing maintenance and support.
Asset Edge	Reflect (RMPC)	Selected as Council's road maintenance performance inspection and maintenance management platform based on assessment of available market solutions and standard quotation process. The software developer, Asset Edge, is the only supplier for this licensed software, also providing maintenance and support.

Supplier	IT Software	Justification
Bentley	Water GEMS	Selected as Council's water distribution management platform. The software developer, Bentley, is the only supplier for this licensed software, also providing maintenance and support.
Chandler Macleod (previously Aurion Corporation)	Aurion	Selected as Council's HR and payroll management platform. The software developer, Chandler Macleod, is the only supplier for this licensed software, also providing maintenance and support.
ChemWatch	ChemWatch	Selected as Council's material and safety data management platform. The software developer, ChemWatch, is the only supplier for this licensed software, also providing maintenance and support.
Conquest Solutions	Conquest	Selected as Council's asset management platform. The software developer, Conquest Solutions, is the only supplier for this licensed software, also providing maintenance and support.
Enabling	ReGenOne	Selected as Council's cemetery management platform based on assessment of available market solutions and standard quotation process. The software developer, Enabling, is the only supplier for this licensed software, also providing maintenance and support.
ESRI Australia	ArcGIS	Selected as Council's Geospatial Information System (GIS) platform. The software developer, ESRI, is the only supplier for this licensed software, also providing maintenance and support.
F E Technologies	RFID Library System	Selected as Council's library Radio-frequency Identification (RFID) platform based on assessment of available market solutions and standard quotation process. The software developer, F.E. Technologies, is the only supplier for this licensed software, also providing maintenance and support.
InfoCouncil	InfoCouncil	Selected as Council's minutes and agendas platform based on assessment of available market solutions and standard quotation process. The software developer, InfoCouncil, is the only supplier for this licensed software, also providing maintenance and support.
Infor Global	Pathway	Selected as Council's property and rating platform. The software developer, Infor Global, is the only supplier for this licensed software, also providing maintenance and support.
Itron	MVRS	Selected as Council's water meter reading platform. The software developer, Itron, is the only supplier for this licensed software, also providing maintenance and support.

Supplier	IT Software	Justification
Mandalay Technologies	Mandalay	Selected as Council's waste weighbridge management platform. The software developer, Mandalay Technologies, is the only supplier for this licensed software, also providing maintenance and support.
Outback Imaging	Ezescan	Selected as Council's records management scanning platform based on assessment of available market solutions and standard quotation process. The software developer, Outback Imaging, is the only supplier for this licensed software, also providing maintenance and support.
PAN Software	Riskware	Selected as Council's workplace health and safety management platform based on assessment of available market solutions and standard quotation process. The software developer, PAN Software, is the only supplier for this licensed software, also providing maintenance and support.
QIT Plus	Guardian	Selected as Council's disaster management platform based on the State Government sponsored system. The software developer, QIT Plus, is the only supplier for this licensed software, also providing maintenance and support.
QK Technologies	Qikkids	Selected as Council's childcare management platform. The software developer, QK Technologies, is the only supplier for this licensed software, also providing maintenance and support.
SAI Global	Australian Standards online annual subscription	Sole provider of Australian Standards.
SAP	Crystal	Selected as Council's IT reporting platform. The software developer, SAP, is the only supplier for this licensed software, also providing maintenance and support.
Seamless	Seamless CMS	Selected as Council's website content management platform based on assessment of available market solutions and standard quotation process. The software developer, Seamless, is the only supplier for this licensed software, also providing maintenance and support.
SirsiDynix	Sirsi Symphony	Selected as Council's library management platform. The software developer, SirsiDynix, is the only supplier for this licensed software, also providing maintenance and support.
Software Studio	WinCounter	Selected as Council's library visit counting platform. The software developer, Software Studio, is the only supplier for this licensed software, also providing maintenance and support.

Supplier	IT Software	Justification
TechnologyOne	ECM	Selected as Council's document management platform. The software developer, TechnologyOne, is the only supplier for this licensed software, also providing maintenance and support.
	Finance One & ScanWatcher	Selected as Council's financial management platform. The software developer, TechnologyOne, is the only supplier for this licensed software, also providing maintenance and support.
	Eplan	Selected as Council's strategic planning scheme management platform based on assessment of available market solutions and standard quotation process. The software developer, TechnologyOne, is the only supplier for this licensed software, also providing maintenance and support.
Transponder Technologies	TransSequel	Selected as RRC's fuel management platform based on assessment of available market solutions and standard quotation process. The software developer, Transponder Technologies, is the only supplier for this licensed software, also providing maintenance and support.

Perpetual contractual arrangements with these specialised and sole software suppliers are necessary to ensure the existing corporate software applications are correctly licensed, supported and maintained for the life of the software.

### 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 –*

- a) the local government resolves it is satisfied that there is only 1 supplier who is reasonably available; or*
- 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*
- c) ....."*

### CONCLUSION

It is recommended that Council resolve that the nominated software vendors be deemed as specialised or sole suppliers in accordance with Sections 235 (a) and (b) of the *Local Government Regulation 2012*.

## 9 STRATEGIC REPORTS

### 9.1 ARROW BOWEN PIPELINE PROJECT

**File No:** 2083

**Attachments:**

1. Arrow Bowen Pipeline through RRC
2. Arrow Weed Management Framework
3. Arrow's comments on SGIC Weed Management Plan
4. Arrow's proposed SGIC Weed Management Plan
5. SGIC Weed Management Plan
6. RRC comments on Arrow's Weed Management Plan
7. Advert in The Morning Bulletin September 2015
8. Notice from The Morning Bulletin September 2015

**Authorising Officer:** Evan Pardon - Chief Executive Officer

**Author:** Robert Holmes - General Manager Regional Services

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#### SUMMARY

*The Arrow Bowen Pipeline Project comprises the construction of a 430 km high pressure pipeline from a Central Gas Processing Facility (CGPF) located north of Moranbah to a gas gathering hub at Mount Larcom. About 143 km of the Arrow Bowen Pipeline will be constructed and located in the Rockhampton Regional Council area. This will require the use of Council roads as well as State roads and this report is to provide an update to the Committee on the project and its impacts on the Council area.*

#### OFFICER'S RECOMMENDATION

THAT the information in the Arrow Bowen Pipeline Project report be noted.

#### BACKGROUND

Arrow Energy intends to construct and operate the Arrow Bowen Projects that consist of the Arrow Bowen Pipeline (ABP) and the Bowen Gas Project (BGP). The BGP is located in the Bowen Basin area of central Queensland. Arrow Energy has tenures covering approximately 8,000 km<sup>2</sup> that are located approximately 150km south-west of Mackay, with the bulk extending from Glenden in the north to Blackwater in the south.

The gas wells in the Phase 1 development of the BGP that is a subject of the Rockhampton Region Road Infrastructure Assessment are located north of Moranbah and the Peak Downs Highway at Red Hill, Ward Wells and Lancewood to the north of the Suttor Development Road.

The land uses adjoining the BGP site are mainly:

- broad acre cattle grazing on cleared and uncleared land with associated homestead and cattle yards (no feedlots and no cropping);
- coal mining by open cut and underground longwall methods with associated industrial facilities and rail load outs; and
- a limited number of coal mine accommodation facilities.

The ABP traverses a range of land uses, mainly:

- coal mining and broad acre cattle grazing (cleared and uncleared) north of Peak Downs Highway;

- broad acre cattle grazing (cleared and uncleared) and cropping land in the middle sections;
- smaller rural lots and rural residential in areas around Rockhampton and Gracemere; and
- linear transport and services (rail, road, electricity, water and gas), small transport towns and broad acre cattle grazing in the southern sections.

The ABP will be a 430 km high pressure gas pipeline to take coal seam gas from a number of gas fields in the Bowen Basin to a gas gathering hub (GGH) near Mount Larcom, approximately 25 km northwest of Gladstone in Queensland. As part of the ABP works, four (4) temporary workforce camps are expected to be provided along its alignment.

For the ABP a combination of State, Council and private roads will be used to deliver the pipe to the location where it is to be installed within the Right of Way (RoW).

Delivery hubs are to be in Mackay for the northern section of the ABP and Gladstone for its southern section. The intention is for the ABP to be constructed from south to north (Mount Larcom to Red Hill, which is located north of Moranbah). A large number of roads will be used for construction access and these have been identified in the relevant TMR or local government Road Infrastructure Assessment reports.

### **Arrow Bowen Pipeline**

The ABP Project comprises the construction of a 430 km high pressure pipeline from west of Gladstone through to a Central Gas Processing Facility (CGPF) located at RH1, north of Moranbah. The pipeline passes through four local government areas and two Department of Transport and Main Roads (TMR) districts as listed below:

- Gladstone Regional Council
- Rockhampton Regional Council
- Isaac Regional Council
- Livingstone Shire Council
- TMR Fitzroy District
- TMR Mackay/Whitsunday District.

During construction of the ABP it is expected that four (4) temporary workforce camps would be provided along the pipeline route to accommodate construction crews.

The BGP works are predominantly concentrated in Isaac Regional Council and the TMR Mackay/ Whitsunday District and comprise two main separate activities which are:

- Construction of a Central Gas Processing Facility, Marshalling Yard, Construction Laydown Yard, Water Treatment Facility and Transfer Stations, four Field Compression Facilities, a sub-station and an Accommodation Village and includes a crossing of the Isaac River to access the RH2 gas drainage area.
- Construction of access tracks and well pads, drilling operations for approximately 678 producing wells, approximately 700 km of water and gas gathering pipes (low and medium pressure gas pipes) and connection to the ABP that is a high pressure gas pipeline.

## **COMMENTARY**

### **Route**

As outlined above, the Arrow Bowen Pipeline is 430km of high pressure gas pipeline transporting coal seam gas from a number of gas fields in the Bowen Basin to a gas gathering hub near Mount Larcom. A map indicating the overall route of the Arrow Bowen Pipeline is below.



The route through the Rockhampton Regional Council area is shown in more detail in Attachment 1 with approximately 143km of the pipeline constructed in the Region.

The schedule of RRC roads and approximate lengths of those roads to be used are as follows:

ROAD NAME	SEALED/UNSEALED	APPROX LENGTH KM
Hoare Road - Bruce Highway to ROW	Unsealed	2.19
Twelve Mile Road - Bruce Highway to ROW	Unsealed	5.04
Toonda Port Alma Road - Bruce Highway to Twelve Mile Road	Sealed	0.21
Toonda Port Alma Road - Twelve Mile Road to ROW	Sealed	4.5
Casuarina Road - Bruce Highway to Georges Road	Unsealed	1.16
Casuarina Road - Georges Road to ROW	Unsealed	0.62
Georges Road - Casuarina Road to ROW	Unsealed	1.65
Roope Road - Bruce Highway to ROW	Sealed	1.72
W hyte Road - Bruce Highway to ROW	Unsealed	0.63
Jellicoe Street - Bruce Highway to Old Bruce Highway	Sealed	1.29
Old Bruce Highway - Jellicoe Street to Bruce Highway	Sealed	1.49
Fairy Bower Road - Capricorn Highway to Malchi Nine Mile Road	Sealed	7.08
Newman Road / Fogarty Lane / Fogarty Road - Fairy Bower Road to ROW	Part sealed	1.30
Malchi Nine Mile Road / Lion Mountain Road - Fairy Bower Road to Harding Road		
Unsealed	12.78	
Harding Road - Harding Road to Stanwell - W arola Road	Unsealed	6.21



ROAD NAME	SEALED/UNSEALED	APPROX LENGTH KM
Harding Road - Lion Mountain Road to ROW	Unsealed	0.86
Stanwell - Waroula Road - Harding Road to ROW	Part sealed	5.26
Dalma Ridglands Road - Stanwell - Waroula Road to ROW	Part sealed	9.52
Faraday Road - Dalma Ridglands Road to ROW	Unsealed	4.01
Moses Road - Faraday Road to Morinish Road	Unsealed	6.75
Morinish Road - Moses Road to ROW	Unsealed	4.10
Craignaught Road - Morinish Road to ROW	Unsealed	3.23
Glenroy Road - Glenroy Road to Craignaught Road	Unsealed	1.73
Glenroy Road - Glenroy Road to Garnant Road	Unsealed	7.55
Garnant Road - Glenroy Road to Garnant Road	Unsealed	6.84
Glenroy Road - Craignaught Road to Marble Ridges Road	Unsealed	15.16
Glenroy Road - Glenroy Road to Marble Ridges Road	Unsealed	7.22
Marble Ridges Road - Glenroy Road to ROW	Unsealed	1.54
Glenroy Road - Marble Ridges Road to Fairview Road	Unsealed	6.52
Fairview Road - Glenroy Road to ROW	Unsealed	2.58
Glenroy Road - Fairview Road to Red Bank Road	Unsealed	5.05
Redbank Road - Glenroy Road to ROW	Unsealed	6.19
Glenroy Marlborough Road - Glenroy Road to Morbank Road	Unsealed	22.40
Glenroy Marlborough Road - Glenroy Road to ROW (towards Coorumburra Road)	Unsealed	4.03
Morbank Road - Glenroy Marlborough Road to ROW	Unsealed	8.85

As well as the Council owned roads in the above table, the following State controlled roads in the Council area will also be used:

ROAD NAME	SEALED/UNSEALED	APPROX LENGTH KM
Bajool - Port Alma Road	Sealed	5.53
Capricorn Highway	Sealed	48.96
Bruce Highway	Sealed	65.41
Ridglands Road	Sealed	28.64
Gavial – Gracemere Road	Sealed	10.30
Burnett Highway	Sealed	

### **Use of Roads**

As part of the planning for such a project, Arrow Energy as well as identifying the proposed routes that they will use in conjunction with the project, they also indicate that duration, type and volume of traffic that they will place on those roads. This information is then used by Arrow Energy to undertake the Road Impact Assessment (RIA) to assess:

- the suitability of the identified roads and intersections;
- the condition of the roads and intersections,
- what works they may need to do to be able to place that volume and type of traffic on those roads; and

- what remedial work they may need to do at the end of the project.

This RIA also addresses the requirements of the Department of Environment and Heritage Protection evaluation of the EIS that was reported in March 2013 for the Arrow Bowen Pipeline and September 2014 for the Bowen Gas Project. The evaluation report included a recommendation that an updated RIA should be provided no later than six months prior to the commencement of any Project construction works. The updated RIA should include:

- review and finalise the RIA to include details of the latest project traffic generation and all project transport impacts on the safety condition and efficiency of state controlled roads in accordance with Guidelines for Assessment of Road impacts of Development (2006) in consultation with relevant TMR Regional Offices (Manager, Project Planning and Corridor Management);
- clearly indicate where detailed information is not available and use methodologies as agreed with DTMR and Councils, prior to RIA finalisation;
- undertake a Cumulative Impact Assessment and/or include project transport impacts of the related Arrow Bowen Pipeline project;
- submit the updated RIA to the relevant TMR Regional Offices for review and approval; and
- prepare a Road Use Management Plan (RMP) for all use of state-controlled roads for each phase of the project, in accordance with TMR Guide to Preparing a Road Use Management Plan available from the TMR Central Coast region.

The RMP must receive TMR's approval prior to its implementation and must include:

- latest traffic generation figures (e.g. vehicle numbers);
- finalised impact assessment of safety and efficiency at intersections, impact on road links and pavements and other elements as per the above guideline; and
- updated impact mitigation strategies, focussing on road-use management strategies, particularly road safety measures such as bussing workers, fatigue management, avoiding school bus routes during peak operating times. These RMP strategies should be listed in a Table of Commitments to allow review of their implementation/ completion.

This RIA provides an assessment of the road and pavement impacts and development of suitable mitigation measures for the local roads in Rockhampton Regional Council including recommending measures for inclusion in a RMP that should be implemented and refined as part of the approvals process prior to construction of the Project.

The proposed project traffic to be experienced on RRC roads for the project are as follows:

ROAD NAME	April 2017 to April 2018 total daily one-way traffic	2023 total daily one-way traffic	2036 total daily one-way traffic
Hoare Road – Bruce Highway to ROW	36	0	0
Twelve Mile Road – Bruce Highway to ROW		36	0
Twelve Mile Road - T oonda Port Alma Road to ROW	72	0	0
Toonda Port Alma Road – Bruce Highway to Twelve Mile Road -	72	0	0
Toonda Port Alma Road – Twelve Mile Road to ROW	42 (light vehicles only)	0	0
Casuarina Road - Bruce Highway to Georges Road	180	0	0

<b>ROAD NAME</b>	<b>April 2017 to April 2018 total daily one-way traffic</b>	<b>2023 total daily one-way traffic</b>	<b>2036 total daily one-way traffic</b>
Casuarina Road – Georges Road to ROW	72	0	0
Georges Road - Casuarina Road to ROW	108	0	0
Rooke Road – Bruce Highway to ROW	24	0	0
W hyte Road - Bruce Highway to ROW	36	0	0
Jellicoe Street - Bruce Highway to Old Bruce Highway	36	0	0
Old Bruce Highway - Jellicoe Street to Bruce Highway	36	0	0
Fairy Bower Road - Capricorn Highway to Fogarty Lane	1212	0	0
Fairy Bower Road – west of Newman Road	1176	0	0
Newman Road, Fogarty Lane, Fogarty Road – Fairy Bower Road to ROW	2230	0	0
Malchi Nine Mile Road – Fairy Bower Road to Lion Mountain Road	1104	0	0
Lion Mountain Road – Fairy Bower Road to ROW	1104	0	0
Harding Road – Harding Road to Lion Mountain Road	1008	0	0
Harding Road - Lion Mountain Road to ROW	48	0	0
Stanwell - W aroula Road – Harding Road to ROW	960	0	0
Dalma Ridgeland Rd - Stanwell-Waroula Rd to ROW	888	0	0
Faraday Road - Dalma Ridgeland Road to ROW	852	0	0
Moses Road - Faraday Road to Morinish Road	792	0	0
Morinish Road – Moses Road to ROW	36	0	0
Craignaught Road - Morinish Road to ROW	36	0	0
Glenroy Road - Craignaught Road to ROW	720	0	0
Glenroy Road - Glenroy Road to Craignaught Road	756	0	0
Glenroy Road - Glenroy Road to Garnant Road	0	0	0
Garnant Road - Glenroy Road to Garnant Road	0	0	0
Glenroy Road - Glenroy Road to Marble Ridges Road	636	0	0
Marble Ridges Road - Glenroy Road to ROW	72	0	0

ROAD NAME	April 2017 to April 2018 total daily one-way traffic	2023 total daily one-way traffic	2036 total daily one-way traffic
Glenroy Road - Glenroy Road to Fairview Road	564	0	0
Fairview Road - Glenroy Road to ROW	120	0	0
Glenroy Road - Fairview Road to Red Bank Road	444	0	0
Redbank Road - Glenroy Road to ROW	144	0	0
Glenroy Marlborough Road - Glenroy Road to Morbank Road	300	0	0
Glenroy Marlborough Road - Glenroy Road to ROW	60	0	0
Morbank Road - Glenroy Marlborough Road to ROW	24	0	0
Coorumburra Road - Glenroy Marlborough Road to Livingstone Council boarder	0	0	0

This RIA is based on current Project information that was available at the time of its development. If Project information changes following the finalisation of this RIA, then such changes will be addressed in the RMP.

Prior to the commencement of the Project traffic travelling on Rockhampton Regional Council roads, an Infrastructure Agreement between Rockhampton Regional Council and Arrow Energy will be formally put in place. An Infrastructure Agreement will clearly set out the requirements and responsibilities of each party in maintaining the Rockhampton Regional Council roads impacted by Project traffic to a safe and trafficable standard. This RIA and the subsequent RMP should contain information and set-out processes that would inform an Infrastructure Agreement. Therefore, an Infrastructure Agreement may be developed following completion and approval of this RIA and the associated RMP.

Council Officers are currently negotiating with Arrow Energy representatives regarding the RIA and the suitability of some of the roads for the proposed traffic. Once these negotiations are finalised a Road Infrastructure Agreement will be drafted and negotiated with Arrow.

### **Temporary Workforce Camp Access**

As part of the ABP, there are expected to be four (4) temporary workforce camps situated along the ABP ROW. The probable access routes to each camp to the ABP ROW are detailed in the table below. Note that the final locations of the camps will be determined by the ABP construction contractor. Two of the workforce camps, camps #1 and #2, would be located in the Rockhampton Regional Council area with the workforce travelling in coaches from Rockhampton Airport at the start and end of shifts.

Camp #1 would support ABP construction from Chainage 428.4 km (at Mt Larcom) to 332.6 km (in the vicinity of Stanwell - Waroula Road) and is currently planned to be located south west of Rockhampton. This camp would be accessed via Fairy Bower Road from the Capricorn Highway. This camp would be located adjacent to the ABP ROW.

Camp #2 would support ABP construction from Chainage 332.6 km to 211 km (in the south east area of Isaac Regional Council). Camp #2 is currently planned to be located in the north west of the Rockhampton Council area, close to its border with Livingstone and Central Highlands Council areas. Camp #2 is currently planned to be accessed from Glenroy-Marlborough Road and would also be located adjacent to the ABP ROW.

The traffic generation profile used for this assessment includes all vehicle trips associated with the establishment and removal of the camps such as delivery of plant and material, workforce movements to and from the ABP ROW and movement of materials to and from the camp such as fuel, water, waste and other deliveries.

Camp #	Location	Local Govt area	Access Routes	Set-up	Occupation by Workforce	Demob
1	South west of Rockhampton	Rockhampton Regional Council	Capricorn Highway Fairy Bower Road Newman Road Fogarty Lane Fogarty Road	Jan - Mar 17	Apr - Jun 17	Aug - Oct 17
2	Glenroy	Rockhampton Regional Council	Marlborough– Sarina Road Coorumburra Road Glenroy- Marlborough Road Morbark Road	May - Jun 17	Jul - Sep 17	Oct - Dec 18

Those camps will accommodate fly-in/ fly-out workers on a 28 day-on and 9 day-off shift pattern for the construction of the ABP. Staff will be bussed from designated airports to the camp sites. Each ABP camp would accommodate around 425 workforce personnel and 75 camp crew. The camp crew would be split into two crews. This workforce would be transported from the relevant airport to the camp by a small fleet of buses, each with a capacity for 69 people. As this movement of staff would only occur around once a month it has not been included in the traffic profile.

### **Weed Management Plan**

Council Officers have met with representatives of Arrow Energy to discuss Arrow's concerns regarding the current Stanwell Gladstone Infrastructure Corridor (SGIC) Weed Management Plan. Arrow's concerns related to –

- Arrow's inability to comply with the Plan as currently written in light of current and new state legislation;
- the inconsistency that will occur between Arrow's Weed Management Plan contained in its landholder Conduct and Compensation Agreements (CCAs) and the SGIC Weed Management Plan; and
- the costs and schedule issues involved in complying with the Plan.

Arrow was, at that time, negotiating a licence agreement with the Office of Coordinator-General (OCG) for its use of the SGIC for the Arrow Bowen Pipeline. Arrow indicated that they had raised their concerns regarding the SGIC Weed Management Plan with the OCG and undertook to approach both the Rockhampton and Gladstone Regional Councils to discuss those concerns. Arrow was seeking Council's view on its proposed Weed Management Plan to inform their discussions with the OCG.

Arrow provided amongst other material the following in respect of their position and they are provided for the Committee's information:

- Arrow's Weed Management Framework (Attachment 2)
- Arrow's comments on the current SGIC Weed Management Plan (Attachment 3)
- Arrow's proposed SGIC Weed Management Plan (Attachment 4)
- SGIC Weed Management Plan (Attachment 5)

As indicated Council Officers met with the Arrow Energy representatives and then gave consideration to their position but also to what the RRC community impacted by this project would expect and then provided Arrow with those comments for consideration and incorporation into the Weed Management Plan. A copy of the comments provided by RRC are contained in Attachment 6.

Recent advices from Arrow Energy have indicated that they have considered those comments and would get a draft of the revised Weed Management Plan back to Council; however, that is yet to be received.

### **Strategic Cropping Land**

The Regional Planning Interests Act 2014 (RPI Act) identifies and protects areas of Queensland that are of regional interest. In doing this, the RPI Act seeks to manage the impact and support coexistence of resource activities and other regulated activities in areas of regional interest. The RPI Act is supported by the RPI Regulation.

Together, the RPI Act and Regulation seek to strike an appropriate balance between protecting priority land uses and delivering a diverse and prosperous economic future for our regions. In addition, the RPI Act provides the framework for implementing various policies of the government's statutory regional plans.

The RPI Act protects:

- living areas in regional communities;
- high-quality agricultural areas from dislocation;
- strategic cropping land; and
- regionally important environmental areas.

A Regional Interests Development Approval (RIDA) may be required when a resource or regulated activity such as the Arrow Bowen Pipeline project is proposed to be located in an area of regional interest.

Arrow Energy have made such an application in respect of strategic cropping land and this was advertised in The Morning Bulletin recently. A copy of the advertisement and notice is attached as Attachment 7.

It should be noted that one of the properties identified is under the control of Council with that block being L93 on LN2601 located at Fairy Bower Road, Fairy Bower. That land is a drainage reserve.

### **CONCLUSION**

The foregoing provides an overview of where the Council's negotiations are with Arrow Energy and much of this to date has been by email and telephone. We will be commencing face to face meetings in the near future and the opportunity will also be taken to promote the use of both local workers and businesses whilst the project is in the Council's area.

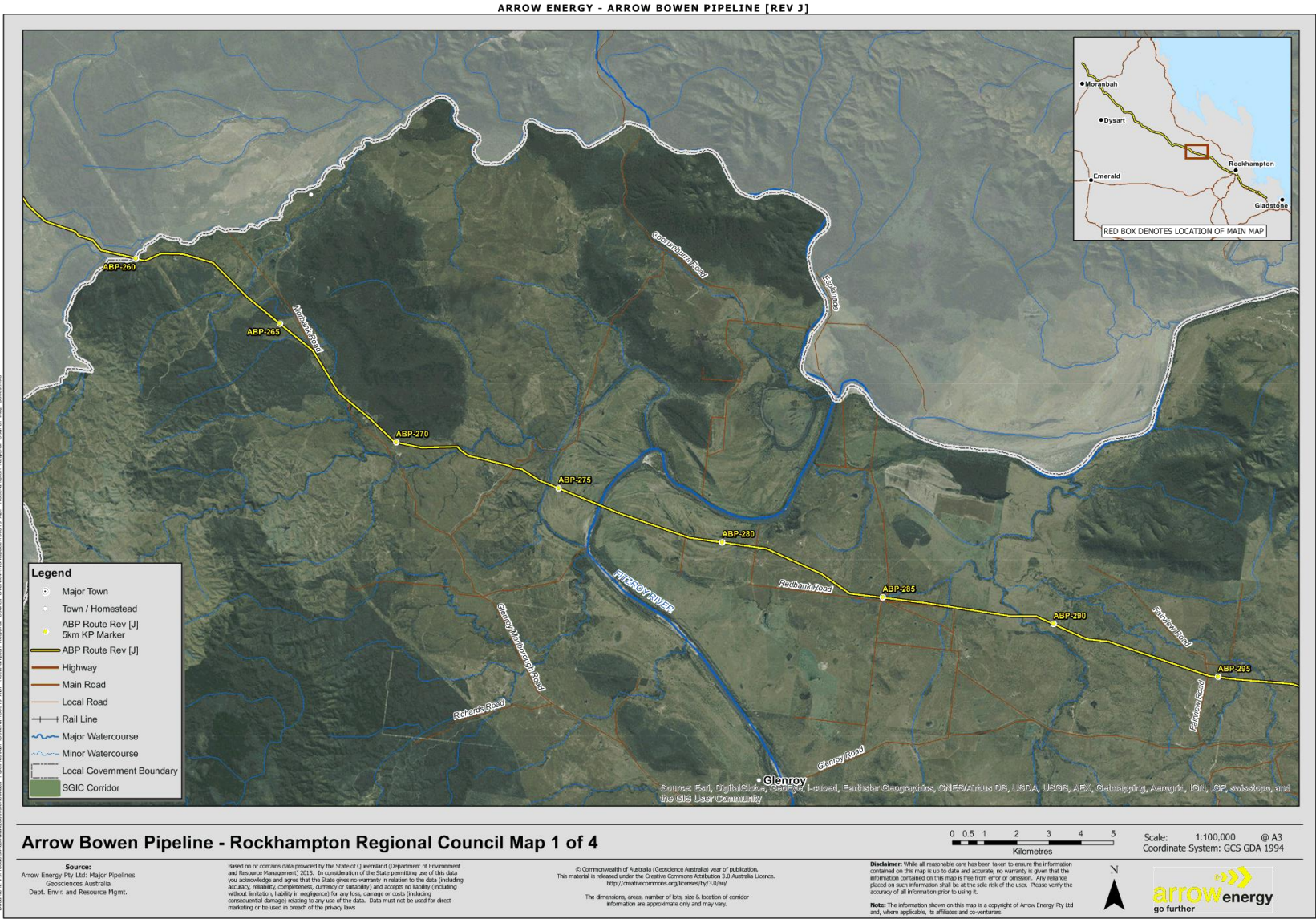
# **ARROW BOWEN PIPELINE PROJECT**

## **Arrow Bowen Pipeline through RRC**

**Meeting Date: 22 September 2015**

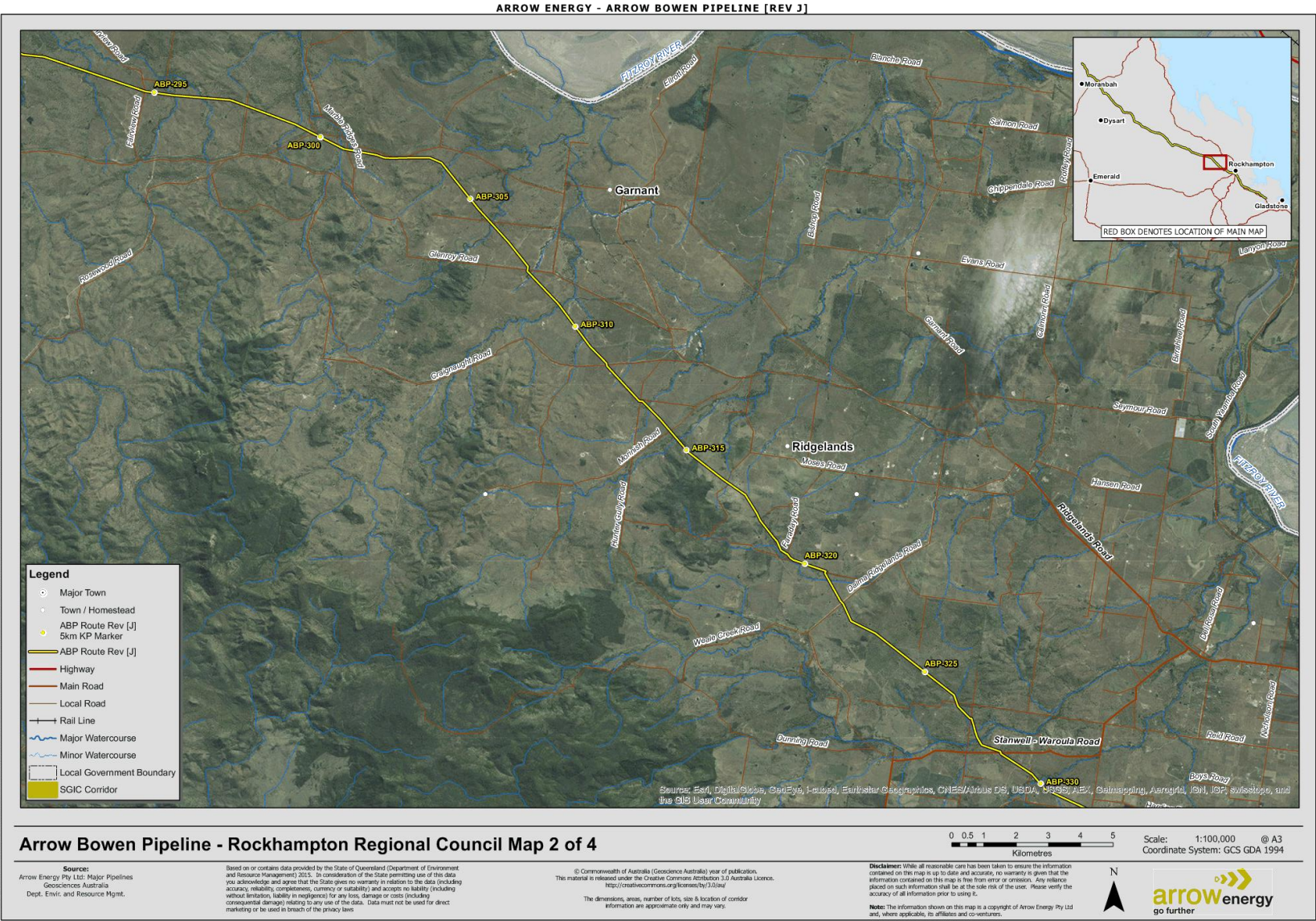
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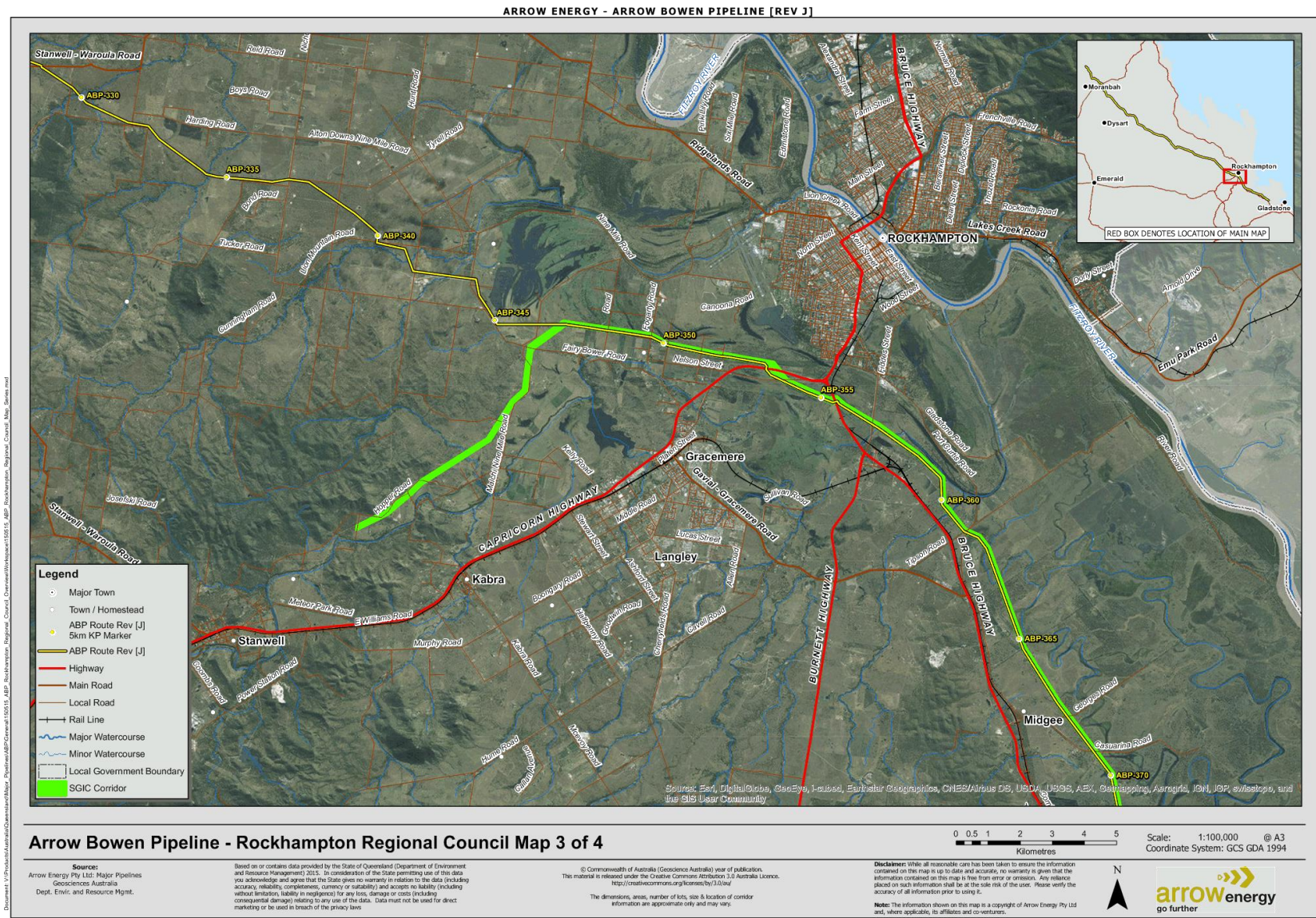
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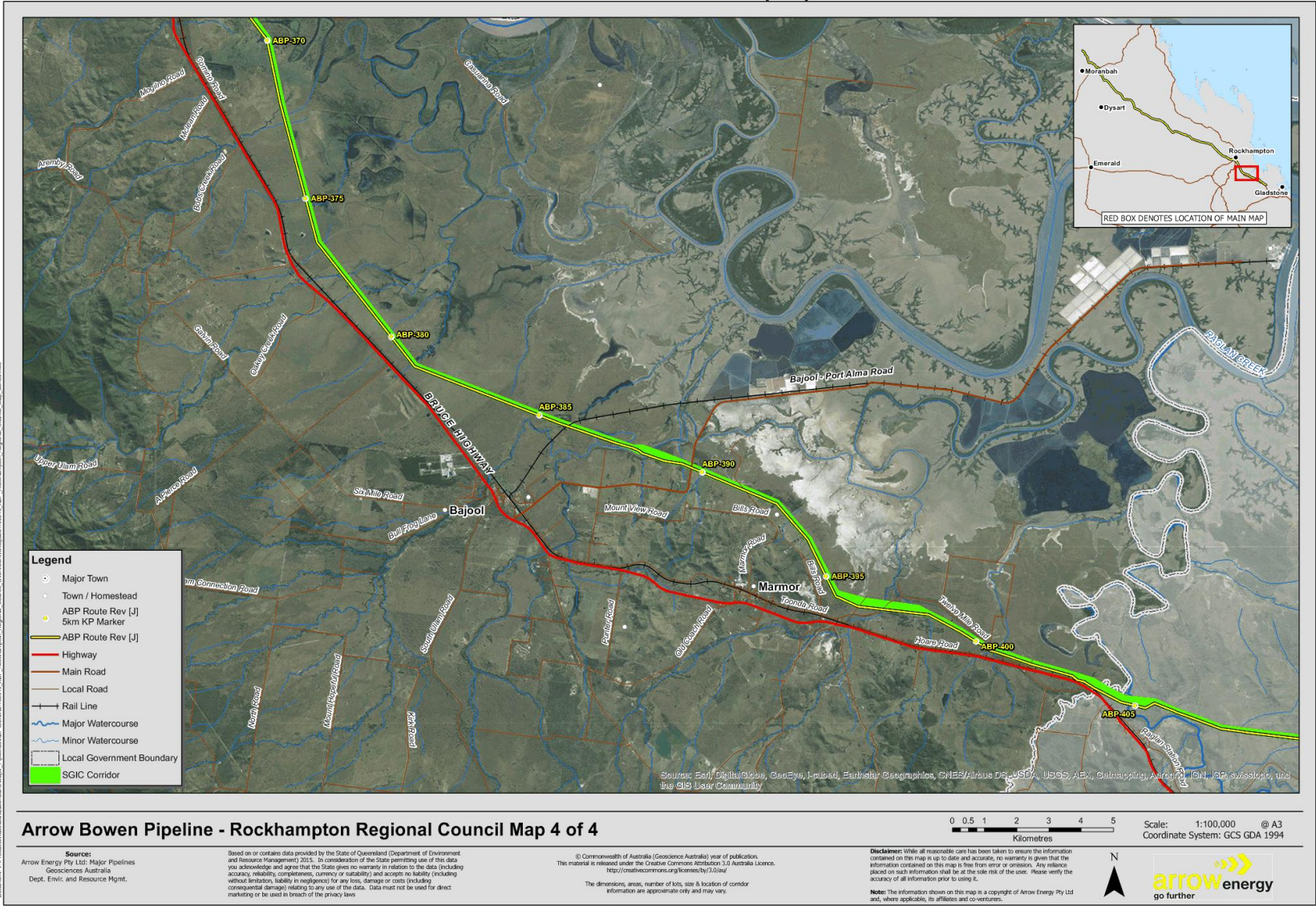
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ARROW ENERGY - ARROW BOWEN PIPELINE [REV J]



NOT FOR CONSTRUCTION

# **ARROW BOWEN PIPELINE PROJECT**

## **Arrow Weed Management Framework**

**Meeting Date: 22 September 2015**

**Attachment No: 2**



**Arrow Energy**

**HSE Management System**

Weed management

March 2015

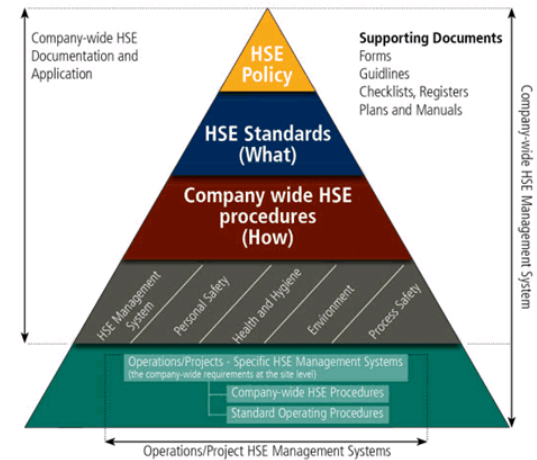




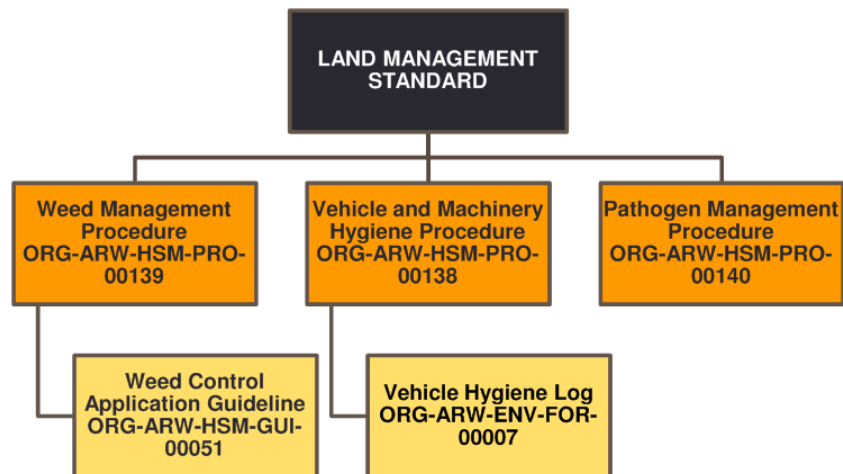
## Arrow HSE management

### Health, Safety and Environment Management System

- Arrow Energy has an integrated HSE policy with one of the pillars being Environment
- Land management Standard includes managing:
  - Weeds
  - Vehicle and machinery hygiene
  - Pathogens.

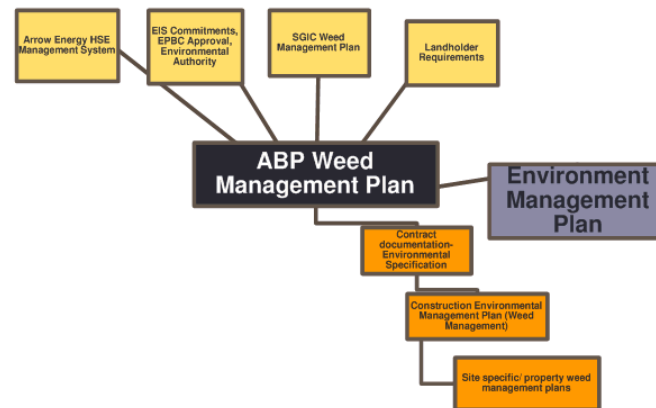






### ABP Weed Management Framework

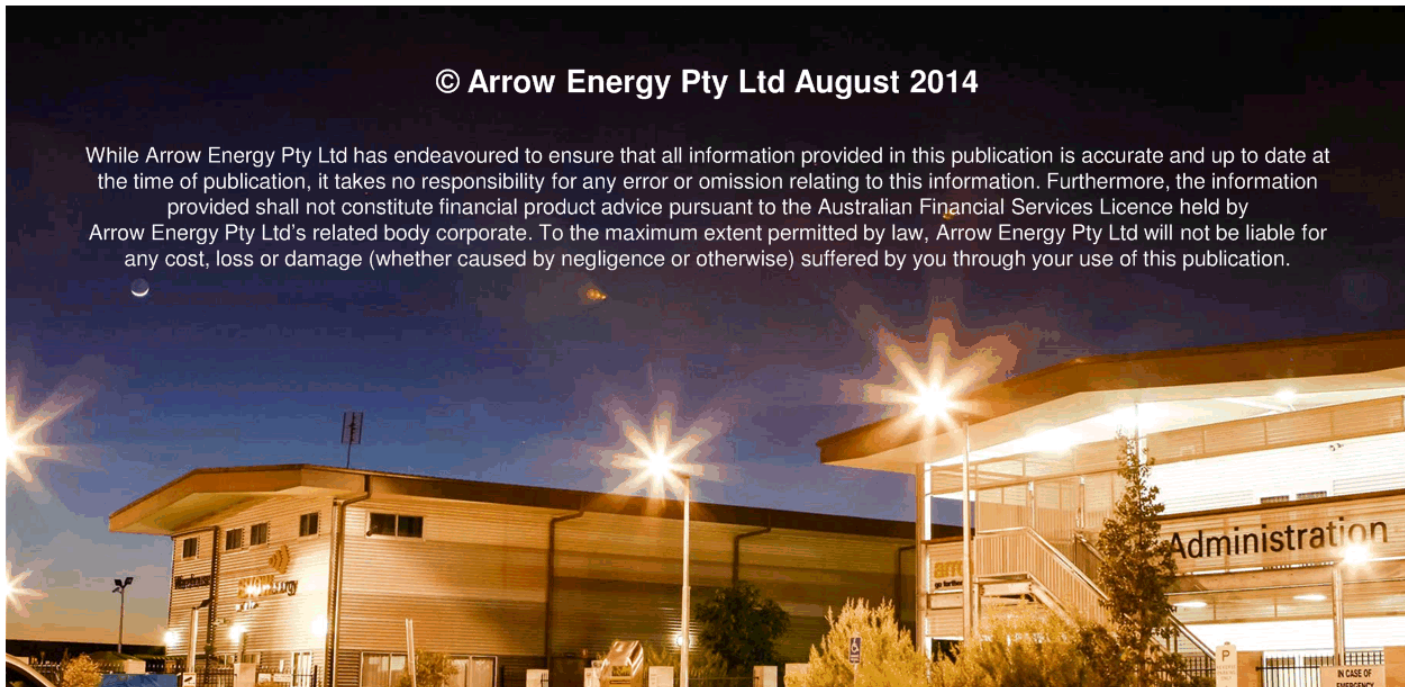
- Consistent with:
  - Legislative requirements
  - EIS commitments
  - Conditions imposed by statutory authorities
  - Land access code
- Covers management of all project phases
  - Pre-disturbance
  - Land clearing
  - Construction
  - Restoration
  - Rehabilitation





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# **ARROW BOWEN PIPELINE PROJECT**

## **Arrow's comments on SGIC Weed Management Plan**

**Meeting Date: 22 September 2015**

**Attachment No: 3**

Stanwell-Gladstone Infrastructure Corridor State Development Area Weed Management Plan (Construction and Maintenance)	Arrow Comments on Requirements
<p>Objectives</p> <ul style="list-style-type: none"> <li>Minimise the introduction and distribution of weeds, and unwanted plant or crop species within the Stanwell-Gladstone Infrastructure Corridor State Development Area (SGIC) and its borders</li> </ul>	<p>Arrow would meet the objective which aligns with relevant legislative requirements:</p> <ol style="list-style-type: none"> <li>A relevant person must take all reasonable steps to ensure that, in carrying out authorised activities, the person does not spread the reproductive material of a declared pest. (<i>Land Access Code</i>, 2010)</li> <li>A person must not, without reasonable excuse, introduce a declared pest other than under a declared pest permit (<i>Land Protection (Pest and Stock Route Management) Act 2002</i>)</li> </ol> <p>Legislative requirements only require management of National, State and local law declared weeds, not any "unwanted plant or crop species". If a particular landholder had reasonable concerns about a particular plant that wasn't declared under legislation, Arrow could consider specific management for this species during rehabilitation.</p>
<p>Performance Criteria</p> <ul style="list-style-type: none"> <li>Compliance with the weed policies of Rockhampton Regional Council and Gladstone Regional Council</li> <li>No new infestations in the SGIC</li> <li>No spread of weeds, or other unwanted plants, from infested areas to weed-free areas</li> <li>SGIC maintained in a state that minimises weed colonisation of disturbed areas</li> </ul>	<p>New infestations should be confined to declared weeds.</p> <p>Under legislation, Arrow would "take all reasonable steps not to spread the reproductive material of a declared pest". The performance criteria of "No spread of weeds, or other unwanted plants, from infested areas to weed-free areas" is unreasonable as a range of species, some considered undesirable and "weedy", will likely emerge as soon as the soil is disturbed. Most of these species are common and wide spread. This performance criteria is therefore unachievable and would be difficult to monitor. The performance should be confined to legislative obligations i.e. declared weeds.</p>
<p>Management (Control) Strategy</p> <ul style="list-style-type: none"> <li>A weed inspection of the SGIC will be completed before construction and the location of declared plants and other noxious weeds recorded</li> <li>Weed control of the SGIC and relevant access tracks will be undertaken prior to construction</li> <li>Immediately prior to entering or re-entering the SGIC, all vehicles, equipment and portable infrastructure (including trailers, generators, workshop sheds and</li> </ul>	<p>Arrow conducts ecological surveys that identify all species present. Locations of declared plants are recorded. However, weed seed stock will not be detected during surveys therefore some species may not be detected.</p> <p>Arrow prepares weed management plans prior to commencing construction. These document the weed controls required for declared weeds that are present as identified during surveys. Different species require different controls at different times, which also depends on land type, climate, etc</p> <p>It is not a requirement under the <i>Land Protection (Pest and Stock Route Management) Act 2002</i> to "wash down" vehicles, equipment and portable infrastructure every time property is entered or re-entered. A vehicle is considered to remain clean if it leaves its point of origin clean and only travels on sealed roads</p>

Stanwell-Gladstone Infrastructure Corridor State Development Area Weed Management Plan (Construction and Maintenance)	Arrow Comments on Requirements
<p>accommodation huts) will be washed at a designated weed wash-down area with wash-down certified by Inspectors authorised by the appropriate Local Government.</p> <ul style="list-style-type: none"> <li>• Access roads to the SGIC will be limited to minimise the potential for the introduction of weeds</li> <li>• Wash-down protocols including certification are to be observed to limit the spread of weeds by vehicles travelling along the SGIC:</li> </ul> <p>- Cleaning must remove all soil or organic matter from the surfaces and undercarriages of vehicles, equipment and portable infrastructure. Similarly, soil and organic matter must be removed from clothing and footwear</p>	<p>or well-maintained unsealed roads (roads that do not have vegetation growing on or encroaching onto the area occupied by traffic). <i>(Explanatory notes, Queensland Government Weed Hygiene Declaration, definitions).</i></p> <p>If an inspection is undertaken and the vehicle is found to be free of weed seed, then a clean down is not required.</p> <p>Biosecurity Queensland's clean-down procedure specifies that cleaning vehicles and equipment on site before these are moved to a different area helps prevent the spread of weeds to adjoining land, other parts of the property and along roads. Where practical and agreed to by the landholder, Arrow prefers to reduce the risk of weed spread by cleaning vehicles and equipment (using fit for purpose equipment) in identified high risk areas (high risk due to the presence of declared weeds).</p> <p>Under legislation, cleaning the vehicle and equipment does not necessarily require washing. The term 'wash-down' is defined within the Land Access Code (published by the Queensland Government) as "the removal of reproductive material from a vehicle or machine using an appropriate cleaning process." For example, 'wash-down' may include the use of an air compressor to 'blowdown' equipment.</p> <p>Legislation does not require a person to be accredited by Biosecurity Queensland to use a Weed Hygiene Declaration and no specific training is required. However, Biosecurity Queensland recommends that persons undertaking the cleaning and inspection of vehicles and machinery should obtain the competency levels equivalent to AHC BIO201A-<i>Inspect machinery for plant, animal and soil material</i>. As per Biosecurity Queensland's recommendation, Arrow only allows trained staff to inspect and sign off vehicles and machinery. Arrow maintains a register of trained staff. There is no requirement under legislation to use third party providers with training equivalent to AHC BIO201A.</p> <p>The legislation states that reasonable steps must be taken to ensure a vehicle or "thing" is free of reproductive material of a declared pest. There is a difference between soil/organic matter and reproductive material. It is practically impossible to remove all traces of soil or organic material from a vehicle. The legislation requires "reasonable steps" to be taken.</p> <p>Clean means that no soil and/or organic matter <u>that may contain weed reproductive material</u> is on or in areas that are accessible during cleaning and maintenance work." i.e. a vehicle, machine or equipment may have soil or dirt on it and still be free of weed</p>

Stanwell-Gladstone Infrastructure Corridor State Development Area Weed Management Plan (Construction and Maintenance)	Arrow Comments on Requirements
<p>- Wash-down by air or water of vehicles or portable equipment will be supervised by trained personnel and the vehicle details will be recorded in a vehicle wash-down register to be maintained by each vehicle operator</p> <p>- All vehicles are to be certified as clean before entering the SGIC</p> <ul style="list-style-type: none"> <li>Disturbed topsoil and vegetative material are to be returned, as close, to their original sites as possible in order to limit the potential spread of weeds and pathogens</li> <li>Any imported organic matter, seeds or fill are to be sourced from suppliers who can certify weed-free materials</li> </ul>	<p>reproductive material, especially if it has only travelled in an area identified as low risk as it does not contain declared weeds. <i>(Explanatory notes, Queensland Government Weed Hygiene Declaration, definitions)</i></p> <p>Arrow requires that staff are trained to inspect vehicles and machinery.</p> <p>Arrow's procedure requires that vehicles are clean and that this is recorded.</p>
<p>Notes to the Plan</p> <p><b>2. Weeds are defined as:</b></p> <p>(i) Declared weeds (ii) plants generally considered to be pests (iii) unwanted plants which compete with plants of greater economic or environmental value.</p>	<p>Under legislation, only those plants that are WONS, State declared class 1, 2 (3 where impacting an environmentally sensitive area) and weeds declared under local law, are required to be managed. The definition should be confined to these plants. A range of species, some considered undesirable and "weedy", may emerge as soon as soil is disturbed. These species are common and wide spread and have heavy seed banks.</p> <p>If a particular landholder had reasonable concerns about a particular plant that wasn't declared under legislation, Arrow could consider specific management for this species during rehabilitation. The reinstatement and rehabilitation phase of the project will ensure that the site is stable and rehabilitated to be consistent with the adjacent land, which is a standard Environmental Authority condition (although EA for the pipeline has not been issued.)</p>
<p>The weeds in the attached table are cited in either the former Calliope Shire Council Pest Management Plan 2005-2008 or the former Fitzroy Shire council scheme for the control of priority weeds (2007) as updated by the Gladstone Regional and Rockhampton Regional councils:</p> <p>1 Salvinia</p>	<p>Under legislation, only those plants that are Weeds of National Significance (WONS), State declared class 1, 2 (3 where impacting an environmentally sensitive area) and weeds declared under local law, are required to be managed. The management of Class 3 weeds is required when a notice is issued by the Council if the weeds are considered to be impacting an environmentally sensitive area. The list includes the following Class 3 weeds: Water Lettuce, Broad Leaf Pepper Tree, Cats Claw Creeper, Singapore Daisy.</p>

Stanwell-Gladstone Infrastructure Corridor State Development Area Weed Management Plan (Construction and Maintenance)	Arrow Comments on Requirements
2 Water Hyacinth 3 Water Lettuce 4 Broad Leaf Pepper Tree 5 Cats Claw Creeper 6 Singapore Daisy 7 African Fountain grass 8 Agave spp. 9 Khaki burr 10 Leucanena 11 Harrisia Cactus 12 Bellyache Bush 13 Prickly Acacia 14 Honey Mesquite 15 Parkinsonia 16 Groundsel Bush 17 Sicklepod 18 Parthenium Weed 19 Rubber vine 20 Mother of Millions 21 Giant Rat's Tail Grass 22 Sisal Hemp	The following plants have been listed as local law under Rockhampton Regional Council: Agave spp "sisal", leucanena Khaki burr is not a declared plant. Sisal Hemp is covered under Agave spp.

# **ARROW BOWEN PIPELINE PROJECT**

## **Arrow's proposed SGIC Weed Management Plan**

**Meeting Date: 22 September 2015**

**Attachment No: 4**

**ATTACHMENT 2: Proposed STANWELL- GLADSTONE INFRASTRUCTURE CORRIDOR  
STATE DEVELOPMENT AREA  
WEED MANAGEMENT PLAN  
(CONSTRUCTION AND MAINTENANCE PHASES, PRIOR TO PIPELINE OPERATION)**

Objectives	<p>Each licensee constructing infrastructure within the SGIC should develop and implement a weed management plan to:</p> <ul style="list-style-type: none"> <li>• Comply with Australian, Queensland and local laws and plans relating to weed management (<i>Biosecurity Act 2014</i>)<sup>1</sup> <ul style="list-style-type: none"> <li>○ taking all reasonable and practical measures to prevent or minimise the biosecurity risk</li> <li>○ omit to do something if it may exacerbate the adverse effects, or potential adverse effects of the biosecurity matter, carrier or activity on a biosecurity matter (failing to manage the impact of invasive plants on the land)</li> </ul> </li> <li>• Comply with specific industry relevant Australian and Queensland laws, policies &amp; codes (for example <i>Petroleum &amp; Gas (Production and Safety) Act 2004</i>, Land Access Code). <ul style="list-style-type: none"> <li>○ For example, to take all reasonable steps to ensure that, in carrying out authorized activities, the person does not spread the reproductive material of a declared pest.</li> </ul> </li> <li>• Identify a monitoring schedule</li> <li>• Identify auditing actions and processes</li> <li>• Identify methods for weed management during the construction and rehabilitation phases</li> <li>• Ensure the entire footprint of the project (including all construction areas, laydowns, access tracks) is incorporated</li> <li>• Ensure implementation systems and procedures are developed to demonstrate compliance with this plan.</li> </ul>
Outcomes	<ul style="list-style-type: none"> <li>• Compliance with biosecurity obligations relating to weed management</li> <li>• Construction activities are undertaken using methods to minimise the risk of spread of reproductive material and colonisation of invasive<sup>2</sup> weeds (<i>Biosecurity Act 2014</i>) and weeds identified in local laws.</li> </ul>
Management (Control) Strategy	<ul style="list-style-type: none"> <li>• An assessment of the infrastructure route by suitably qualified environmental scientists or ecologists will be completed before construction and the location of high threat weeds (Weeds of national significance (WONS), invasive weeds and weeds identified in local laws) should be recorded.</li> <li>• Development of site specific management plans where high threat weeds are recorded on the infrastructure corridor, to ensure all reasonable and practical measures to prevent or minimise the biosecurity risk. <ul style="list-style-type: none"> <li>○ This may include weed control prior to construction and treatment of topsoil stockpiles, and returning topsoil to their original site as much as possible.</li> <li>○ Develop a vehicle and machinery hygiene procedure to ensure the</li> </ul> </li> </ul>

<sup>1</sup> Note the *Biosecurity Act 2014* received assent on 13 March 2014, although a number of provisions have not commenced. Commencement of the balance of provisions will occur on 1/7/16 or earlier if a proclamation is made.

<sup>2</sup> Invasive plants- identified in the *Biosecurity Act 2014* (currently declared plants- Class 1 or 2)



	<p>objectives of this plan are met. The procedure should be based on a risk assessment of the likelihood of spreading reproductive material from high threat weeds. A vehicle and hygiene management procedure may incorporate any or all of the following examples, and be consistent with <i>Vehicle and machinery checklists-clean-down procedures, DAFF, 2014</i>:</p> <ul style="list-style-type: none"> <li>▪ Cleandowns should use a fit for purpose method – for example air or water, brushes – and by assessing the work task and site conditions.</li> <li>▪ Vehicles and machinery should preferably be cleaned down in location where they have been operating.</li> <li>▪ Vehicles and machinery will be inspected by a suitably trained person to determine whether a clean down is required.</li> <li>▪ Clean down equipment and facilities must be adequate for the construction phase of the project.</li> </ul> <ul style="list-style-type: none"> <li>○ After inspecting vehicles and machinery to be clean, a record should be logged by a suitably trained person to inspect for weed reproductive material.</li> </ul> <ul style="list-style-type: none"> <li>• Transported loads of materials need to be managed to minimise or prevent the biosecurity risk and weed hygiene declarations provided.</li> </ul>
Monitoring & Auditing	<ul style="list-style-type: none"> <li>• Weed monitoring schedule identified in the weed management plan should be implemented. It should be based on the risk profile of activities and predisturbance high threat weed records.</li> <li>• The audit program should be implemented.</li> </ul>
Reporting & Corrective Actions	<ul style="list-style-type: none"> <li>• The licensee is responsible for implementing relevant corrective actions.</li> <li>• The licensee will provide weed management reports for their project area to the Coordinator General identifying monitoring results, audit findings, and corrective actions and programs that are planned and completed, as requested by the CG.</li> </ul>

# **ARROW BOWEN PIPELINE PROJECT**

## **SGIC Weed Management Plan**

**Meeting Date: 22 September 2015**

**Attachment No: 5**



**STANWELL-GLADSTONE INFRASTRUCTURE CORRIDOR  
ATTACHMENT 1 STATE DEVELOPMENT AREA  
WEED MANAGEMENT PLAN  
(CONSTRUCTION AND MAINTENANCE)**

Objectives	<ul style="list-style-type: none"> <li>Minimise the introduction and distribution of weeds, and unwanted plant or crop species, within the Stanwell-Gladstone Infrastructure Corridor State Development Area (SGIC) and its borders</li> </ul>
Performance Criteria	<ul style="list-style-type: none"> <li>Compliance with the weed policies of Rockhampton Regional Council and Gladstone Regional Council</li> <li>No new infestations in the SGIC</li> <li>No spread of weeds, or other unwanted plants, from infested areas to weed-free areas</li> <li>SGIC maintained in a state that minimises weed colonisation of disturbed areas</li> </ul>
Management (Control) Strategy	<ul style="list-style-type: none"> <li>A weed inspection of the SGIC will be completed before construction and the location of declared plants and other noxious weeds recorded</li> <li>Weed control of the SGIC and relevant access tracks will be undertaken prior to construction</li> <li>Immediately prior to entering or re-entering the SGIC, all vehicles, equipment and portable infrastructure (including trailers, generators, workshop sheds and accommodation huts) will be washed at a designated weed wash-down area with wash-down certified by Inspectors authorised by the appropriate Local Government.</li> <li>Access roads to the SGIC will be limited to minimise the potential for the introduction of weeds</li> <li>Wash-down protocols including certification are to be observed to limit the spread of weeds by vehicles travelling along the SGIC:             <ul style="list-style-type: none"> <li>Cleaning must remove all soil or organic matter from the surfaces and undercarriages of vehicles, equipment and portable infrastructure. Similarly, soil and organic matter must be removed from clothing and footwear</li> <li>Wash-down by air or water of vehicles or portable equipment will be supervised by trained personnel and the vehicle details will be recorded in a vehicle wash-down register to be maintained by each vehicle operator</li> <li>All vehicles are to be certified as clean before entering the SGIC</li> </ul> </li> <li>Disturbed topsoil and vegetative material are to be returned, as close, to their original sites as possible in order to limit the potential spread of weeds and pathogens</li> <li>Any imported organic matter, seeds or fill are to be sourced from suppliers who can certify weed-free materials</li> </ul>



Monitoring & Auditing	<ul style="list-style-type: none"> <li>A weed survey is to be conducted as soon as possible after the declaration of the SGIC to establish baseline data</li> <li>Pre-construction/installation weed survey and appropriate weed control of the SGIC should be undertaken by the Coordinator-General</li> </ul>
Monitoring & Auditing (cont'd)	<ul style="list-style-type: none"> <li>During construction of infrastructure, the corridor and access tracks will be inspected regularly by the SGIC licensee to assess protection measures, such as wash-down and restoration compliance protocols</li> <li>Depending on construction times, immediate post-construction weed survey and weed control of SGIC should be undertaken by the licensee</li> <li>Following completion of construction of the initial infrastructure within the SGIC, quarterly weed surveys should be conducted by the Coordinator-General and any remedial action should be taken in accordance with the survey's recommendations</li> <li>Frequency of surveys to re-evaluated after twelve months from the completion of initial construction</li> </ul>
Reporting and Corrective Actions	<ul style="list-style-type: none"> <li>The Coordinator-General is responsible for the maintenance/construction contractor who will maintain records of all monitoring and auditing activities and report when required</li> <li>The licensee is responsible for implementing relevant recommendations</li> <li>Areas left bare due to weed control will be reseeded in consultation with landholders and licensees</li> <li>The licensee will collate information from work reports resulting from installation of infrastructure and SGIC maintenance</li> <li>Any incident which introduces or disburses weeds must be reported to the Coordinator-General. The relevant response is to be implemented at the direction of the Coordinator-General.</li> </ul>

- 1 The Corridor has a five-phase weed-maintenance lifecycle:**  
 (i) Planning and Design (ii) Declaration (iii) Quarterly inspection and maintenance (undertaken by the Coordinator-General) (iv) Weed maintenance during construction (v) Decommissioning.
- 2 Weeds are defined as:**  
 (i) Declared weeds (ii) plants generally considered to be pests (iii) unwanted plants which compete with plants of greater economic or environmental value.

The weeds in the attached table are cited in either the former Calliope Shire Council *Pest Management Plan 2005-2008*<sup>1</sup> or the former Fitzroy Shire Council scheme for the control of priority weeds (2007) as updated by the Gladstone Regional and Rockhampton Regional Councils:

<sup>1</sup> Prepared in accordance with the *Land Protection (Pest & Stock Route Management) Act 2002*.



1	Salvinia
2	Water Hyacinth
3	Water Lettuce
4	Broad Leaf Pepper Tree
5	Cats Claw Creeper
6	Singapore Daisy
7	African Fountain Grass
8	Agave <i>spp.</i>
9	Khaki burr
10	Leucanena
11	Harrisia Cactus
12	Bellyache Bush
13	Prickly Acacia
14	Honey Mesquite
15	Parkinsonia
16	Groundsel Bush
17	Sicklepod
18	Parthenium Weed
19	Rubber Vine
20	Mother of Millions
21	Giant Rat's Tail Grass
22	Sisal Hemp

# **ARROW BOWEN PIPELINE PROJECT**

## **RRC comments on Arrow's Weed Management Plan**

**Meeting Date: 22 September 2015**

**Attachment No: 6**

<p>Objectives</p> <ul style="list-style-type: none"> <li>Minimise the introduction and distribution of weeds, and unwanted plant or crop species within the Stanwell- Gladstone Infrastructure Corridor State Development Area (SGIC) and its borders</li> </ul>	<p>Arrow would meet the objective which aligns with relevant legislative requirements:</p> <ol style="list-style-type: none"> <li>A relevant person must take all reasonable steps to ensure that, in carrying out authorised activities, the person does not spread the reproductive material of a declared pest. (Land Access Code, 2010)</li> <li>A person must not, without reasonable excuse, introduce a declared pest other than under a declared pest permit (<i>Land Protection (Pest and Stock Route Management) Act 2002</i>)</li> </ol> <p>Legislative requirements only require management of National, State and local law declared weeds, not any "unwanted plant or crop species". If a particular</p>	<p>Requirements need to align with the <i>Biosecurity Act 2014</i> when in operation</p>
<p>Performance Criteria</p> <ul style="list-style-type: none"> <li>Compliance with the weed policies of Rockhampton Regional Council and Gladstone Regional Council</li> <li>No new infestations in the SGIC</li> <li>No spread of weeds, or other unwanted plants, from infested areas to weed-free areas</li> <li>SGIC maintained in a state that minimises weed colonisation of disturbed areas</li> </ul>	<p>New infestations should be confined to declared weeds.</p> <p>Under legislation, Arrow would "take all reasonable steps not to spread the reproductive material of a declared pest". The performance criteria of "No spread of weeds, or other unwanted plants, from infested areas to weed-free areas" is unreasonable as a range of species, some considered undesirable and "weedy", will likely emerge as soon as the soil is disturbed. Most of these species are common and wide spread. This performance criteria is therefore</p>	<p>New infestations should include declared, locally declared and new invasive species.</p> <p>Council weed management plans are not confined to declared weeds and Council remains of the view that environmental weeds must also be managed.</p>

<p>Management (Control) Strategy</p> <ul style="list-style-type: none"> <li>• A weed inspection of the SGIC will be completed before construction and the location of declared plants and other noxious weeds recorded</li> <li>• Weed control of the SGIC and relevant access tracks will be undertaken prior to construction</li> <li>• Immediately prior to entering or re-entering the SGIC, all vehicles, equipment and portable infrastructure (including trailers, generators, workshop sheds and accommodation huts) will be washed at a designated weed wash-down area with wash- down certified by Inspectors authorised by the appropriate Local Government.</li> </ul>	<p>Arrow conducts ecological surveys that identify all species present. Locations of declared plants are recorded. However, weed seed stock will not be detected during surveys therefore some species may not be detected.</p> <p>Arrow prepares weed management plans prior to commencing construction. These document the weed controls required for declared weeds that are present as identified during surveys. Different species require different controls at different times, which also depends on land type, climate, etc</p> <p>It is not a requirement under the Land Protection (Pest and Stock Route Management) Act 2002 to "wash down" vehicles, equipment and portable infrastructure every time property is entered or re-entered. A vehicle is considered to remain clean if it leaves its point of origin clean and only travels on sealed roads or well-maintained unsealed roads (roads that do not have vegetation growing on or encroaching onto the area occupied by traffic).(Explanatory notes, Queensland Government Weed Hygiene Declaration, definitions). If an inspection is undertaken and the vehicle is found to be free of weed seed, then a clean down is not required. Biosecurity Queensland's clean-down procedure specifies that cleaning vehicles and equipment on site before these are moved to a different area helps prevent the spread of weeds to adjoining land, other parts of the property and along roads. Where practical and agreed to by the landholder, Arrow prefers to reduce the risk of weed spread by cleaning vehicles and equipment (using fit for purpose equipment) in identified high risk areas (high risk due to the presence of declared weeds). Under legislation, cleaning the vehicle and equipment does not necessarily require washing. The term 'wash-down' is defined within the Land Access Code (published by the Queensland Government) as "the removal of reproductive material from a vehicle or machine using an appropriate cleaning process." For example, 'wash-down' may include the use of an air compressor to 'blowdown' equipment.</p> <p>Legislation does not require a person to be accredited by</p>	<p>Council will provide a list of weeds of which it is aware and any known locations in the SGIC and adjacent areas. This is being compiled and will be made available separately.</p> <p>Copy of weed inspection and map with access roads/tracks to be provided to Council.</p> <p>Council notes that it is a requirement to take reasonable steps to prevent spread.</p> <p>To quote the Act <i>"It is an offence to move or transport a vehicle on a road, if it is known, or ought to be known that it or its load is contaminated with soil or other organic matter likely to contain the productive material of a declared pest."</i></p> <p>A wash down of the vehicle prior to inspection is recognised as the most appropriate mechanism to clean a vehicle. Council notes the proposal for a visual inspection in lieu of a washdown for vehicles entering and exiting the SGIC.</p> <p>RRC requires that all vehicles, equipment and other infrastructure entering or re-entering the SGIC be washed down and inspected by RRC inspectors or other third party accredited inspectors. Vehicle logs recording vehicle movement with copies made available to RRC would be required</p> <p>If the washdown and third party inspections are not undertaken, Council will need to increase its auditing and compliance role until it is satisfied that the alternative methods proposed are satisfactory.</p> <p>Use of an air compressor to blowdown vehicles and equipment does little to contain any weed contamination blown off the vehicle to a set controllable area (as occurs with a vehicle washdown). Better explanations as to how the material dislodged by a blowdown will be contained would also be required.</p>
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<ul style="list-style-type: none"> <li>• Access roads to the SGIC will be limited to minimise the potential for the introduction of weeds</li> <li>• Wash-down protocols including certification are to be observed to limit the spread of weeds by vehicles travelling along the SGIC:</li> </ul> <p>- Cleaning must remove all soil or organic matter from the surfaces and undercarriages of vehicles, equipment and portable infrastructure. Similarly, soil and organic matter must be removed from clothing and footwear</p> <p>- Wash-down by air or water of vehicles or portable equipment will be supervised by trained personnel and the vehicle details will be recorded in a vehicle wash-down register to be maintained by each vehicle operator</p> <p>- All vehicles are to be certified as clean before entering the SGIC</p> <ul style="list-style-type: none"> <li>• Disturbed topsoil and vegetative material are to be returned, as close, to their original sites as possible in order to limit the potential spread of weeds and pathogens</li> <li>• Any imported organic matter, seeds or fill are to be sourced from suppliers who can certify weed-free materials</li> <li>•</li> </ul>	<p>The legislation states that reasonable steps must be taken to ensure a vehicle or "thing" is free of reproductive material of a declared pest. There is a difference between soil/organic matter and reproductive material. It is practically impossible to remove all traces of soil or organic material from a vehicle. The legislation requires "reasonable steps" to be taken.</p> <p>Clean means that no soil and/or organic matter <u>that may contain weed reproductive material</u> is on or in areas that are accessible during cleaning and maintenance work." i.e. a vehicle, machine or equipment may have soil or dirt on it and still be free of weed reproductive material, especially if it has only travelled in an area identified as low risk as it does not contain declared weeds. (<i>Explanatory notes, Queensland Government Weed Hygiene Declaration, definitions</i>)</p> <p>Arrow requires that staff are trained to inspect vehicles and machinery.</p> <p>Arrow's procedure requires that vehicles are clean and that this is recorded.</p>	<p>RRC requests that all vehicles and machinery traveling into or out of a high risk area to be completely clean. It is well known that seed of certain plants including weeds can remain viable in soil for a considerable time. A map with access roads/tracks to be provided to Council.</p> <p>Apart from high risk areas identified by the proponent Council will provide further details from its records of known high risk areas separately.</p> <p>Council requires washdowns with a third party accredited inspection as this is the accepted method for ensuring high levels of compliance. Where lesser methods are utilised Council will undertake more stringent auditing compliance.</p> <p>Council recognises that a vehicle is considered to remain clean if it leaves its point of origin clean and only travels on sealed roads or well-maintained unsealed roads.</p> <p>Well-maintained unsealed road means roads that do not have vegetation growing on or encroaching onto the area occupied by traffic as stated in the Queensland State Weed Hygiene declaration explanatory notes</p> <p>Council audits of vehicles will seek evidence of current cleanliness certificates and vehicle logs for these vehicles</p>
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<p>Notes to the Plan</p> <p>2. <b>Weeds are defined as:</b></p> <p>(i) Declared weeds (ii) plants generally considered to be pests (iii) unwanted plants which compete with plants of greater economic or environmental value.</p>	<p>Under legislation, only those plants that are WONS, State declared class 1, 2 (3 where impacting an environmentally sensitive area) and weeds declared under local law, are required to be managed. The definition should be confined to these plants. A range of species, some considered undesirable and "weedy", may emerge as soon as soil is disturbed. These species are common and wide spread and have heavy seed banks.</p> <p>If a particular landholder had reasonable concerns about a particular plant that wasn't declared under legislation, Arrow could consider specific management for this species during rehabilitation. The reinstatement</p>	<p>Some additional environmental Weeds are a concern and should be taken into consideration especially Castor Oil Plant, Easter Cassia, Madiera Vine.</p> <p>Current and new infestations along riparian areas should be controlled.</p> <p>Madiera Vine - Class 3 - this is now an up and coming issue and infestations need to be treated and further spread prevented.</p>
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<p>The weeds in the attached table are cited in either the former Calliope Shire Council Pest Management Plan 2005-2008 or the former Fitzroy Shire council scheme for the control of priority weeds (2007) as updated by the Gladstone Regional and Rockhampton Regional councils:</p> <ol style="list-style-type: none"> <li>1 Salvinia</li> <li>2 Water Hyacinth</li> <li>3 Water Lettuce</li> <li>4 Broad Leaf Pepper Tree</li> <li>5 Cats Claw Creeper</li> <li>6 Singapore Daisy</li> <li>7 African Fountain grass</li> <li>8 Agave spp.</li> <li>9 Khaki burr</li> <li>10 Leucanena</li> <li>11 Harrisia Cactus</li> <li>12 Bellyache Bush</li> <li>13 Prickly Acacia</li> <li>14 Honey Mesquite</li> <li>15 Parkinsonia</li> <li>16 Groundsel Bush</li> <li>17 Sicklepod</li> <li>18 Parthenium Weed</li> <li>19 Rubber vine</li> <li>20 Mother of Millions</li> <li>21 Giant Rat's Tail Grass</li> <li>22 Sisal Hemp</li> </ol>	<p>Under legislation, only those plants that are Weeds of National Significance (WONS), State declared class 1, 2 (3 where impacting an environmentally sensitive area) and weeds declared under local law, are required to be managed. The management of Class 3 weeds is required when a notice is issued by the Council if the weeds are considered to be impacting an environmentally sensitive area. The list includes the following Class 3 weeds: Water Lettuce, Broad Leaf Pepper Tree, Cats Claw Creeper, Singapore Daisy.</p> <p>The following plants have been listed as local law under Rockhampton Regional Council: Agave spp "sisal", leucanena Khaki burr is not a declared plant. Sisal Hemp is covered under Agave spp.</p>	<p>Additional declared local pests and their seeds are a concern and should be taken into consideration including Castor Oil Plant, Devils Apple, Devil's Fig, Elephant Grass, Feral Leucaena, Lions Tail, Maltese Cockspur, Sisal and Wild Sisal</p> <p>Madiera Vine - Class 3 - this is now an up and coming issue and infestations need to be treated and further spread prevented.</p>
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# **ARROW BOWEN PIPELINE PROJECT**

**Advert in The Morning Bulletin  
September 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 7**

was convicted on  
, fined a total of  
disqualified from  
r three months.

**SPECIAL VISITORS:** Catholic education director Lisa Jeffcoat, Bruce Morcombe, Kath Byrne from St Joseph's Kindergarten and Denise Morcombe unveil the new Early Years Child Safety Curriculum.

PHOTO: CONTRIBUTED

they had attended many events, but the St Joseph's children had been incredibly memorable.



The Bulletin



## Community drop-in sessions

### Strategic Cropping Land Validation Application

Arrow Energy has submitted an application to the Department of Natural Resources and Mines (DNRM) relating to the Queensland Government's Strategic Cropping Land (SCL) trigger map.

Strategic Cropping Land is land that is being, or is likely to be used for cropping because of a combination of the land's soil, climate and landscape features and the SCL trigger map indicates the location of potential SCL.

Arrow's application seeks to validate the trigger map and have Strategic Cropping Land status confirmed where land meets relevant criteria, or revised, where it does not.

#### Find out more

Arrow will be holding a series of drop-in sessions to provide more information about the application and the process to landholders and interested parties.

If landholders believe their property has been incorrectly identified by Arrow as non-SCL they can make a written submission to DNRM. For more information on making a submission, see the public notice in this newspaper or visit DNRM's website [www.dnrm.qld.gov.au](http://www.dnrm.qld.gov.au).

Where	When
Glenden Shopping Centre Bell Place, <b>Glenden</b>	Tuesday 15 September 2015 12 noon – 3pm
Arrow's Community Information Centre Town Square, <b>Moranbah</b>	Wednesday 16 September 2015 7am – 10am
Dysart Community Centre 21 Queen Elizabeth Drive, <b>Dysart</b>	Wednesday 16 September 2015 12 noon – 3pm

Arrow's application can also be inspected until 22 October 2015.

<b>Moranbah</b>	Arrow's Community Information Centre Town Square
	Moranbah Council Library Town Square

For more information or to obtain a copy of the application, call 1800 038 856 (toll free) or email [info@arrowenergy.com.au](mailto:info@arrowenergy.com.au).

Find out more online at  
[www.arrowenergy.com.au](http://www.arrowenergy.com.au)  
**BRISBANE | DALBY | MORANBAH**



# **ARROW BOWEN PIPELINE PROJECT**

## **Notice from The Morning Bulletin September 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 8**



## Strategic Cropping Land Act 2011

## PUBLIC NOTICE OF VALIDATION APPLICATION

Arrow Energy has submitted an application (reference number SCLVA2014/000145), for validation of strategic cropping land or non-strategic cropping land, to the Queensland Government. The subject land is situated in the western cropping strategic cropping land zone and is described in the following list, along with the assessment type applicable to each of the listed lots.

Details of the application can be viewed at the Department of Natural Resources and Mines (DNRM) website [www.dnrm.qld.gov.au](http://www.dnrm.qld.gov.au). Arrangements to obtain or inspect a copy of the application can be made by emailing [SCLNorth@dnrm.qld.gov.au](mailto:SCLNorth@dnrm.qld.gov.au) or phoning 07 4999 6962.

## Making a submission

If landholders believe their lots have been incorrectly identified as non-strategic cropping land, they can make a written submission to the DNRM Chief Executive on or before 22 October 2015, and addressed to:

The Chief Executive  
C/- SCL North  
Department of Natural Resources and Mines  
PO Box 63, MACKAY QLD 4740

This call for submissions provides an opportunity for any person to provide evidence about either the cropping history or characteristics of the respective parcels of land that are subject to the validation application.

To be accepted, submissions must:

- be signed by or for each submitter
- state the name and address of each submitter
- be made to the chief executive
- address whether the relevant property or land satisfies the Act's requirements in respect to either cropping history or zonal criteria respectively (refer below list for applicable assessment type).

For further details on how to make a submission about whether the land should or should not be strategic cropping land, please consult the DNRM website [www.dnrm.qld.gov.au](http://www.dnrm.qld.gov.au). Other enquiries regarding the application can be made by emailing [SCLNorth@dnrm.qld.gov.au](mailto:SCLNorth@dnrm.qld.gov.au) or phoning 07 4999 6962.

Lot	Plan	Street address	SCL assessment type
L48	FT546	Cormacks Road, Guluguba	zonal criteria
L4	FT93	Leichhardt Highway, Guluguba	zonal criteria
L4	CNS15	Annandale Road, Valkyrie	cropping history
L21	SP119064	Barmount Road, Lotus Creek	cropping history
L5	KL66	Barmount Road, Lotus Creek	cropping history
L9	KL118	Barmount Road, Lotus Creek	cropping history
L2	RP818403	Barmount Road, Lotus Creek	cropping history
L10	ROP111	Batheaston Isaac River Road, May Downs	cropping history
L10	SP224570	Bluff Jellinbah Road, Bluff	cropping history
L18	SP104452	Collinsville Elphinstone Road, Elphinstone	cropping history
L2	GV210	Collinsville Elphinstone Road, Elphinstone	cropping history
L16	CP866443	Collinsville Elphinstone Road, Elphinstone	cropping history
L18	SP104452	Collinsville Elphinstone Road, Elphinstone	cropping history
L309	E1341	Creic Street, Elphinstone	cropping history
L308	E1341	Creic Street, Elphinstone	cropping history
L307	E1341	Creic Street, Elphinstone	cropping history
L3	SP235303	Dysart Clermont Road, Dysart	cropping history
L410	E1343	Ewen Street, Elphinstone	cropping history
L404	E1341	Ewen Street, Elphinstone	cropping history
L406	E1341	Ewen Street, Elphinstone	cropping history
L405	E1341	Ewen Street, Elphinstone	cropping history
L901	E1341	Ewen Street, Elphinstone	cropping history
L902	E1341	Ewen Street, Elphinstone	cropping history
L306	E1343	Ewen Street, Elphinstone	cropping history
L409	E1341	Ewen Street, Elphinstone	cropping history
L71	LIV40477	Fairy Bower Road, Nine Mile	cropping history
L143	LN2246	Fairy Bower Road, Nine Mile	cropping history
L3	RP604254	Fairy Bower Road, Nine Mile	cropping history
L5	CNS48	Fitzroy Development Road, Dysart	cropping history
L93	LN2601	Fogarty Road, Fairy Bower	cropping history
L1	G6965	Fosters Road, Guluguba	cropping history
L2	G6965	Fosters Road, Guluguba	cropping history
L14	PN394	Glenroy Road, Morinish	cropping history
L6	PAK40205	Glenroy Road, Morinish	cropping history
L7	PAK40206	Glenroy Road, Morinish	cropping history
L1321	PAK4056	Glenroy Road, Morinish	cropping history
L2310	PAK40118	Glenroy Road, Morinish	cropping history
L1	PAK40194	Glenroy Road, Morinish	cropping history
L1386	PAK4061	Glenroy Road, Morinish	cropping history
L28	PN34	Glenroy Road, Morinish	cropping history
L1320	PAK4056	Glenroy Road, Morinish	cropping history
L11	CNS373	Golden Mile Road, Dysart	cropping history
L10	CNS83	Golden Mile Road, Dysart	cropping history
L2	RP813170	Golden Mile Road, Dysart	cropping history
L2	SP129980	Goonyella Road, Moranbah	cropping history
L1	SP252740	Goonyella Road, Moranbah	cropping history
L3	SP252740	Goonyella Road, Moranbah	cropping history
L2	SP252740	Goonyella Road, Moranbah	cropping history
L2	FT198	Jerrard Street, Guluguba	cropping history
L2	FT201	Jerrard Street, Guluguba	cropping history
L2	FT196	Jerrard Street, Guluguba	cropping history
L2	FT227	Jerrard Street, Guluguba	cropping history
L11	SP118494	Jerrard Street, Guluguba	cropping history
L161	SP116399	Jerrard Street, Guluguba	cropping history
L2	FT207	Jerrard Street, Guluguba	cropping history
L2	FT210	Jerrard Street, Guluguba	cropping history
L1	SP190748	Lake Vermont Road, Dysart	cropping history
L1	SP190748	Lake Vermont Road, Dysart	cropping history
L1	SP190748	Lake Vermont Road, Dysart	cropping history
L2	SP190748	Lake Vermont Road, Dysart	cropping history
L5	FT92	Leichhardt Highway, Guluguba	cropping history
L10	SP118494	Leichhardt Highway, Guluguba	cropping history
L55	FT919	Leichhardt Highway, Wandoan	cropping history
L1	RP801235	Manly Access, Clarke Creek	cropping history
L2	RP801235	Manly Access, Clarke Creek	cropping history

Lot	Plan	Street address	SCL assessment type
L2	RP801346	Manly Access, Clarke Creek	cropping history
L19	L118	Marlborough Road, Glenroy	cropping history
L17	RP848822	Marlborough Sarina Road, Clarke Creek	cropping history
L1	SP228992	Marlborough Sarina Road, Clarke Creek	cropping history
L11	RP891804	May Downs Road, Clarke Creek	cropping history
L2	SP228992	May Downs Road, Clarke Creek	cropping history
L8	ROP179	May Downs Carfax Road, May Downs	cropping history
L3	ROP183	May Downs Carfax Road, May Downs	cropping history
L1	RP858276	May Downs Carfax Road, May Downs	cropping history
L2	RP858276	May Downs Carfax Road, May Downs	cropping history
L3	RP858276	May Downs Carfax Road, May Downs	cropping history
L1816	PH1315	Mount Coolon Road, Eaglefield	cropping history
L2	SP245736	Mount Coolon Road, Eaglefield	cropping history
L7	RP884515	Peak Downs Highway, Moranbah	cropping history
L7	GV195	Peak Downs Highway, Coppabella	cropping history
L18	SP250812	Peak Downs Highway, Coppabella	cropping history
L19	SP250812	Peak Downs Highway, Coppabella	cropping history
L4	SP252740	Peak Downs Highway, Coppabella	cropping history
L5	CNS90	Poitrel Road, Coppabella	cropping history
L2	GV185	Poitrel Road, Coppabella	cropping history
L15	CNS111	Poitrel Road, Coppabella	cropping history
L5	CNS90	Poitrel Road, Coppabella	cropping history
L7	CP906162	Poitrel Road, Coppabella	cropping history
L5	CNS90	Poitrel Road, Coppabella	cropping history
L6	GV 33	Poitrel Road, Coppabella	cropping history
LA	GV33	Poitrel Road, Coppabella	cropping history
L2	CNS77	Railway Corridor, Mackenzie River	cropping history
L18	PN24	Redbank Road, Morinish	cropping history
L5	PAK40204	Redbank Road, Morinish	cropping history
L1960	PAK40104	Redbank Road, Morinish	cropping history
L2340	PAK40132	Redbank Road, Morinish	cropping history
L8	CP899147	Redbank Road, Morinish	cropping history
L13	L1139	Redbank Road, Morinish	cropping history
L14	L1140	Redbank Road, Morinish	cropping history
L209	E1341	Reynolds Street, Elphinstone	cropping history
L208	E1341	Reynolds Street, Elphinstone	cropping history
L210	E1341	Reynolds Street, Elphinstone	cropping history
L303	E1341	Reynolds Street, Elphinstone	cropping history
L1	RP620114	Rolfe Creek May Downs Road, May Downs	cropping history
L2	RP620114	Rolfe Creek May Downs Road, May Downs	cropping history
L14	LE801034	Scrubbee Road, Jellinbah	cropping history
L8	GV807254	Sutton Developmental Road, Burton	cropping history
L636	PH2182	Sutton Developmental Road, Eaglefield	cropping history
L2	SP214117	Sutton Developmental Road, Burton	cropping history
L4	HLN225	Turrawulla Road, Nebo	cropping history
L3	HLN29	Turrawulla Road, Nebo	cropping history
L7	G6963	unnamed road, Woleebee	cropping history
L41	CP903280	unnamed road, Winchester	cropping history
L42	CP903280	unnamed road, Winchester	cropping history
L17	LR134	unnamed off Yarrabee Road, Barnard	cropping history
L6	LR94	unnamed off Yarrabee Road, Barnard	cropping history
L3	SP213140	unnamed off Yarrabee Road, Barnard	cropping history
L2	SP213140	unnamed off Yarrabee Road, Barnard	cropping history
L5	SP110795	Winchester Road, Winchester	cropping history
L14	RP861407	Yarrabee Road, Bluff	cropping history
L14	RP885348	Yarrabee Road, Bluff	cropping history
L12	RP861407	Yarrabee Road, Bluff	cropping history
L100	SP230773	Yarrabee Road, Bluff	cropping history
L102	SP235907	Sutton Developmental Road, Eaglefield	cropping history
L3388	SP235907	Mount Coolon Road, Eaglefield	cropping history
L8	SP262674	Portrell Road, Coppabella	cropping history

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**9.2 SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2015****File No:** 8148**Attachments:**  
1. Income Statement - August 2015  
2. Key Indicator Graphs - August 2015**Authorising Officer:** Ross Cheesman - General Manager Corporate Services**Author:** Alicia Cutler - Manager Finance

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**SUMMARY**

*Finance Manager presenting the Rockhampton Regional Council Summary Budget Management Report for the period ended 31 August 2015.*

**OFFICER'S RECOMMENDATION**

THAT the Rockhampton Regional Council Summary Budget Management Report for the period ended 31 August 2015 be 'received'.

**COMMENTARY**

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

1. Income Statement (Actuals and Budget for the period 1st July 2015 to 31 August 2015), Attachment 1.
2. Key Indicators Graphs, Attachment 2.

Council should note in reading this report that normally after the completion of the first two months of the financial year, operational results should be approximately 16.7% of budget. All percentages for operational revenue and operational expenditure are measured against the adopted budget.

The percentages reported for capital revenue and capital expenditure are measured against the adopted budget with carryovers i.e. including carry-over capital budgets from 2014/15. The net carry over Capital budget is \$15.8M, comprising carry over expenditure budgets totalling \$17.1M less carry over revenue budgets totaling \$1.3M.

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

Total Operating Revenue is reported at 39%. Key components of this result are:

- Net Rates and Utility Charges are at 44% of budget. This positive variance is due to General Rates and Utility Charges for the six months ending 31 December 2015 having been processed in July.
- Private and Recoverable Works are behind budget at 13%. This is mostly due to the normal catch-up period between work completed and the billing cycle.
- Grants, Subsidies and Contributions are well ahead of budget at 59%. This is largely due to half of the annual Financial Assistance Grant payment being received in July and the receipt of State Government subsidy for creek clearing.
- Other Income is behind budget at 13%. Insurance claims in relation to TC Marcia are currently in process.
- Other revenue items are all in proximity to budget year to date.

Total Operating Expenditure is at 19% of budget with committals, or 15% of budget without committals. Key components of this result are:

- Contractors and Consultants expenditure is ahead of budget at 38%. This is solely due to committed expenditure, as actual expenditure is only 12% of budget.



- Materials and Plant is at 22% of budget. Similar to Contracts and Consultants, this result is heavily influenced by committals as actual expenditure is 14% of budget.
- Asset Operational Expenditure is ahead of budget at 28%. Again, committals are driving up the year to date percentage as the actual result is 21% of budget. Actual costs are above budget as Council has already paid annual insurance premiums.
- Administrative Expenses are ahead of budget at 32%. Committals for some annual contracts are influencing the year to date percentage as the actual result is 17% of budget.
- Finance Costs are well behind budget. Finance Costs will move closer to budget in September, following the first quarterly repayment on Council's loan portfolio held with the Queensland Treasury Corporation.
- Other Expenses are reported as ahead of budget at 23%. This is mostly due to Council having paid annual memberships such as LGAQ.
- Other expenditure items are in proximity to budget year to date.

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

Total Capital Income is at 10% of budget. Receipt of Capital Income is anticipated to increase in coming months as restoration works in relation to TC Marcia are completed and claims for grants and / or insurance are submitted.

Total Capital Expenditure is at 29% of budget with committals, or 9% of budget without committals. The actual result is impacted by the accrual of expenditure to 2014/15.

Total Investments are approximately \$89.0M as at 31 August 2015. Investments have increased from \$75.2M reported in July 2015, and are anticipated to increase again in September mostly due to the receipt of General Rates and Utility Charges for the six months ending 31 December 2015.

Total Loans are \$156.2M as at 31 August 2015.

## **CONCLUSION**

At this early stage of the financial year, few financial trends have emerged. Operational Income is reported as well ahead of budget due to the levying of the General Rates and Utility Charges for the six months ending 31 December 2015. A number of annual operational outlays including memberships and insurance premiums have already been paid.

It is anticipated that Capital Expenditure will gain momentum with the ongoing roll out of the capital works program for 2015/16.

# **SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2015**


## **Income Statement - August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 1**



**Income Statement**  
**For Period July 2015 to August 2015**  
**16.7% of Year Gone**



	Adopted Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Adopted Budget	
	\$	\$	\$	\$		
OPERATING						01 02
Revenues						
Net rates and utility charges	(127,976,985)	(56,822,144)	0	(56,822,144)	44% A	44%
Fees and Charges	(26,435,224)	(4,795,263)	34,430	(4,760,833)	18% A	18%
Private and recoverable works	(7,475,280)	(941,600)	0	(941,600)	13% A	13%
Rent/Lease Revenue	(2,940,659)	(513,018)	0	(513,018)	17% A	17%
Grants Subsidies & Contributions	(12,994,007)	(7,701,368)	0	(7,701,368)	59% A	59%
Interest revenue	(2,136,031)	(385,780)	0	(385,780)	18% A	18%
Other Income	(6,263,674)	(829,275)	0	(829,275)	13% A	13%
<b>Total Revenues</b>	<b>(186,221,860)</b>	<b>(71,988,448)</b>	<b>34,430</b>	<b>(71,954,018)</b>	<b>39% A</b>	39%
Expenses						
Employee Costs	72,845,534	10,433,081	191,208	10,624,289	15% A	14%
Contractors & Consultants	15,894,785	1,975,715	4,007,509	5,983,223	38% A	12%
Materials & Plant	11,812,191	1,599,131	944,890	2,544,021	22% A	14%
Asset Operational	18,362,005	3,793,341	1,319,719	5,113,059	28% A	21%
Administrative Expenses	11,856,429	2,035,129	1,773,348	3,808,477	32% A	17%
Depreciation	45,569,453	7,594,909	0	7,594,909	17% A	17%
Finance costs	8,854,931	55,134	0	55,134	1% A	1%
Other Expenses	1,249,087	284,612	673	285,285	23% A	23%
<b>Total Expenses</b>	<b>186,444,415</b>	<b>27,771,052</b>	<b>8,237,347</b>	<b>36,008,399</b>	<b>19% A</b>	15%
Transfer / Overhead Allocation						
Transfer/Overhead Allocation	(7,751,277)	(1,375,285)	0	(1,375,285)	18% A	18%
<b>Total Transfer / Overhead Allocation</b>	<b>(7,751,277)</b>	<b>(1,375,285)</b>	<b>0</b>	<b>(1,375,285)</b>	<b>18% A</b>	18%
<b>TOTAL OPERATING POSITION (SURPLUS)/DEFICIT</b>	<b>(7,528,723)</b>	<b>(45,592,682)</b>	<b>8,271,777</b>	<b>(37,320,905)</b>	<b>496% A</b>	606%
CAPITAL	Adopted Budget	August Revised (inc Carry Forward)	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Revised Budget
Total Developers Contributions Received	(3,783,250)	(3,783,250)	(839,109)	0	(839,109)	22%
Total Capital Grants and Subsidies Received	(15,419,307)	(16,696,307)	(1,106,410)	0	(1,106,410)	7%
Total Proceeds from Sale of Assets	0	0	(1,455)	0	(1,455)	#DIV/0!
<b>Total Capital Income</b>	<b>(19,202,557)</b>	<b>(20,479,557)</b>	<b>(1,946,974)</b>	<b>0</b>	<b>(1,946,974)</b>	<b>10%</b>
Total Capital Expenditure	69,974,704	87,064,352	7,767,124	17,620,121	25,387,245	29%
<b>Net Capital Position</b>	<b>50,772,147</b>	<b>66,584,795</b>	<b>5,820,150</b>	<b>17,620,121</b>	<b>23,440,271</b>	<b>35%</b>
TOTAL INVESTMENTS			88,957,131			
TOTAL BORROWINGS			156,180,285			

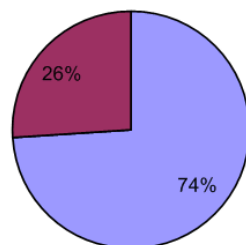
# **SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 31 AUGUST 2015**

## **Key Indicator Graphs - August 2015**

**Meeting Date: 22 September 2015**

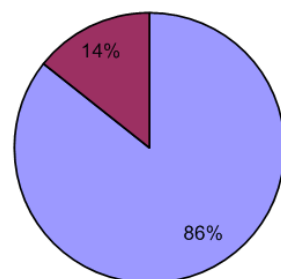
**Attachment No: 2**

**Operating Revenue  
(Excluding Net Rates and Utility Charges)  
(16.7% of Year Gone)**



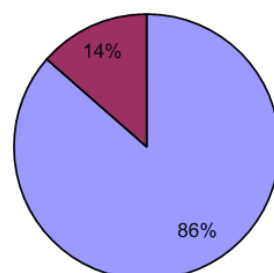
■ Uncollected  
Operating  
Revenue  
■ Collected  
Operating  
Revenue

**Operating Employee Costs  
(16.7% of Year Gone)**

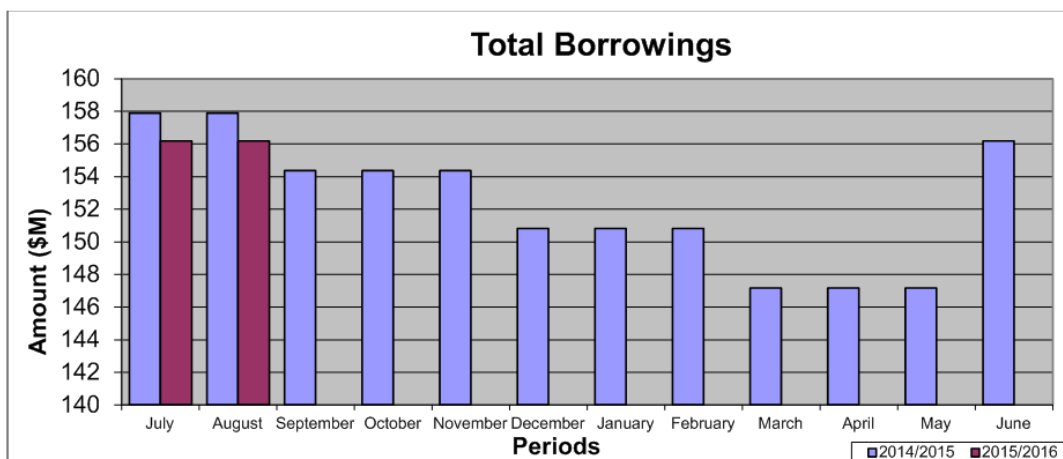
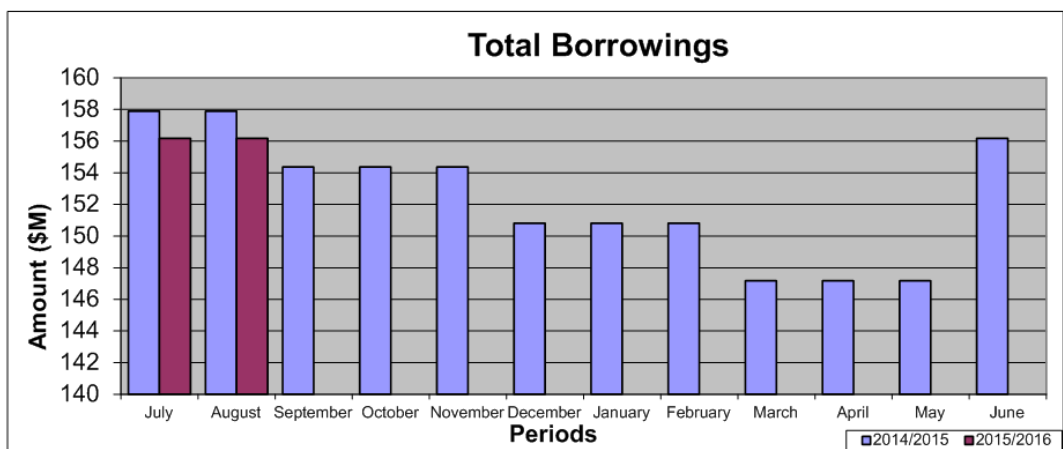
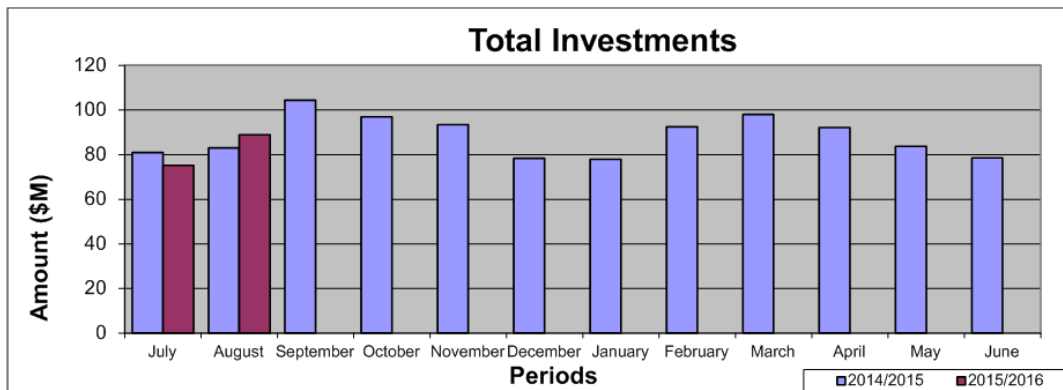


■ Unspent  
Employee  
Costs

**Operating Materials & Plant  
(16.7% of Year Gone)**



■ Unspent  
Materials &  
Plant



**9.3 FINANCIAL STATEMENTS 2015-16**

**File No:** 9509  
**Attachments:** 1. Financial Statements 2014/15  
**Authorising Officer:** Ross Cheesman - General Manager Corporate Services  
**Author:** Alicia Cutler - Manager Finance

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**SUMMARY**

*Draft Unaudited Financial Statements are presented for Council information prior to audit.*

**OFFICER'S RECOMMENDATION**

THAT the Financial Statements 2015-16 report be received.

**2015/16 FINANCIAL STATEMENTS**

The first draft set of financial statements for 2014-15 are now completed for review. Tropical Cyclone Marcia has had a significant impact upon Council's financial position as well as the processes to come to this position. This report will cover this in some detail. There is no doubt that apart from expenditures and liabilities created from this event, the revaluation of Council's roads is also a matter to bring to your attention. Apart from this and with the natural disaster issues the completion of the statements did progress well within agreed timeframes.

Members should be aware that there have been a number of developments in respect of the Road Revaluation that will now result in a changed set of Financial Statements to incorporate the movements. A four week extension has been sought from the Minister of Local Government to accommodate these changes and it is likely the Audit Committee planned for the October, has now been deferred to 24 November 2015.

**STATEMENT OF COMPREHENSIVE INCOME**

Overall the main impact upon the Financial Statements and the results for 30 June 2015, is the impact of Tropical Cyclone Marcia. Council's Operating Result was a deficit of \$10.3 million compared an operating surplus in 2014 of \$20.5 million. A summary of the reasons for the impact are listed below:

- Expenditure towards the Disaster Co-ordination and Emergent Works for the year were \$30.4 million, with only \$5.4 million revenue. There is still further revenue expected during the 2015/16 year which will be reimbursement for some of these expenditures, however as they are unreliable they have not been recorded in the Financial Statement.
- A restoration provision expense of \$7.2 million (included in the \$30.4 million above) has been recorded in regards to Kershaw Gardens and the underlying closed landfill where some remediation will be required.
- A reduction in fee revenue which was the result development and building activity in the region.
- A reduction in sales revenue which is mostly contrived of Main Roads contracts, which has also seen a drop off of activity in the region.
- A review of the approaches in spreading administrative overheads to Capital, which resulted in approximately \$1.6 million more costs being recorded as Operational Expenditure rather than capital.

When compared against Budget, Council had at the outset budgeted for a \$4.6million surplus which following TC Marcia, was revised to a \$5 million deficit which provided for all the adjustments, bar the provision for restoration of Kershaw Gardens.

It is important to note that there was also some Capital Expense incurred as a result of the TC Marcia, which was the result of write-offs of Asset Balances where major damage was incurred. This amount was estimated at \$790,000. In addition assets with minor to moderate damage, as well as those assets that are not accessible within Kershaw Gardens were impaired. This adjustment amounted to \$1.9 million. Full details in respect of these adjustments are detailed in Note 31 of the Financial Statements.

### MOVEMENTS IN ASSET REVALUATION RESERVE

Currently a \$13 million increase has been recorded against the Asset Revaluation Reserve, which is the net result of increase that resulted from the indexation of the Buildings assets and all the write-downs of assets that resulted from Cyclone Marcia and impairment. This part of the statements is expected to change when the results of the Road Revaluation are implemented.

### COMPARATIVE BALANCES

It is important to note when reading these financial statements that the comparative 2014 year contained the adjustments that resulted from the de-amalgamation of Livingstone Shire Council on 1 January 2014.

### RESTATEMENT OF COMPARATIVES AND OPENING BALANCES

Adjustments have again been made to previous year's financial statements for the following asset adjustments:

- Assets not previously recognised
- Contributed assets – prior years
- Assets previously recognised incorrectly
- Disposals (renewals) not previously recorded

A total amount of adjustments of \$7.2 million, which when compared against the total PPE is not material, however as the respective adjustments are also recorded against the Capital Expense and Income areas on the Statement of Comprehensive Income, they have been restated.

Members will note that these adjustments and the continuation of their appearance in these financial statements are symptomatic of the High Risk audit issue that has been raised for the past few years. This year has seen further improvement of asset data in respect of culverts and footpaths but it is difficult to guarantee or assure there will be no further movements. The completion of this audit point remains at the end of the rolling revaluation of the Road and Drainage Asset Class in 2017.

### SUSTAINABILITY INDICATORS

Near to the end of the Draft Financial Statements, shows a Current-year Financial Sustainability Statement which shows the following indicators:

<b>Council's performance at 30 June 2015 against key financial ratios and targets:</b>	<b>How the measure is calculated</b>	<b>Actual - Council</b>	<b>Target</b>
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	-5.5%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	81.6%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	59.4%	Not Greater than 60%



Note that the Operating Surplus ratio is not within the guidelines due to the impact of TC Marcia on the Operational result, which is outlined earlier in this report.

The Asset Sustainability ratio is again below the guideline of 90% which was expected. The overall Capital Expenditure is well in excess of depreciation, however the weighing of priorities between renewal works and upgrade projects continues to be a feature of Councils Budget processes. Continued working through the consequences of service levels in Asset Management Planning will assist Council to know the future impact of these decisions.

The Net Financial liabilities ratio just meets the target (even though it was not budgeted to do so). This is the result of increased cash holdings at 30 June which is the result of approximately \$15million unspent Capital Works program from the year. This has been transferred to the 15/16 budget, however the works program is now under review in terms of the levels that can be achieved.

## **CONCLUSION**

With the exception of the Road Revaluation, the preparation of the Financial Statements for this financial year has progressed well in accordance with expected timeframes.

Updates will be provided verbally to Council in respect of further progress with Audit and the Road Revaluation implementation.

# **FINANCIAL STATEMENTS 2015-16**

## **Financial Statements 2014/15**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

**ROCKHAMPTON REGIONAL COUNCIL****Financial statements - unaudited**

For the year ended 30 June 2015

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	<b>Statement of Comprehensive Income</b>
	<b>Statement of Financial Position</b>
	<b>Statement of Changes in Equity</b>
	<b>Statement of Cash Flows</b>
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2	Analysis of results by function
3	Revenue analysis
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5	Capital income
6	Employee benefits
7	Materials and services
8	Finance costs
9	Depreciation and amortisation
10	Capital expenses
11	Discontinued operations
12	Cash and cash equivalents
13	Investments
14	Trade and other receivables
15	Assets classified as held for sale and transfer
16	Property, plant and equipment
17	Fair value measurements
18	Trade and other payables
19	Provisions
20	Borrowings
21	Retained surplus
22	Asset revaluation surplus
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24	Events after the reporting period
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	<b>Management Certificate</b>
	<b>Independent Auditor's Report</b>

ROCKHAMPTON REGIONAL COUNCIL

Statement of Comprehensive Income

For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Continuing operations</b>			
<b>Income</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3(a)	121,552,306	116,994,729
Fees and charges	3(b)	25,646,755	25,510,203
Interest received	3(c)	3,631,344	3,671,158
Sales revenue	3(d)	8,046,934	12,201,532
Other recurrent income	3(e)	9,478,197	7,129,349
Grants, subsidies and contributions	4(a)	17,604,985	14,476,055
		<u>185,960,521</u>	<u>179,983,026</u>
<b>Capital revenue</b>			
Grants, subsidies and contributions	4(b)	30,931,613	51,762,850
<b>Total revenue</b>		<u>216,892,134</u>	<u>231,745,876</u>
<b>Capital income</b>	5	728,055	187,437
<b>Total income from continuing operations</b>		<u>217,620,189</u>	<u>231,933,313</u>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee benefits	6	(68,016,659)	(63,056,569)
Materials and services	7	(74,282,168)	(43,393,227)
Finance costs	8	(9,015,711)	(9,653,666)
Depreciation and amortisation	9	(44,929,775)	(43,430,070)
		<u>(196,244,313)</u>	<u>(159,533,532)</u>
<b>Capital expenses</b>	10	(8,083,433)	(9,464,289)
<b>Loss on restructure of local government</b>	28	-	(859,080,932)
<b>Total expenses from continuing operations</b>		<u>(204,327,746)</u>	<u>(1,028,078,753)</u>
<b>Surplus/(deficit) for the year from continuing operations</b>		<u>13,292,443</u>	<u>(796,145,440)</u>
<b>Discontinued operations</b>			
<b>Surplus/(deficit) for the year from discontinued operations</b>	11	-	25,997,851
<b>Net result attributable to Council</b>		<u>13,292,443</u>	<u>(770,147,589)</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase in asset revaluation surplus	22	13,233,212	67,139,608
<b>Total other comprehensive income for the year</b>		<u>13,233,212</u>	<u>67,139,608</u>
<b>Total comprehensive income for the year</b>		<u>26,525,655</u>	<u>(703,007,981)</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 2015

		2015	Restated 2014
	Note	\$	\$
<b>Current assets</b>			
Cash and cash equivalents	12	48,701,188	29,899,637
Investments	13	30,000,000	57,000,000
Trade and other receivables	14	18,502,090	18,407,067
Inventories		1,784,242	1,730,165
		<u>98,987,520</u>	<u>107,036,869</u>
Assets classified as held for sale and transfer	15	321,454	14,100,261
<b>Total current assets</b>		<u>99,308,974</u>	<u>121,137,130</u>
<b>Non-current assets</b>			
Property, plant and equipment	16	1,878,326,921	1,839,716,189
Intangible assets		1,692,788	2,048,277
<b>Total non-current assets</b>		<u>1,880,019,709</u>	<u>1,841,764,466</u>
<b>TOTAL ASSETS</b>		<u>1,979,328,683</u>	<u>1,962,901,596</u>
<b>Current liabilities</b>			
Trade and other payables	18	20,278,748	33,556,769
Provisions	19	18,744,441	12,167,403
Borrowings	20	15,227,724	14,407,449
Other liabilities		583,666	533,319
<b>Total current liabilities</b>		<u>54,834,579</u>	<u>60,664,940</u>
<b>Non-current liabilities</b>			
Provisions	19	11,651,427	13,153,563
Borrowings	20	140,952,561	143,495,888
Other liabilities		2,249,966	2,472,710
<b>Total non-current liabilities</b>		<u>154,853,954</u>	<u>159,122,161</u>
<b>TOTAL LIABILITIES</b>		<u>209,688,533</u>	<u>219,787,101</u>
<b>NET COMMUNITY ASSETS</b>		<u>1,769,640,150</u>	<u>1,743,114,495</u>
<b>Community equity</b>			
Retained surplus	21	1,298,941,932	1,285,649,489
Asset revaluation surplus	22	470,698,218	457,465,006
<b>TOTAL COMMUNITY EQUITY</b>		<u>1,769,640,150</u>	<u>1,743,114,495</u>

Council has made a retrospective restatement as a consequence of correction of prior period error(s) and therefore, in accordance with AASB 101 has presented restated comparative information in the prior reporting period. Details are disclosed in Note 32.

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 2015

	Total		Retained surplus Note 21		Asset revaluation surplus Note 22	
	2015 \$	Restated 2014 \$	2015 \$	Restated 2014 \$	2015 \$	2014 \$
<b>Balance at beginning of year</b>	1,743,114,495	2,438,863,945	1,285,649,489	2,048,538,547	457,465,006	390,325,398
Adjustment to opening balance	-	7,258,531	-	7,258,531	-	-
Restated balances	1,743,114,495	2,446,122,476	1,285,649,489	2,055,797,078	457,465,006	390,325,398
Net result attributable to Council	13,292,443	(770,147,589)	13,292,443	(770,147,589)	-	-
Other comprehensive income for the year						
Adjustment to asset revaluation surplus:						
Property, plant & equipment	13,233,212	67,139,608	-	-	13,233,212	67,139,608
<b>Total comprehensive income for year</b>	26,525,655	(703,007,981)	13,292,443	(770,147,589)	13,233,212	67,139,608
<b>Balance at end of year</b>	1,769,640,150	1,743,114,495	1,298,941,932	1,285,649,489	470,698,218	457,465,006

Council has made a retrospective restatement as a consequence of correction of prior period error(s) and therefore, in accordance with AASB 101 has presented restated comparative information in the prior reporting period. Details are disclosed in Note 32.

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 2015

	Note	2015 \$	2014 \$
<b>Cash flows from operating activities</b>			
Rates, levies and charges		122,110,967	141,850,260
Fees and charges		25,646,755	28,378,088
Grants, subsidies and contributions		17,604,985	15,750,053
Interest received		3,806,861	4,819,030
Other income		17,401,002	21,000,424
Net GST (recoverable)/paid		(553,758)	191,442
Payments to suppliers		(67,323,719)	(49,626,140)
Payments to employees		(68,111,885)	(75,939,211)
Interest expense		(8,350,822)	(11,318,546)
<b>Net cash inflow from operating activities</b>	29	<u>42,230,386</u>	<u>75,105,400</u>
<b>Cash flows from investing activities</b>			
Government subsidies and grants		7,540,276	16,040,634
Capital contributions		4,541,726	10,417,141
Payments for property, plant and equipment		(65,219,191)	(86,554,353)
Payments for intangible assets		(231,503)	(644,590)
Net transfer from cash investments		27,000,000	35,000,000
Proceeds from sale of property plant and equipment		4,662,908	1,875,404
Transfer on restructure of local government	28	(10,381,261)	(33,003,070)
<b>Net cash outflow from investing activities</b>		<u>(32,087,045)</u>	<u>(56,868,834)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		12,678,534	10,306,321
Repayment of borrowings		(14,401,585)	(16,159,797)
<b>Net cash outflow from financing activities</b>		<u>(1,723,051)</u>	<u>(5,853,476)</u>
<b>Net increase in cash and cash equivalents held</b>		<u>8,420,290</u>	<u>12,383,090</u>
Cash at beginning of reporting year		40,280,898	27,897,808
<b>Cash at end of reporting year</b>	12	<u><u>48,701,188</u></u>	<u><u>40,280,898</u></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 2015

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**1 Significant accounting policies****1.1 Basis of preparation**

These general purpose financial statements are for the period 1 July 2014 to 30 June 2015 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*. Consequently, these financial statements have been prepared in accordance with all Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements issued by the Australian Accounting Standards Board.

These financial statements have been prepared under the historical cost convention, except for the following:

- 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.

**Recurrent/capital classification**

Revenue and expenditure are presented as "recurrent" or "capital" in the Statement of Comprehensive Income on the following basis:

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.

The following transactions are classified as either "Capital Income" or "Capital Expenses" depending on whether they result in accounting gains or losses:

- disposal of non-current assets
- discount rate adjustments to restoration provisions
- revaluations of investment property and property, plant and equipment.

All other revenue and expenses have been classified as "recurrent".

**1.2 Statement of compliance**

These general purpose financial statements comply with all accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to Council's operations and effective for the current reporting period. Because the Council is a not-for-profit entity and the Australian Accounting Standards include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS), to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impacts are the offsetting of revaluation and impairment gains and losses within a class of assets, and the timing of the recognition of non-reciprocal grant revenue.

**1.3 Constitution**

The Rockhampton Regional Council is constituted under the *Queensland Local Government Act 2009* and is domiciled in Australia.

**1.4 Date of authorisation**

The financial statements were authorised for issue on the date they were submitted to the Auditor-General for final signature. This is the date the management certificate is signed.

**1.5 Currency**

The Council uses the Australian Dollar as its functional currency and its presentation currency.



## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

## 1.6 Adoption of new and revised Accounting Standards

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective:

	Effective for annual report periods beginning on or after:
AASB 9 <i>Financial Instruments</i> (December 2009)	1 January 2018
AASB 14 <i>Regulatory Deferral Accounts</i>	1 January 2016
AASB 15 <i>Revenue from Contracts with Customers</i>	1 January 2017
AASB 2010-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	1 January 2018
AASB 2013-9 <i>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments</i>	Refer Title column
[Operative dates: Part A Conceptual Framework – 20 Dec 2013; Part B Materiality – 1 Jan 2014; Part C Financial Instruments – 1 Jan 2015]	
AASB 2014-1 <i>Amendments to Australian Accounting Standards</i>	Part D - 1 January 2016; Part E - 1 January 2018
AASB 2014-4 <i>Amendments to Australian Accounting Standards-Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i>	1 January 2017
AASB 2014-7 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i>	1 January 2018
AASB 2014-8 <i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)- Application of AASB 9 (December 2009) and AASB 9 (December 2010)</i>	1 January 2015
AASB 2015-1 <i>Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle</i> [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]	1 January 2016
AASB 2015-2 <i>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101</i> [AASB 7, AASB 101, AASB 134 & AASB 1049]	1 January 2016
AASB 2015-3 <i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i>	1 July 2015
AASB 2015-5 <i>Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception</i> [AASB 10, AASB 12 & AASB 128]	1 January 2016
AASB 2015-6 <i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i> [AASB 10, AASB 124 & AASB1049]	1 July 2016

Due to its recent release, Council is still reviewing the way that revenue is measured and recognised to identify whether AASB 15 *Revenue from Contracts with Customers* will have a material impact. To date no impact has been identified.

AASB 15 is effective from 1 January 2017 and will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council. This means that Council will disclose more information about related parties and transactions with those related parties. Council is currently preparing for this change by identifying related parties. Related parties will include the Mayor, councillors and some council staff. In addition the close family members of those people and any organisations that they control or are associated with will be classified as related parties.

The amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

**1.7 Critical accounting judgements and key sources of estimation uncertainty**

In the application of Council's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and ongoing assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Judgements, estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

Discontinued operations - Note 1.15 and Note 11  
 Assets classified as held for sale - Note 1.16 and Note 15  
 Valuation of property, plant and equipment - Note 1.17 (c) and Note 16  
 Impairment of property, plant and equipment - Note 1.19 and Note 16  
 Depreciation - Note 1.17 (e) and Note 9  
 Provisions - Note 1.22 (e), Note 1.24 and Note 19  
 Contingencies - Note 25 and Note 30  
 Capital income - Note 5  
 Capital expenses - Note 10

**1.8 Reporting entities**

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Council.

The following controlled entities are not consolidated with the Council's financial statements as the transactions and balances are not material to the Council's operations.

**The Rockhampton Art Gallery Trust**

The Rockhampton Art Gallery Trust's operations are audited by the Auditor-General of Queensland. The financial statements receive a qualified audit opinion, as is normal for organisations of this type, because it cannot demonstrate that it has identified and recorded all revenue from donations.

The results for the 2014/15 financial year are as follows:

Art Gallery		
	2015	2014
	\$	\$
Receipts	31,947	51,290
Disbursements	(34,544)	(48,433)
<b>Net (deficit)/surplus</b>	<b>(2,597)</b>	<b>2,857</b>
Assets	66,115	68,712
Liabilities	-	-
<b>Net assets</b>	<b>66,115</b>	<b>68,712</b>

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

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**1.9 Revenue**

Rates, levies, grants and other revenue are recognised as revenue on receipt of funds or earlier upon unconditional entitlement to the funds.

**(a) Rates, levies and charges**

Where rate monies are received prior to the commencement of the rating period, the amount is recognised as revenue in the period in which they are received, otherwise rates are recognised at the commencement of the rating period.

**(b) Grants and subsidies**

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them. An equivalent amount is transferred from retained earnings to the relevant reserve until the funds are expended. Unspent non-reciprocal capital grants are placed in the unspent or constrained grants reserve.

Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements. Council does not currently have any reciprocal grants.

**(c) Non-cash contributions**

Non-cash contributions with a value in excess of the recognition thresholds, are recognised as revenue and as non-current assets. Non-cash contributions below the thresholds are recorded as revenue and expenses.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater 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. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

**(d) Cash Contributions**

Council receives cash contributions from property developers to construct assets such as roads and footpaths and to connect new property developments to water and sewerage networks in the local government area. Where agreements between Council and the developers relating to these contributions are determined to fall within the scope of AASB Interpretation 18 *Transfers of Assets from Customers* these contributions are recognised as revenue when the related service obligations are fulfilled.

Developers may also make cash contributions towards the cost of constructing existing and proposed water supply and sewerage headworks in accordance with Council's planning scheme policies (headworks include pumping stations, treatment works, mains, sewers and water pollution control works). Cash contributions in relation to water supply and sewerage headworks are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with these contributions. Consequently, these cash contributions are recognised as income when received.

For new development applications, since the 3rd January 2012, developers pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers and water pollution control works. These infrastructure charges are not within the scope of AASB Interpretation 18 because there is no performance obligation associated with them. Consequently, those infrastructure charges are recognised as income when received.

**(e) Interest received**

Interest received from term deposits is accrued over the term of the investment.

**(f) Sales revenue**

Sale of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

Council generates revenue from a number of services including contracts for road and earthworks. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in other liabilities and is recognised as revenue in the period when the service is performed.

**(g) Fees and charges**

Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.

**(h) Other recurrent income**

Other revenue is recognised as a receivable when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt. Rental revenue is recognised as income on a periodic straight line basis over the lease term.

**1.10 Financial assets and financial liabilities**

Council recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, Council becomes a party to the contractual provisions of the instrument.

Rockhampton Regional Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents (Note 1.11)

Investments (Note 1.12)

Trade and other receivables - measured at amortised cost (Note 1.13)

Financial liabilities

Payables - measured at amortised cost (Note 1.21)

Borrowings and borrowing costs - measured at amortised cost (Note 1.23)

Financial assets and financial liabilities are presented separately from each other and offsetting has not been applied.

The fair value of financial instruments is determined as follows:

The fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximate their carrying amounts and are not disclosed separately.

The fair value of borrowings, as disclosed in Note 20 to the accounts, is determined by reference to published price quotations in an active market and/or by reference to pricing models and valuation techniques. It reflects the value of the debt if the Council repaid it in full at balance date. As it is the intention of the Council to hold its borrowings for their full term, no adjustment provision is made in these accounts.

The fair value of trade receivables approximates the amortised cost less any impairment. The fair value of payables approximates the amortised cost.

Rockhampton Regional Council does not recognise financial assets or financial liabilities at fair value in the Statement of Financial Position.

All other disclosures relating to the measurement and financial risk management of financial instruments are included in Note 33.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2015

1.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, all cash and cheques receipted 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, and bank overdrafts.

1.12 Investments

Term deposits in excess of three months are reported as investments, with deposits of less than three months being reported as cash equivalents.

1.13 Trade and other receivables

Trade receivables are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase price / contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment. 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.

All known bad debts were written-off at 30 June. Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income. If an amount is recovered in a subsequent period it is recognised as revenue.

As Council has the power under the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council will only impair rate receivables when outstanding debt exceeds unimproved capital values.

Loans and advances are recognised in the same way as other receivables. Security is not normally obtained.

1.14 Inventories

Stores and raw materials held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution (internal consumption) are:

- goods to be supplied at no, or nominal, charge, and
- goods to be used for the provision of services at no, or nominal, charge.

Inventory for distribution is valued at cost, adjusted when applicable for any loss of service potential.

1.15 Discontinued operations

The de-amalgamation of Livingstone Shire Council from Rockhampton Regional Council occurred as at 1 January 2014 as per the *Local Government (De-amalgamation Implementation) Regulation 2013*. In line with AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations* the revenue and expense of the discontinued operations have been separated. Note 11 supplies a summary of the operational results of the discontinued operations and Note 28 supplies a summary of the assets and liabilities in the disposal which have been recorded in accordance with AASB 3 *Business Combinations*.

1.16 Other assets classified as held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale or disposal process, rather than through continuing use. This condition is regarded as met only when the sale or disposal is highly probable and the non-current asset (or disposal group) is available for immediate sale or disposal in its present condition. Management must be committed to the sale or disposal, and/or directed by law or regulation, which should be expected to qualify for recognition as a completed sale or disposal within one year from the date of classification.

ROCKHAMPTON REGIONAL COUNCIL

**Notes to the financial statements**  
For the year ended 30 June 2015

When the above commitment to a sale or disposal process exists, all appropriate assets and liabilities are classified as held for sale. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less cost to sell. Details of land held for sale can be found in Note 15.

**1.17 Property, plant and equipment**

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss. Items of plant and equipment with a total value of less than \$5,000, and infrastructure 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.

The classes of property, plant and equipment recognised by the Council are:

- Land
- Site improvements
- Buildings
- Plant and equipment
- Infrastructure assets:
  - Road and drainage network
  - Bridge network
  - Water assets
  - Sewerage assets
- Airport assets
- Heritage and cultural assets
- Work in progress

**(a) Acquisition of assets**

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including freight in, architect's fees and engineering design fees and all other establishment costs.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

**(b) Capital and operating expenditure**

Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are treated as capital expenditure. Assets under construction are not depreciated until they are completed and commissioned, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred, while expenditure that relates to replacement of a major component of an asset to maintain its service potential is capitalised.

Expenditure incurred in accordance with Natural Disaster Relief and Recovery Arrangements on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

**(c) Valuation**

Land, site improvements, buildings, airport, heritage and cultural and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with AASB116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*. Other plant and equipment and work in progress are measured at cost.

## ROCKHAMPTON REGIONAL COUNCIL

**Notes to the financial statements**

For the year ended 30 June 2015

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging professionally qualified valuers (internal/external) to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process involves the valuer physically sighting Council's assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses mostly internal resources to assess the condition and cost assumptions associated with all property, plant and equipment assets, measured on the revaluation basis, the results of which are considered in combination with the Australian Bureau of Statistics Indexes for Queensland, and other measures deemed suitable. Together these are used to form the basis of a management valuation for property, plant and equipment asset classes, measured on the revaluation basis, in each of the intervening years.

The Producer Price Indexes for Queensland provided by Australian Bureau of Statistics that are used for property, plant and equipment assets are:

Buildings - Index Number ; 30 Building construction Queensland ;

Water and sewerage - Index Number ; 3020 Non-residential building construction Queensland ;

Road and drainage network, Bridge network and Airport - Index Number ; 3101 Road and bridge construction Queensland ; and

Site improvements used the combination of indices above.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is debited to the appropriate revaluation surplus of that asset class. Should this revaluation surplus be exhausted, then the remainder of the revaluation decrease is charged as an expense.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

**(d) Capital work in progress**

The cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour and other overheads.

**(e) Depreciation**

Land is not depreciated as it has an unlimited useful life. Depreciation on other property, plant and equipment assets is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to the Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Council.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to the Council or the unexpired period of the lease, whichever is the shorter.

Landfill rehabilitation assets are depreciated on a straight line basis over the period remaining until the forecast date of closure of the landfill area. Council annually assesses the remaining life of landfill cells and accordingly, depreciation rates are adjusted to reflect these estimates.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets 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. The condition assessments performed as part of Councils asset management processes, for assets measured at depreciated current replacement cost are used to estimate the useful lives of these assets at each reporting date. Details of the range of estimated useful lives for each class of asset are shown in Note 16.

The determination that residual value should reflect the consideration receivable for an asset at the end of the useful life contained in AASB Action Alert Issue No. 172 on 29 May 2015 requires a change to previous estimates. Previously, cost savings from the re-use of in-situ materials were incorporated in the residual values. In line with this change residuals values have been amended in the current year with the full analysis to be undertaken in the following year with current financial indications that there should not be a material impact on depreciation.

**(f) Land under roads**

Land under roads acquired before 30 June 2008 is recognised as a non-current asset where the Council holds title or a financial lease over the asset. The Rockhampton Regional Council currently does not have any such land holdings.

Land under the road network within the Council area that has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* is not controlled by Council but is controlled by the state pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

**1.18 Intangible assets**

Intangible assets with a cost or other value exceeding \$10,000 are recognised as intangible assets in the financial statements, items with a lesser value being expensed.

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software are capitalised and are amortised on a straight-line basis over the period of expected benefit to Council.

It has been determined that there is not an active market for any of the Council's intangible assets. Therefore, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation methods and estimated useful lives are reviewed at the end of each reporting period and adjusted where appropriate.

**1.19 Impairment of non-current assets**

Each non-current physical and intangible asset and group of assets is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the 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. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation surplus increase.



## ROCKHAMPTON REGIONAL COUNCIL

**Notes to the financial statements**  
 For the year ended 30 June 2015
 

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**1.20 Leases**

Leases of plant and equipment under which the Council as lessee assumes substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are classified as finance leases. Other leases, where substantially all the risks and benefits remain with the lessor, are classified as operating leases.

**(a) Operating leases**

Payments made under operating leases are expensed in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

**1.21 Payables**

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price net of applicable discounts other than contingent discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

**1.22 Liabilities - employee benefits**

Liabilities are recognised for employee benefits such as wages and salaries, annual leave and long service leave in respect of services provided by the employees up to the reporting date. Liabilities for employee benefits are assessed at each reporting date. Where it is expected that the leave will be paid in the next twelve months or that Council does not have an unconditional right to defer settlement of the liability for at least 12 months, the liability is treated as a current liability. Otherwise the liability is treated as non-current.

**(a) Salaries and wages**

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense and is reported in Note 18 as a payable.

**(b) Annual leave**

A liability for annual leave is recognised. Amounts expected to be settled within 12 months are calculated on current wage and salary levels and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values. This liability represents an accrued expense and is reported in Note 18 as a payable. As Council does not have an unconditional right to defer this liability beyond 12 months annual leave is classified as a current liability.

**(c) Sick leave**

Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised for this obligation. This liability represents an accrued expense and is reported in Note 18 as a payable.

**(d) Superannuation**

The superannuation expense for the reporting period is the amount of the contribution the Council makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 26.

**(e) Long service leave**

A liability for long service leave is measured as 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 value of 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 interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. This liability is reported in Note 19 as a provision.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

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.

**1.23 Borrowings and borrowing costs**

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.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine 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.

All borrowing costs are expensed in the period in which they are incurred. No borrowing costs are capitalised on qualifying assets. Further details are provided in Note 20.

**1.24 Restoration provision**

A provision is made for the cost of restoration of landfill facilities and 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. Lakes Creek Road landfill facility is expected to close 31 December 2016 and Gracemere landfill is expected to close 30 June 2016. Further details can be found in Note 19.

Landfill restoration

The provision represents the present value of the anticipated future costs associated with the closure of the landfill facilities and monitoring of historical residues on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for landfill facilities is reviewed at least annually and updated based on the facts and circumstances available at the time.

The provision is measured at the expected cost of the work required, discounted to current day values using an appropriate rate. The Commonwealth Government guaranteed securities, with a maturity date corresponding to the anticipated date of restoration, is considered an appropriate rate.

Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

Quarry rehabilitation

The provision represents the present value of the anticipated future costs associated with the closure of the quarries and rehabilitation of these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. The provision recognised for quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time. Management estimates that the restoration will occur on an ongoing basis.

The provision is measured at the expected cost of the work required, discounted to current day values using an appropriate rate. The Commonwealth Government guaranteed securities, with a maturity date corresponding to the anticipated date of restoration, is considered an appropriate rate.

Changes to the provision 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 2015

**1.25 Asset revaluation surplus**

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases on revaluation are offset within a class of assets.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

**1.26 Retained surplus****(a) Surplus funds**

This represents the amount of Council's net funds not set aside in reserves to meet specific future needs.

**(b) Capital and operational reserves**

Both the capital and operational reserves represent funds that are accumulated within Council to meet future requirements.

**1.27 National competition policy**

The Council has reviewed its activities to identify its business activities. Details of these activities are disclosed in Note 34.

**1.28 Rounding and comparatives**

Amounts included in the financial statements have been rounded to the nearest \$1.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

**1.29 Trust funds held for 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.

The monies are disclosed in the notes to the financial statements for information purposes only in Note 27.

**1.30 Carbon pricing**

In 2011 the Australian Government introduced a Clean Energy Legislation package which introduced a pricing mechanism for greenhouse gas emissions in the Australian economy from 1 July 2012. This legislation was repealed on the 17 July 2014 to effectively remove Carbon Pricing from 1 July 2014.

For Rockhampton Regional Council, the Lakes Creek Landfill was above the emissions threshold and as such was liable for Carbon Tax on the emissions during the period in which the legislation was effective.

**1.31 Taxation**

Income of local authorities and public authorities is exempt from Commonwealth taxation except for Fringe Benefits Tax and Goods and Services Tax ('GST'). The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

The Council pays Payroll Tax to the Queensland Government on certain activities.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

**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, and grow a strong, resilient and diversified economy. The Office of CEO incorporates the offices of the Mayor, Councillors and the Chief Executive Officer and includes regional development, internal audit and governance 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. Also provides regulatory and compliance services for development assessment and development compliance in line with statutory requirements and best practice. Maintains a disaster management response capability able 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, workforce and strategy, asset management, organisational development services 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 undertakes the management, maintenance and operation of Council facilities such as reserves and parks and provides compliance and regulatory services in line with legislation and community standards. Manages operations of public health, environmental health, health planning and natural resource management.

**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 2015

2 Analysis of results by function

(b) Revenue, expenses and assets have been attributed to the following functions:

Functions	Income		Total Income	Total Expenses	Net Result	Assets
	Recurring					
	Grants	Other				
	2015 \$	2015 \$				
Resourcing	6,961,109	60,301,071	67,262,180	(22,294,027)	89,556,207	207,301,012
Office of CEO	9,000	115,239	124,239	6,061,595	(5,937,356)	48,147
Regional Services	12,761,267	21,690,840	34,452,107	51,533,448	(17,081,341)	903,815,299
Corporate Services	506,967	1,781,977	2,288,944	16,030,649	(13,741,705)	44,010,252
Community Services	3,715,128	10,709,682	14,424,810	64,110,039	(49,685,229)	174,147,003
Airport	5,909	16,020,544	16,026,453	15,251,520	774,933	82,998,337
Waste & Recycling	4,318	16,612,798	16,617,116	14,897,467	1,719,649	33,882,172
Fitzroy River Water	1,045,058	65,379,282	66,424,340	58,737,055	7,687,285	533,126,461
Total	25,008,756	192,611,433	217,620,189	204,327,746	13,292,443	1,979,328,683

Prior Year	Restated		Restated	Restated	Restated	Restated
Functions	Income		Total Income	Total Expenses	Net Result	Assets
	Recurring					
	Grants	Other				
	2014	2014				
	\$	\$	\$		\$	\$
Resourcing	3,258,489	74,192,294	77,450,783	830,877,710	(753,426,927)	225,386,070
Office of CEO	-	34,721	34,721	5,511,110	(5,476,389)	31,606
Regional Services	17,403,907	53,617,679	71,021,586	59,198,406	11,823,180	885,161,518
Corporate Services	915,189	3,005,242	3,920,431	16,886,747	(12,966,316)	42,758,454
Community Services	6,821,104	8,646,203	15,467,307	52,411,266	(36,943,959)	169,248,788
Airport	25,976	13,991,295	14,017,271	13,665,344	351,927	79,461,159
Waste & Recycling	539,745	16,774,304	17,314,049	18,368,392	(1,054,343)	30,226,253
Fitzroy River Water	2,529,528	81,917,419	84,446,947	56,901,709	27,545,238	530,627,748
Total	31,493,938	252,179,157	283,673,095	1,053,820,684	(770,147,589)	1,962,901,596

The analysis of results by function for the prior year reflects the restructure of local government. This loss on restructure is included in the total expenses for Resourcing. This note should be read in conjunction with Note 11, Note 15 and Note 28.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>3 Revenue analysis</b>			
<b>(a) Rates, levies and charges</b>			
General rates		49,583,583	47,296,140
Separate rates		16,956,818	16,021,095
Special rates		144,885	109,701
Water		27,897,123	27,475,150
Sewerage		25,185,822	23,681,427
Garbage charges		13,644,954	13,667,728
Rates and utility charge revenue		133,413,185	128,251,241
Less: Discounts		(10,394,204)	(9,809,308)
Less: Pensioner remissions		(1,466,675)	(1,447,204)
Net rates and utility charges		121,552,306	116,994,729
<b>(b) Fees and charges</b>			
Airport fees		11,667,126	10,183,557
Waste and recycling fees		4,336,996	4,723,052
Venues, events, tourism and cultural fees		3,778,610	3,612,948
Building, plumbing and development fees		2,092,182	3,248,618
Local laws and health licencing fees		1,205,921	1,071,971
Irrigator and commercial water fees		1,491,186	1,549,947
Other fees		1,074,734	1,120,110
		25,646,755	25,510,203
<b>(c) Interest received</b>			
Investments		3,161,450	3,229,240
Overdue rates and utility charges		469,894	441,918
		3,631,344	3,671,158
<b>(d) Sales revenue</b>			
Recoverable and private works		8,046,934	12,201,532
		8,046,934	12,201,532
The amount recognised as revenue from contract works during the period is the amount receivable in respect of invoices issued during the period.			
The contract work carried out is not subject to retentions.			
<b>(e) Other recurrent income</b>			
Rental / lease income		2,822,207	2,963,257
Commission and collection fees		1,871,011	1,920,670
Other income		4,784,979	2,245,422
		9,478,197	7,129,349

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>4 Grants, subsidies and contributions</b>			
(a) Recurrent - grants, subsidies and contributions are analysed as follows:			
General purpose grants		6,961,109	2,743,390
Government subsidies and grants		10,507,371	11,454,479
Contributions		136,505	278,186
Total recurrent revenue		<u>17,604,985</u>	<u>14,476,055</u>
(b) Capital - grants, subsidies, and contributions are analysed as follows:			
(i) Monetary revenue designated for capital funding purposes:			
Government subsidies and grants		7,540,276	12,957,824
Contributions		4,764,470	4,950,369
		<u>12,304,746</u>	<u>17,908,193</u>
(ii) Non-monetary revenue received is analysed as follows:			
Developer assets contributed by developers at fair value		18,209,847	23,867,849
Other physical assets contributed at fair value		417,020	9,986,808
	16	<u>18,626,867</u>	<u>33,854,657</u>
Total capital revenue		<u>30,931,613</u>	<u>51,762,850</u>
Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:			
Non-reciprocal grants for expenditure on recurrent Government subsidies and grants		456,720	1,049,775
Non-reciprocal grants for expenditure on capital Government subsidies and grants		542,027	82,222
		<u>998,747</u>	<u>1,131,997</u>
<b>5 Capital income</b>			
Gain on the disposal of non-current assets			
(a) Proceeds from disposal of land		3,479,060	541,989
Less: Book value of land disposed		(3,086,003)	(195,769)
		<u>393,057</u>	<u>346,220</u>
(b) Proceeds from disposal of plant and equipment		1,183,848	1,126,810
Less: Book value of plant and equipment disposed		(1,326,642)	(1,335,827)
		<u>(142,794)</u>	<u>(209,017)</u>
(c) Proceeds due to damage to buildings		483,740	-
Less: Book value of building assets damaged		(114,544)	-
		<u>369,196</u>	<u>-</u>
(d) Proceeds from disposal of site improvements		-	120,565
Less: Book value of site improvements disposed		(2,644)	(70,331)
		<u>(2,644)</u>	<u>50,234</u>
Quarry rehabilitation - change from revision of future restoration expenditure	19	50,027	-
Landfill restoration - change from revision of future restoration expenditure	19	61,213	-
Total capital income		<u>728,055</u>	<u>187,437</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>6 Employee benefits</b>			
Total staff wages and salaries		57,696,603	56,425,284
Councillors' remuneration		1,075,861	1,015,410
Annual, sick and long service leave entitlements		8,204,533	7,376,533
Superannuation	26	6,920,566	6,754,242
		<u>73,897,563</u>	<u>71,571,469</u>
Other employee related expenses		2,137,163	2,407,134
		<u>76,034,726</u>	<u>73,978,603</u>
Less: Capitalised employee expenses		(8,018,067)	(10,922,034)
		<u>68,016,659</u>	<u>63,056,569</u>
Councillor remuneration represents salary and other allowances paid in respect of carrying out their duties.			
Total Council employees at the reporting date:			
Elected members		8	8
Administration staff		462	459
Depot and outdoors staff		342	349
Total full time equivalent employees		<u>812</u>	<u>816</u>
		<b>2015 \$</b>	<b>Restated 2014 \$</b>
<b>7 Materials and services</b>			
Audit of annual financial statements by the Auditor-General of Queensland		222,895	218,962
Advertising and marketing		933,646	696,452
Administration supplies and consumables		919,927	896,722
Communications and IT		2,717,118	2,561,293
Consultants		3,561,582	2,932,570
Contractors		15,758,142	6,870,712
Donations paid		1,154,588	1,126,166
Insurance		2,589,424	1,989,929
Electricity		6,419,502	6,156,652
Repairs and maintenance		32,943,994	18,817,117
Rentals - operating leases		265,603	250,777
Other materials and services		6,795,747	875,875
		<u>74,282,168</u>	<u>43,393,227</u>
		<b>2015 \$</b>	<b>2014 \$</b>
<b>8 Finance costs</b>			
Finance costs charged by the Queensland Treasury Corporation		8,350,822	9,002,213
Bank charges		407,252	385,193
Impairment of receivables		(53,659)	115,617
Quarry rehabilitation - change in present value over time	19	15,228	24,845
Landfill sites - change in present value over time	19	296,068	125,798
		<u>9,015,711</u>	<u>9,653,666</u>



ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>9 Depreciation and amortisation</b>			
<b>(a) Depreciation of non-current assets</b>			
Site improvements		2,854,447	2,868,291
Buildings		6,254,200	5,957,811
Heritage and cultural assets		156,793	156,533
Plant and equipment		4,840,313	5,472,810
Road and drainage network		16,121,430	15,393,920
Bridge network		490,380	410,360
Water		7,349,153	5,643,705
Sewerage		4,945,729	5,412,311
Airport		1,347,837	1,376,417
Total depreciation of non-current assets	16	<u>44,360,282</u>	<u>42,692,158</u>
<b>(b) Amortisation of intangible assets</b>			
Computer software		569,493	737,912
Total amortisation of intangible assets		<u>569,493</u>	<u>737,912</u>
Total depreciation and amortisation		<u>44,929,775</u>	<u>43,430,070</u>
<b>10 Capital expenses</b>			
<b>Write off of non-current assets</b>			
Intangible assets		17,498	3,828
Buildings		304,744	273,355
Plant and equipment		38,846	3,695
Site improvements		31,746	211,570
Road and drainage network		4,508,346	7,170,223
Bridge network		438,640	481,596
Water		785,200	747,944
Sewer		1,152,320	523,580
Airport		2,553	-
Quarry rehabilitation - change from revision of future restoration expenditure	19	-	29,779
Quarry rehabilitation - increase in rehabilitation provision for future costs, due to a change in discount rate	19	13,778	18,719
Disaster events asset adjustments	31	<u>789,762</u>	<u>-</u>
Total capital expenses		<u>8,083,433</u>	<u>9,464,289</u>

## ROCKHAMPTON REGIONAL COUNCIL

**Notes to the financial statements**  
 For the year ended 30 June 2015
**11 Discontinued operations**

The de-amalgamation of Livingstone Shire Council from Rockhampton Regional Council occurred as at 1 January 2014 as per the *Local Government (De-amalgamation Implementation) Regulation 2013*. Rockhampton Regional Council have considered all relevant impacts, legislation, transactions and modelling on its assets and liabilities as at 31 December 2013 and beyond, as a result of the de-amalgamation process. In accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*, all revenue and expenses for the de-amalgamating Livingstone Shire Council have been separated for the six months ended 31 December 2013, and summarised as per Note 11.

Revenue and expenses were mainly apportioned on the basis of geographical location. Where a geographical apportionment was not possible, a population based distribution method was used, while other allocation methodologies were only used where they provided meaningful separation.

	2014
	\$
<b>Income</b>	
<b>Revenue</b>	
<b>Recurrent revenue</b>	
Rates, levies and charges	26,043,939
Fees and charges	2,867,885
Interest received	1,133,657
Sales revenue	1,129,258
Other recurrent income	381,944
Grants, subsidies and contributions	1,273,997
	<u>32,830,680</u>
<b>Capital revenue</b>	
Grants, subsidies and contributions	18,908,651
<b>Total revenue</b>	<u>51,739,331</u>
<b>Capital income</b>	448
<b>Total income</b>	<u>51,739,779</u>
<b>Expenses</b>	
<b>Recurrent expenses</b>	
Employee benefits	(13,364,908)
Materials and services	(9,925,555)
Finance costs	(2,419,799)
Depreciation and amortisation	(9,646)
	<u>(25,719,908)</u>
<b>Capital expenses</b>	(22,020)
<b>Total expenses</b>	<u>(25,741,928)</u>
<b>Surplus from discontinued operations</b>	<u>25,997,851</u>

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>12 Cash and cash equivalents</b>			
Cash in operating bank account		3,792,506	1,882,256
Cash in other banks and on hand		27,030	27,500
Deposits and investments held with QTC		44,881,652	27,989,881
Balance as per statement of financial position		48,701,188	29,899,637
Component of cash held for transfer to Livingstone Shire Council		-	10,381,261
Balance as per statement of cash flows		48,701,188	40,280,898

Cash at bank funds are held with the Commonwealth Bank. Deposits at call consist of funds held in a Queensland Treasury Corporation Cash Fund, which has a short term credit rating of A1+ and a long term rating of AA+, with a floating interest rate (2.80% for 30 June 2015).

Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	914,721	372,693
Unspent developer contributions	16,184,042	16,434,564
Cash balance to be transferred to Livingstone Shire Council	-	10,381,261
Total unspent restricted cash	17,098,763	27,188,518

**13 Investments**

Opening balance	57,000,000	59,000,000
Add back assets held for transfer to Livingstone Shire Council	-	33,000,000
Transfers to operating bank account	(27,000,000)	(2,000,000)
Amount transferred on restructure of local government	-	(33,000,000)
Closing balance of term deposits	30,000,000	57,000,000

Term deposits at fixed interest rates are held with the following financial institutions: National Australia Bank (A1+), Suncorp (A1) and The Rock (A3). Maturity ranges from 6 months to 1 year and bear interest rates from 3.05% to 3.65%.

**14 Trade and other receivables****Current**

Rateable revenue and utility charges	6,939,057	7,277,106
Less: impairment	(12,802)	(30,940)
	6,926,255	7,246,166
Water charges yet to be levied	69,737	308,487
GST recoverable	1,193,578	639,820
Other debtors	9,219,425	9,085,367
Less: impairment	(81,383)	(483,683)
	10,401,357	9,549,991
Prepayments	1,174,478	1,610,910
	18,502,090	18,407,067

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
Interest is charged on outstanding rates at a rate of 11% per annum for both the current and prior year. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.			
Community loans arise from time to time and are subject to negotiated interest rates.			
Movement in accumulated impairment losses (trade and other receivables) is as follows:			
Opening balance		514,623	451,220
Impairment adjustment in the year		(378,204)	(12,638)
Impairment debts written off during the year		(11,056)	(63,582)
Impairments recognised		(31,178)	139,623
Closing balance		<u>94,185</u>	<u>514,623</u>

15 Assets classified as held for sale and transfer

Land held for sale	(a)	321,454	3,719,000
Assets held for transfer to Livingstone Shire Council	(b)	-	10,381,261
		<u>321,454</u>	<u>14,100,261</u>

(a) On an intermittent basis Council decides to sell vacant land and where this land is expected to be sold within the year it is classified under assets held for sale and transfer. These assets are measured at the lower of the assets' carrying amounts and their fair values less costs to sell. These assets are not depreciated or amortised. Note 17 describes the valuation techniques that were used to determine the fair value of the land which is categorised as a level 2 and 3 valuation.

(b) The de-amalgamation of Livingstone Shire Council from Rockhampton Regional Council occurred as at 1 January 2014 as per the *Local Government (De-amalgamation Implementation) Regulation 2013*. Assets transferred to the Livingstone Shire Council are as follows:

Cash, investments and cash equivalents		10,381,261
Assets of Livingstone Shire Council classified as held for sale and transfer	(b)	10,381,261
<b>Net assets to be transferred</b>		<u>10,381,261</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

16 (a) Property, plant and equipment

Basis of measurement	No	Land	Site improvements	Buildings	Plant and equipment	Road and drainage network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress	Total
		Fair value	Fair value	Fair value	Cost	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost	\$
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening gross value as at 1 July 2014		127,625,458	85,766,064	239,115,911	62,177,228	1,123,620,266	36,389,276	530,479,772	297,754,681	65,663,149	21,558,767	42,904,997	2,633,055,569
Additions at cost		167,003	1,611,848	4,509,058	6,231,280	11,681,300	1,439,868	3,668,506	4,085,107	85,490	42,909	27,530,236	61,082,805
Reassessment of landfill restoration cost	4(b)(ii) 19	42,500	49,929	130,962	-	13,725,860	-	2,322,737	2,246,068	-	108,815	-	18,626,871
		-	(525,725)	-	-	-	-	-	-	-	-	-	(525,725)
Transfers between classes		7,609	1,437,549	15,735,497	764,023	9,277,510	4,504,229	2,635,684	1,516,882	(3,056,698)	-	(32,822,285)	-
Disposals		-	(3,000)	(733,312)	(4,075,611)	-	-	-	-	-	-	-	(4,811,923)
Assets classified as held for sale - land	15	311,543	-	-	-	-	-	-	-	-	-	-	311,543
Revaluation adjustment to asset revaluation surplus	22	-	-	21,015,209	-	-	-	-	-	-	-	-	21,015,209
Disaster event 2013 asset adjustments	31	-	-	-	-	4,403,308	-	-	-	-	-	-	4,403,308
Disaster event 2015 asset adjustments	31	-	(2,332,031)	(974,690)	-	(1,216,277)	(205,700)	-	-	-	(148,800)	-	(4,877,488)
Write offs	10	-	(77,460)	(911,540)	(329,915)	(6,825,215)	(596,573)	(2,890,438)	(3,681,476)	(32,651)	-	-	(15,345,266)
Impairment and reversal of impairment		-	-	-	-	-	-	(90,744)	-	-	-	-	(90,744)
Transfer to intangible assets		-	-	-	-	-	-	-	-	-	-	(231,503)	(231,503)
Closing gross value as at 30 June 2015		128,154,113	85,927,174	277,887,095	64,767,005	1,154,666,752	41,531,100	536,216,261	301,830,518	62,659,290	21,561,691	37,381,445	2,712,582,444
<b>Accumulated depreciation and impairment</b>													
Opening gross value as at 1 July 2014		-	26,338,668	106,703,282	27,776,006	270,884,880	9,465,314	192,604,965	131,965,367	23,511,565	4,089,333	-	793,339,380
Depreciation provided in period	9	-	2,854,447	6,254,200	4,840,313	16,121,430	490,380	7,349,153	4,945,729	1,347,837	156,793	-	44,360,282
Depreciation on disposals	22	-	(356)	(618,768)	(2,748,969)	-	-	-	-	-	-	-	(3,366,093)
Revaluation adjustment to asset revaluation surplus		-	-	9,774,157	-	-	-	-	-	-	-	-	9,774,157
Disaster event 2013 asset adjustments	31	-	-	-	-	423,080	-	-	-	-	-	-	423,080
Disaster event 2015 asset adjustments	31	-	(930,506)	(544,640)	-	(525,976)	(20,563)	-	-	-	(119,516)	-	(2,141,201)
Depreciation on write offs	10	-	(45,714)	(606,796)	(291,069)	(2,316,869)	(157,933)	(2,105,237)	(2,529,156)	(30,080)	-	-	(8,082,854)
Impairment and reversal of impairment		-	-	-	-	-	-	(49,228)	-	-	-	-	(49,228)
Transfers between classes		-	(289,326)	190,522	15	166,651	455,601	-	3,580	(527,043)	-	-	-
Accumulated depreciation as at 30 June 2015		-	27,927,213	121,151,957	29,576,296	284,753,196	10,232,799	197,848,881	134,336,292	24,302,279	4,126,610	-	834,255,523
<b>Net value at 30 June 2015</b>													
Residual value		128,154,113	57,999,961	156,735,138	35,190,709	869,913,556	31,298,301	338,367,380	167,494,226	38,357,011	17,435,081	37,381,445	1,878,326,921
		-	-	-	11,213,177	-	-	-	-	-	-	-	11,213,177
Range of estimated useful life in years		Not depreciated	10 - 102	10 - 80	2 - 40	4 - 130	10 - 110	15 - 120	15 - 100	12 - 120	Buildings only 15 - 75		
<b>Additions comprise:</b>													
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Renewals		-	431,699	1,082,786	5,992,485	7,045,822	212,564	2,001,523	2,935,437	55,744	-	15,859,688	35,617,748
Other additions		167,003	1,180,150	3,426,274	238,798	4,635,485	1,227,304	1,666,983	1,149,670	29,745	42,909	14,114,979	27,879,300
Total additions		167,003	1,611,849	4,509,060	6,231,283	11,681,307	1,439,868	3,668,506	4,085,107	85,489	42,909	29,974,667	63,497,048

ROCKHAMPTON REGIONAL COUNCIL  
Notes to the financial statements  
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16 (b) Property, plant and equipment - prior year

Note		Restated 2014		Restated 2014		Restated 2014		Restated 2014		Restated 2014		Restated 2014		Restated 2014		Total
		Land	Site improvements	Buildings	Plant and equipment	Road and drainage network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress				
		Fair value	Fair value	Fair value	Cost	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Cost				
Basis of measurement		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Asset values																
Opening gross value as at 1 July 2013 - Rockhampton Regional Council		104,130,460	67,227,197	235,678,918	61,462,121	1,076,032,170	32,903,029	460,593,582	320,926,015	65,513,798	21,319,922	33,946,882	2,479,734,104			
Add assets held for transfer to Livingstone Shire Council		50,774,106	29,769,721	39,182,819	18,756,814	583,452,462	28,688,388	237,382,288	109,891,720	-	330,990	12,809,340	1,111,039,648			
Opening gross value as at 1 July 2013		154,904,566	96,996,919	274,861,738	80,218,936	1,659,484,633	61,592,417	697,975,880	430,817,735	65,513,798	21,650,912	46,756,222	3,590,773,756			
Adjustment to opening value		32	(72,559)	(304,356)	-	2,055,036	3,830,527	62,069	-	-	64,253	-	5,634,970			
Additions at cost		58,488	923,167	2,294,192	6,232,708	16,657,308	575,639	6,444,438	8,493,673	27,246	23,028	42,438,074	84,167,962			
Contributed assets at valuation		4(b)(i) & 11	3,000	-	110,191	38,063,427	71,278	3,654,895	3,344,440	-	149,764	-	45,396,994			
Reassessment of landfill restoration cost		-	(714,734)	-	-	-	-	-	-	-	-	-	(714,734)			
Transfers between classes		2,931	8,209,131	3,065,905	181,045	5,235,711	26,142	2,600,062	2,277,322	122,105	-	(21,720,354)	-			
Disposals		(195,769)	(161,480)	-	(4,828,172)	-	-	-	-	-	-	-	(5,185,421)			
Assets classified as held for sale - land		15	(1,814,521)	-	-	-	-	-	-	-	-	-	(1,814,521)			
Revaluation adjustment to asset revaluation surplus		22	25,517,410	10,501,709	-	-	-	61,507,089	(34,222,052)	-	-	-	63,304,196			
Flood event 2011 asset adjustments		31(b)(i)	-	-	-	1,089,030	-	-	-	-	-	-	1,089,030			
Write offs		10 & 11	-	(1,753,224)	(1,244,305)	(245,145)	(9,769,684)	(663,061)	(3,288,748)	(2,528,574)	-	-	(19,492,741)			
Transfer to intangible assets		-	-	-	-	-	-	-	-	-	-	(644,590)	(644,590)			
Assets transferred to Livingstone Shire Council		28	(50,850,647)	(28,162,865)	(39,557,263)	(19,492,335)	(589,195,195)	(29,043,666)	(238,475,913)	(110,427,863)	(329,190)	(23,924,355)	(1,129,459,292)			
Closing gross value as at 30 June 2014			127,625,458	85,766,064	239,115,911	62,177,228	1,123,620,266	36,389,276	530,479,772	297,754,681	65,663,149	21,558,767	42,904,997	2,633,055,569		
<b>Accumulated depreciation and impairment</b>																
Opening gross value as at 1 July 2013 - Rockhampton Regional Council		-	19,007,226	101,742,049	25,698,739	258,572,048	9,266,863	163,590,938	163,189,616	22,135,147	3,932,800	-	767,135,426			
Add assets held for transfer to Livingstone Shire Council		-	6,379,585	16,195,238	7,743,675	74,122,598	6,493,639	90,162,284	24,179,297	-	-	-	225,276,317			
Opening balance as at 1 July 2013		-	25,386,812	117,937,289	33,442,414	332,694,646	15,760,502	253,753,222	187,368,915	22,135,148	3,932,800	-	992,411,748			
Adjustment to opening value		32	-	(24,542)	(27,459)	-	(1,571,560)	-	-	-	-	-	(1,623,561)			
Depreciation provided in period		9(a)	2,868,367	5,957,811	5,482,220	15,394,080	410,360	5,643,705	5,412,311	1,376,417	156,533	-	42,701,804			
Depreciation on disposals		-	(91,149)	-	(3,406,753)	-	-	-	-	-	-	-	(3,497,903)			
Revaluation adjustment to asset revaluation surplus		22	-	5,762,214	-	-	-	25,887,471	(34,631,567)	-	-	-	(2,981,882)			
Flood event 2011 asset adjustments		31(i)	-	-	-	235,460	-	-	-	-	-	-	235,460			
Depreciation on write offs		10 & 11	-	(1,541,654)	(970,949)	(241,450)	(2,577,442)	(181,466)	(2,540,804)	(2,004,995)	-	-	(10,058,780)			
Assets transferred to Livingstone Shire Council		28	-	(6,021,380)	(16,193,410)	(7,500,425)	(73,290,304)	(6,524,082)	(90,138,628)	(24,179,297)	-	-	(223,847,526)			
Accumulated depreciation as at 30 June 2014		-	26,338,668	106,703,282	27,776,006	270,884,880	9,465,314	192,604,965	131,965,367	23,511,565	4,089,333	-	793,339,380			
<b>Net value at 30 June 2014</b>																
Residual value			127,625,458	59,427,396	132,412,629	34,401,222	852,735,386	26,923,962	337,874,807	165,789,314	42,151,584	17,469,434	42,904,997	1,839,716,189		
Range of estimated useful life in years			-	5,999,626	-	11,213,177	308,161,245	-	9,536,208	5,206,471	22,340,805	-	362,457,532			
Not depreciated			10 - 102	10 - 80	10 - 80	3 - 40	4 - 130	10 - 100	15 - 120	15 - 100	12 - 120	Buildings only 15 - 75				
<b>Additions comprise:</b>																
<b>Continuing operations</b>																
Renewals			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other additions			-	248,944	640,465	4,201,020	12,325,082	575,639	3,280,978	2,178,527	22,559	-	4,954,481	28,427,895		
Total additions			58,488	668,713	1,599,434	1,153,980	4,305,394	-	3,163,461	6,315,146	4,687	23,028	25,981,084	43,273,415		
			58,488	917,657	2,239,899	5,355,000	16,630,476	575,639	6,444,439	8,493,673	27,246	23,028	30,935,565	71,701,310		

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

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## 17 Fair value measurements

## (a) Recognised fair value measurements

Council measures and recognises the following assets at fair value on a recurring basis:

- Property, plant and equipment
  - Land
  - Site improvements
  - Buildings
  - Road and drainage network
  - Bridge network
  - Water
  - Sewerage
  - Airport
  - Heritage and cultural assets

Council does not measure any liabilities at fair value on a recurring basis. Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in Note 20 is provided by the Queensland Treasury Corporation and represents the contractual undiscounted cash flows at balance date (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. This comprises land held for sale as disclosed in Note 15. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading "Land (level 2)" and "Land (level 3)".

In accordance with AASB 13 fair value measurements are categorised on the following basis:

- Fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Fair value based on inputs that are directly or indirectly observable for the asset or liability (level 2)
- Fair value based on unobservable inputs for the asset and liability (level 3)

The following table categorises fair value measurements as either level 2 or level 3 in accordance with AASB 13. Council does not have any assets or liabilities measured at fair value which meet the criteria for categorisation as level 1.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for all Council assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
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The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2015.

	Note	Level 2		Level 3		Total	
		(Significant other observable inputs)		(Significant unobservable inputs)			
		2015	2014	2015	Restated 2014	2015	Restated 2014
		\$	\$	\$	\$	\$	\$
<b>Recurring fair value measurements:</b>							
Land	16	78,249,000	78,569,000	-	-	78,249,000	78,569,000
Land - no active markets	16	-	-	49,905,113	49,056,458	49,905,113	49,056,458
Site improvements	16	-	-	57,999,961	59,427,396	57,999,961	59,427,396
Buildings	16	-	-	156,735,138	132,412,629	156,735,138	132,412,629
Road and drainage	16	-	-	869,913,556	852,735,386	869,913,556	852,735,386
Bridge network	16	-	-	31,298,301	26,923,962	31,298,301	26,923,962
Water	16	-	-	338,367,380	337,874,807	338,367,380	337,874,807
Sewerage	16	-	-	167,494,226	165,789,314	167,494,226	165,789,314
Airport	16	-	-	38,357,011	42,151,584	38,357,011	42,151,584
Heritage and cultural assets	16	-	-	17,435,081	17,469,434	17,435,081	17,469,434
<b>Total recurring fair value measurements</b>		<b>78,249,000</b>	<b>78,569,000</b>	<b>1,727,505,767</b>	<b>1,683,840,970</b>	<b>1,805,754,767</b>	<b>1,762,409,970</b>
<b>Non-recurring fair value measurements:</b>							
Land held for sale	15	320,000	2,524,000	1,454	1,195,000	321,454	3,719,000

## (b) Valuation techniques used to derive fair values for level 2 and level 3 valuations

Specific valuation techniques used to value Council assets comprise:

## Land (level 2) / land held for sale (level 2)

Land fair values were determined by independent valuer, APV Valuers & Asset Management effective, 30 April 2014. A review of the land market was carried out by Herron Todd White (Central Qld) Pty Ltd at 31 March 2015 which found no material movements in value, and as a result no valuation adjustment was undertaken.

Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

## Land (level 3) / land held for sale (level 3)

Where there was no observable market evidence for a land asset due to its configuration, Council zoning restrictions, contamination or similar factors that result in there being no directly comparable market evidence, level 3 valuation inputs were used. For these assets significant assumptions needed to be made to determine the fair value. These were subsequently valued at the level 3 valuation input hierarchy by using the professional judgment of a Registered Valuer who adjusted the price per square metre of sales from sites not in close proximity which provided only a low level of comparability. The highest and best alternate use was utilised in the determination of the replacement cost where there was no directly comparable market evidence for the current use.

Where land is used for community benefit purposes there is generally a difference between the current use and highest and best use, including cemeteries, parks, sporting facilities and the showgrounds.

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the level 2 and 3 methods described in the preceding paragraphs.

The following table provides a summary of the unobservable inputs and an assessment of the sensitivity of these to the fair value measurement.

## Sensitivity of valuation to unobservable inputs

Significant unobservable input	Range of inputs	Relationship of unobservable inputs to fair value
Price per square metre	\$0.10 - \$1,000	The higher the price per square metre, the higher the fair value.



## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

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**Buildings (level 3)**

The fair value of buildings is measured at written down current replacement cost. The last comprehensive revaluation was undertaken by AssetVal Pty Ltd, Registered Valuers, under AASB 116 *Property Plant & Equipment*, as at 30 June 2012. Indexation was applied to the depreciated replacement cost values in line with the movement in the Producer Price Index (6427) from the Australian Bureau of Statistics; Table 17 - Index number 30 - Building Construction for Queensland from June 2012 (last valuation) to 31 March 2015.

**Current replacement cost (CRC)**

Where Council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Published or available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost, including allowances for preliminaries and professional fees.

**Accumulated depreciation**

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component. An assessment of the economic life and remaining economic life of the various assets has been derived from valuer experience.

Estimated useful lives are disclosed in Note 16.

**Sensitivity of valuation to unobservable inputs**

The table below summarises the effect that changes in the most significant unobservable inputs would have on the valuation:

Significant unobservable input	Range of inputs	Relationship of unobservable inputs to fair value
Replacement cost per square metre	\$64 - \$6,131	The higher the replacement cost per square metre, the higher the fair value.
Remaining useful life	1 - 80	The longer the remaining useful life, the higher the fair value.

**Site improvements (level 3)**

The fair value of site improvements were determined by Cardno (Qld) Pty Ltd, Registered Valuer, as at 30 April 2014, at written down current replacement cost. A review of indices was carried out at 30 June 2015 which found no material movements in value, and as a result no valuation adjustment was undertaken.

Where site improvement assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. The unit rates (labour and materials) and quantities applied to determine the CRC of an asset are based on the full replacement cost, including components that may not need to be replaced. The unit rates were derived from valuer databases and cost curves, scheduled rates for construction of assets or similar assets, published cost guides and supplier quotations and calibrated where applicable. Valuation unit rates (replacement costs) were increased by 15% to allow for project overheads including survey, environmental and investigation costs, engineering design, planning, and project management.

In determining the level of accumulated depreciation, the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the consumed or expired future economic benefits of the asset by reference to the useful life and condition of the asset. The condition assessments were made using a six point scale with a scale of 0 indicating an asset with a very high level of remaining service potential; whereas a rating of 5 indicates a condition of an asset at the end of its useful life.

**Infrastructure assets (level 3)**

All Council infrastructure assets were valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. Where existing assets were over designed, had excess capacity, or were redundant an adjustment was made so that the resulting valuation reflected the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output within the council's planning horizon.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks. The depreciated replacement cost was determined using methods relevant to the asset class as described under individual asset categories below.

**Road and drainage network (level 3)****Current replacement cost (CRC)**

Council categorises its road infrastructure according to the NAASRA functional road classifications and then categorises these into sealed and unsealed. Both urban and rural roads are managed in segments of varying lengths. This can be dependent on construction type, environment and surroundings. All road segments are then componentised into formation, pavement and surface (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is constructed to the same standard and uses consistent unit rates.

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Council assumes that formation, pavement and surfaces are constructed to the standard drawings set out in the Capricorn Municipal Design Guidelines. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates were based on Council's Enterprise Bargaining Agreement (EBA). All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average unit rates of completed similar projects over the last few years.

The last full valuation of road and drainage infrastructure was undertaken effective 30 June 2012 by suitably qualified officers of Rockhampton Regional Council under AASB116 *Property, Plant and Equipment*. A review of indices as at 30 June 2015 using the ABS Producers' Price Index "Roads and Bridges Construction - Queensland (3101) A233727L" found that there was no material movement in values, and as a result no valuation adjustment was undertaken for the remaining assets not subject to valuation in the current year.

**Accumulated depreciation**

In determining the level of accumulated depreciation, roads were disaggregated into significant components which exhibited different useful lives.

Assessment of expired service potential and remaining useful lives was undertaken based on a straight line basis derived from the associated benchmark life for the type of asset or condition information where reliable information is available.

Estimated useful lives are disclosed in Note 16.

**Road and drainage sensitivity of valuation to unobservable inputs**

As detailed above, Council's road and drainage network has been valued using written down current replacement cost. This method utilises a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made with the greatest care, and based upon years of experience, different judgements could result in a different valuation. The table below summarises the effect that changes in the most significant unobservable inputs would have on the valuation:

Significant unobservable input	Range of inputs	Relationship of unobservable inputs to fair value
Number of labour hours	Varies depending on type of assets	The higher the labour hours, the higher the fair value.
Number of plant hours and type of plant used	Varies depending on type of assets	The higher the plant hours and more costly the plant used in the process, the higher the fair value.
Standard material usage quantities	Varies depending on type of assets	The higher the usage quantities, the higher the fair value.
Remaining useful life	1 - 120	The longer the remaining useful life, the higher the fair value.

**Bridge network (level 3)**

The fair value of the bridge network is measured at written down current replacement cost. The last comprehensive revaluation was undertaken by AssetVal Pty Ltd, Registered Valuers, under AASB 116 *Property Plant & Equipment*, as at 30 June 2012. A review of indices was carried out at 30 June 2015 which found no material movements in value, and as a result no valuation adjustment was undertaken.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

Where Council bridges are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Published or available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost, including allowances for preliminaries and professional fees.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component. An assessment of the economic life and remaining economic life of the various assets has been derived from valuer experience.

**Water and sewerage (level 3)**

The fair value of water and sewerage assets were determined by AssetVal Pty Ltd, Registered Valuer, as at 30 April 2014, at written down current replacement cost. The historic evaluation of the ABS Producer Price Index 6427, Table 17; 3020 non-residential building construction Queensland, revealed a greater than 5% movement for water and sewer assets since the last valuation. However a local assessment of the major components of plant, wages and materials indicated a more stagnant localised position as at 30 June 2015, accordingly as no material movements were found, no valuation adjustment was undertaken.

**Current replacement cost (CRC)**

The water and sewer assets are segregated into active and passive assets. For passive assets (water and sewer mains; water meters) unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's construction rates and quotations and reviews by Council engineers. The active assets of treatment, pumping and storage assets were componentised and valued independently, with allowances for complexity, size, function and site factors. Raw costs were increased by up to 30% depending on project complexity to allow for project overheads including survey, environmental and investigation costs, engineering design, planning and project management.

**Accumulated depreciation**

In determining the level of accumulated depreciation for major assets, the assets have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). A condition assessment is applied on a component basis, which is based on factors such as the age of the asset, overall condition at the time of inspection, economic and/or function obsolescence. The condition assessment directly translates to the level of depreciation applied. The condition assessments were made using an eleven point scale with a scale of 10 indicating an asset with a very high level of remaining service potential; whereas a rating of 0 indicates a condition of an asset at the end of its useful life. Where site inspections were not conducted the remaining useful life was calculated on asset age and estimated useful life.

Estimated useful lives are disclosed in Note 16.

**Sensitivity of valuation to unobservable inputs**

Significant unobservable input	Range of inputs	Relationship of unobservable inputs to fair value
Number of labour hours per component	5-100 hours/linear metre	The higher the labour hours, the higher the fair value.
Raw material usage quantities	Varies depending on	The higher the usage quantities, the higher the fair value.
Condition rating	Water: 1 (extremely poor condition) - New	The higher the condition score (higher rating - 10), the higher the fair value.
	Sewer: 1 (extremely poor condition) - New	
Remaining useful life	Water: 1 - 115	The longer the remaining useful life, the higher the fair value.
	Sewer: 1 - 85	

**Airport (level 3)**

The fair value of the Airport assets are measured at written down current replacement cost. The last comprehensive revaluation was undertaken by AssetVal Pty Ltd, Registered Valuers, under AASB 116 *Property Plant & Equipment*, as at 30 June 2012. A review of indices was carried out at 30 June 2015 which found no material movements in value, and as a result no valuation adjustment was undertaken.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

Where Council airport assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Published or available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost, including allowances for preliminaries and professional fees.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component. An assessment of the economic life and remaining economic life of the various assets has been derived from valuer experience.

**Heritage and cultural assets (level 3)**

The fair value of heritage buildings is measured at written down current replacement cost; with the fair value of artworks, heritage collections, rare books and museum collections valued on a market based approach. The last comprehensive revaluation was undertaken by byjoel, Registered Valuer for artworks, and AssetVal Pty Ltd, Registered Valuers, for all other items, under AASB 116 *Property Plant & Equipment*, as at 30 June 2013. Based on the indexed based review conducted by AssetVal Pty Ltd; and byjoel (Artworks), as at 30 June 2014 which found no material movement in values and taking account of the low value of the asset class, no valuation adjustment was undertaken in the current year.

As Councils heritage buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Published or available market data for recent projects, and/or published cost guides are utilised to determine the estimated replacement cost, including allowances for preliminaries and professional fees. The artworks and collections were valued under a market based approach reflecting the intrinsic importance, rarity and uniqueness in their values.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. An assessment of the economic life and remaining economic life has been derived by the valuer from experience valuing similar assets.

**(c) Changes in fair value measurements using significant unobservable inputs (level 3)**

The changes in level 3 assets with recurring fair value measurements are detailed in Note 16 (Property, plant and equipment).

There have been no transfers between level 1, 2 or 3 measurements during the year.

**(d) Valuation processes**

The Council engages external, independent and qualified valuers to determine the fair value of the land, site improvements, buildings, infrastructure, airport and heritage and cultural assets on a regular basis within a five year cycle. An annual assessment for material asset classes is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period and reviewed by Finance and the Chief Executive Officer and received by the Audit and Business Improvement Committee.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>18 Trade and other payables</b>			
<b>Current</b>			
Creditors and accruals		11,882,758	14,464,383
Annual leave		7,706,312	7,890,940
Sick leave		107,247	127,482
Other entitlements		582,431	692,703
Balance of cash payable for restructure of local government	15 & 28	-	10,381,261
		<u>20,278,748</u>	<u>33,556,769</u>
<b>19 Provisions</b>			
<b>Current</b>			
Quarry rehabilitation		49,048	50,264
Landfill restoration		1,407,720	1,024,447
Parks remediation		6,500,079	-
Carbon tax		-	371,000
Long service leave		10,787,594	10,721,692
		<u>18,744,441</u>	<u>12,167,403</u>
<b>Non-current</b>			
Quarry rehabilitation		463,496	483,301
Landfill restoration		8,687,712	11,084,006
Parks remediation		759,956	-
Long service leave		1,740,263	1,586,256
		<u>11,651,427</u>	<u>13,153,563</u>
<b>Details of movements in provisions:</b>			
<b>Quarry rehabilitation</b>			
Balance at beginning of financial year		533,565	460,222
Add back liabilities held for transfer to Livingstone Shire Council as at 30 June 2013		-	192,575
Increase in provision due to change in time	8	15,228	28,126
Increase in provision due to change in discount rate	10	13,778	18,719
(Decrease)/increase in estimate of future cost	5	(50,027)	29,779
Liabilities transferred to Livingstone Shire Council as at 31 December 2013	28	-	(195,856)
Balance at end of financial year		<u>512,544</u>	<u>533,565</u>

This is the present value of the estimated cost of restoring the quarry sites to a usable state at the end of their useful life. The projected cost is \$668,583 and this cost is expected to be incurred over the period 2016 to 2035.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>Landfill restoration</b>			
Balance at beginning of financial year		12,108,453	14,879,142
Add back liabilities held for transfer to Livingstone Shire Council as at 30 June 2013		-	9,655,646
Decrease in provision for rehabilitation asset expenditure		(1,722,150)	(2,181,754)
Increase in provision due to change in time	8	296,068	162,674
Increase/(decrease) in provision due to change in discount rate	16	245,525	(1,243,678)
(Decrease)/increase in estimate of future cost	5	(61,214)	528,944
Decrease in estimate of future cost - transfer to rehabilitation asset	16	(771,250)	-
Liabilities transferred to Livingstone Shire Council as at 31 December 2013	28	-	(9,692,521)
Balance at end of financial year		<u>10,095,432</u>	<u>12,108,453</u>

This is the present value of estimated future closure, maintenance and monitoring cost of landfill sites to the end of their useful lives and regulated periods. The projected cost is \$10,859,854 and this cost is expected to be incurred over the period 2016 to 2046.

**Parks remediation**

Balance at beginning of financial year	-	-
Increase in liability	7,260,035	-
Balance at end of financial year	<u>7,260,035</u>	<u>-</u>

**Carbon tax liability**

Balance at beginning of financial year	371,000	-
Payment for Australian Carbon Credit Units	(305,704)	-
Decrease in liability	(65,296)	371,000
Balance at end of financial year	<u>-</u>	<u>371,000</u>

**Long service leave**

Balance at beginning of financial year		12,307,948	11,529,052
Add back liabilities held for transfer to Livingstone Shire Council as at 30 June 2013		-	4,684,723
Long service leave entitlement arising		1,505,835	1,906,699
Long service entitlement extinguished		(518,833)	(522,850)
Long service entitlement paid		(767,092)	(691,347)
Liabilities transferred to Livingstone Shire Council as at 31 December 2013	28	-	(4,598,329)
Balance at end of financial year		<u>12,527,857</u>	<u>12,307,948</u>

The non-current portion of long service leave is discounted to the present value.

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>20 Borrowings</b>			
<b>(a) Bank overdraft</b>			
The Council does not have a bank overdraft facility.			
<b>(b) Unsecured borrowings</b>			
Unsecured borrowings are provided by the Queensland Treasury Corporation. 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 6 January 2023 to 9 May 2035.			
There have been no defaults or breaches of the loan agreement during the period. Principal and interest repayments are made quarterly in arrears.			
<b>Details of borrowings at balance date are:</b>			
<b>Current</b>			
Queensland Treasury Corporation		15,227,724	14,407,449
		<u>15,227,724</u>	<u>14,407,449</u>
<b>Non-current</b>			
Queensland Treasury Corporation		140,952,561	143,495,888
		<u>140,952,561</u>	<u>143,495,888</u>
<b>Details of movements in borrowings:</b>			
<b>Queensland Treasury Corporation</b>			
Opening balance		157,903,336	160,602,426
Add liabilities held for transfer to Livingstone Shire Council as at 30 June 2013		-	79,419,045
Loans raised		12,678,534	10,306,321
Principal repayments		(14,401,585)	(16,159,797)
		<u>156,180,285</u>	<u>234,167,995</u>
Liabilities transferred to Livingstone Shire Council as at 31 December 2013		-	(76,264,659)
Book value at year end		<u>156,180,285</u>	<u>157,903,336</u>

The QTC loan market value for all loans at the reporting date was \$171,516,934. This represents the value of the debt if Council repaid it at 30 June 2015. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

## 21 Retained surplus

Movement in retained surplus	Note	\$	\$	\$	\$
		Capital reserve	Operational reserve	Surplus funds	Total retained surplus
<b>Balance as at 1 July 2013</b>		74,382,505	10,618,315	1,963,537,727	2,048,538,547
Adjustment to opening balance	32	-	-	7,258,531	7,258,531
<b>Restated balance</b>		<b>74,382,505</b>	<b>10,618,315</b>	<b>1,970,796,258</b>	<b>2,055,797,078</b>
Net result attributable to Council		-	-	(770,147,589)	(770,147,589)
Transfer to capital reserves		25,088,382	-	(25,088,382)	-
Transfer from capital reserves		(51,910,636)	-	51,910,636	-
Transfer to operating reserves		-	4,778,433	(4,778,433)	-
Transfer from operating reserves		-	(6,253,117)	6,253,117	-
<b>Balance as at 30 June 2014</b>		<b>47,560,251</b>	<b>9,143,631</b>	<b>1,228,945,607</b>	<b>1,285,649,489</b>
Net result attributable to Council		-	-	13,292,443	13,292,443
Transfer to capital reserves		19,743,035	-	(19,743,035)	-
Transfer from capital reserves		(18,660,764)	-	18,660,764	-
Transfer to operating reserves		-	1,449,464	(1,449,464)	-
Transfer from operating reserves		-	(2,149,943)	2,149,943	-
<b>Balance as at 30 June 2015</b>		<b>48,642,522</b>	<b>8,443,152</b>	<b>1,241,856,258</b>	<b>1,298,941,932</b>

2015  
\$

2014  
\$

## 22 Asset revaluation surplus

Movements in the asset revaluation surplus were as follows:

Balance at beginning of the year	457,465,006	390,325,398
Net adjustment to non-current assets to reflect a change in current fair value:		
Buildings - indexation	11,241,052	-
Site improvements - revaluation	-	4,739,495
Sewerage - revaluation	-	409,516
Water - revaluation	-	35,619,617
Land revaluation	-	25,517,410
Impairment:		
Road and drainage network - disaster adjustment	3,235,631	853,570
Bridge network - disaster adjustment	(185,137)	-
Site improvements - disaster adjustment	(562,410)	-
Buildings - disaster adjustment	(425,124)	-
Heritage and cultural assets - disaster adjustment	(29,284)	-
Sewerage - impairment	(41,516)	-
	13,233,212	67,139,608
Balance at end of the year	470,698,218	457,465,006

## Asset revaluation surplus analysis

The closing balance of the asset revaluation surplus is comprised of the following asset categories:

Land	48,314,787	48,314,787
Site improvements	6,045,133	6,607,543
Buildings	39,169,285	28,353,361
Road and drainage network	232,822,499	229,586,865
Bridge network	1,863,087	2,048,224
Water	51,283,891	51,283,891
Sewerage	69,876,883	69,918,398
Airport	16,940,328	16,940,328
Heritage and cultural assets	4,382,325	4,411,609
	470,698,218	457,465,006



ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	Restated 2014 \$
<b>23 Commitments for expenditure</b>			
<b>Operating leases</b>			
Minimum lease payments in relation to non-cancellable operating leases are as follows:			
Within one year		7,734	12,462
One to five years		1,289	9,002
		<u>9,023</u>	<u>21,464</u>
		<b>2015</b>	<b>2014</b>
		<b>\$</b>	<b>\$</b>
<b>Contractual commitments</b>			
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:			
Airport		4,871,022	5,726,308
Waste and Recycling		1,985,050	4,931,186
Fitzroy River Water		6,259,700	1,908,763
Communities		7,683,292	2,592,567
Other		569,618	514,814
		<u>21,368,682</u>	<u>15,673,638</u>
<b>24 Events after the reporting period</b>			
There were no material adjusting events after 30 June 2015.			
<b>25 Contingent liabilities</b>			
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 Diggers Memorial Bowls Club (\$14,71) and Rockhampton Basketball Inc (\$174,004.49) as at 30 June 2015.		<u>174,019</u>	<u>209,414</u>
(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 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:		<u>2,907,553</u>	<u>4,160,251</u>

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

## (iii) 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.

The financial statements for 30 June 2014 reported an accumulated surplus and it is not anticipated any liability will arise.

(iv) As at 30 June of each year, the following cases were filed in the courts naming the Rockhampton Regional Council as defendant:

	2015	2014
	Number of cases	Number of cases
Workplace Health and Safety prosecution		
The workplace health and safety prosecution matter has now been finalised and there are no outstanding claims in relation to the case.	0	1

(v) All outstanding matters have now been finalised in relation to the amalgamation of Livingstone Shire Council from Rockhampton Regional Council.

**26 Superannuation**

The Rockhampton Regional Council contributes to the Local Government Superannuation Scheme (Qld) (the scheme). The scheme is a Multi-employer Plan as defined in the Australian Accounting Standard AASB 119 *Employee Benefits*.

The Queensland Local Government Superannuation Board, the trustee of the scheme, advised that the local government superannuation scheme was a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation.

The scheme has three elements referred to as:

The City Defined Benefits Fund (CDBF) which covers former members of the City Super Defined Benefits Fund

The Regional Defined Benefits Fund (Regional DBF) which covers defined benefit fund members working for regional local governments; and

The Accumulation Benefits Fund (ABF).

The ABF is a defined contribution scheme as defined in AASB 119. Council has no liability to or interest in the ABF other than the payment of the statutory contributions as required by the *Local Government Act 2009*.

Council does not have any employees who are members of the CDBF and, therefore, is not exposed to the obligations, assets or costs associated with this fund.

The Regional DBF is a defined benefit plan as defined in AASB119. The Council is not able to account for the Regional DBF as a defined benefit plan in accordance with AASB119 because the scheme is unable to account to the Council for its proportionate share of the defined benefit obligation, plan assets and costs. The funding policy adopted in respect of the Regional DBF is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded as they fall due.

To ensure the ongoing solvency of the Regional DBF, the scheme's trustee can vary the rate of contributions from relevant local government employers subject to advice from the scheme's actuary. As at the reporting date, no changes had been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

Any amount by which either fund is over or under funded would only affect future benefits and contributions to the Regional DBF, and is not an asset or liability of the Council. Accordingly there is no recognition in the financial statements of any over or under funding of the scheme.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2015

As at the reporting date, the assets of the scheme are sufficient to meet the vested benefits.

The most recent actuarial assessment of the scheme was undertaken as at 1 July 2012. The actuary indicated that "the Regional DBF is currently in a satisfactory but modest financial position and remains vulnerable to adverse short and medium term experience."

Following the previous actuarial assessment in 2009, Councils were advised by the trustee of the scheme, following advice from the scheme's actuary, that additional contributions may be imposed in the future at a level necessary to protect the entitlements of Regional DBF members. In the 2012 actuarial report the actuary has recommended no change to the employer contribution levels at this time.

Under the *Local Government Act 2009* the trustee of the scheme has the power to levy additional contributions on councils which have employees in the Regional DBF when the actuary advises such additional contributions are payable - normally when the assets of the DBF are insufficient to meet members' benefits.

There are currently 71 entities contributing to the Regional DBF plan and any changes in contribution rates would apply equally to all 71 entities. Rockhampton Regional Council made less than 4% of the total contributions to the plan in the 2014/15 financial year.

	2015 \$	2014 \$
The next actuarial investigation will be conducted as at 1 July 2015.		
The amount of superannuation contributions paid by Rockhampton Regional Council to the scheme in this period for the benefit of employees was:		
Rockhampton Regional Council	6,920,566	6,754,242
Livingstone Shire Council	-	1,434,419
	<u>6,920,566</u>	<u>8,188,661</u>

27 Trust funds

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	1,649,267	2,086,597
	<u>1,649,267</u>	<u>2,086,597</u>

The Rockhampton Regional Council performs only a custodial role in respect of these monies and because the monies cannot be used for Council purposes, they are not brought to account in these financial statements.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

28 Disposal due to the de-amalgamation of Livingstone Shire Council

On 11 April 2013 the Queensland State Government enacted the *Local Government (De-amalgamation Implementation) Regulation 2013* for the purpose of de-amalgamating several local government areas, including Rockhampton. Rockhampton Regional Council would continue with different boundaries and Livingstone Shire Council would be established as a new local government area. The de-amalgamation took effect on 1 January 2014. As part of the de-amalgamation process, the transfer committee for Livingstone Shire Council determined the assets and liabilities to transfer from Rockhampton Regional Council to Livingstone Shire Council. No compensation was received by either Council for the assets and liabilities transferred and a loss on restructure has been recorded in accordance with AASB 3 *Business Combinations*.

Cash was apportioned based on the opening balances inherited by Council on amalgamation and the reconstruction of the cash flows for the period of amalgamation. Similarly, loans were allocated based on the opening balances on amalgamation and the direct allocation of new borrowings and repayments over the period of amalgamation. Other assets and liabilities were mainly apportioned on the basis of geographical location. Where a geographical apportionment was not possible, a population based distribution method was used, while other allocation methodologies were only used where they provided meaningful separation.

	Note	2014 \$
<b>(a) Analysis of assets and liabilities over which control was lost</b>		
<b>Current assets</b>		
Cash, investments and cash equivalents		43,384,331
Trade and other receivables		3,929,796
Inventories		1,043,515
Land held for sale		15,799
<b>Non-current assets</b>		
Property, plant and equipment		905,611,761
Intangible assets		682,871
<b>Current liabilities</b>		
Trade and other payables		(4,275,874)
Provisions		(3,941,340)
Loans		(6,581,722)
Other liabilities		(126,785)
<b>Non-current liabilities</b>		
Provisions		(10,545,365)
Loans		(69,682,937)
Other liabilities		(433,118)
		<u>859,080,932</u>
Compensation received		-
Loss on restructure of local government		<u>859,080,932</u>
<b>(b) Net cash outflow on disposal of Livingstone Shire Council</b>		
Cash floats and petty cash transferred on restructure		3,070
Initial cash transfer made on restructure		<u>33,000,000</u>
		<u>33,003,070</u>
Balance of cash payable to Livingstone Shire Council	18	<u>10,381,261</u>
		<u>43,384,331</u>

In addition to the above, \$963,510 in trust monies was transferred to Livingstone Shire Council. As the Council only performed a custodial role in respect to these monies, they have not been brought to account in calculating the net loss on local government de-amalgamation.

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

	Note	2015 \$	2014 \$
<b>29 Reconciliation of net result attributable to Council to net cash flow from operating activities</b>			
Net result attributable to Council		13,292,443	(770,147,589)
Non-cash operating items:			
Depreciation and amortisation		44,929,775	43,439,719
Opening work in progress write off		2,675,935	849,220
Carbon tax		(371,000)	371,000
Change in restoration provisions expensed to finance costs		311,296	190,800
Parks remediation provision		7,260,035	-
		54,806,041	44,850,739
Investing and development activities:			
Capital grants, subsidies and contributions		(30,931,613)	(70,671,502)
Capital income		(728,055)	(139,387)
Capital expenses		8,083,433	9,437,813
Loss on restructure of local government		-	859,080,932
Insurance proceeds		483,740	-
		(23,092,495)	797,707,856
Changes in operating assets and liabilities:			
Decrease in receivables		(95,023)	(1,158,795)
Decrease in inventories (excluding land)		(54,077)	(467,749)
(Decrease)/increase in payables		(2,896,759)	3,437,466
Increase in provisions		219,909	692,501
Increase in other liabilities		50,347	190,971
		(2,775,603)	2,694,394
Net cash inflow from operating activities		42,230,386	75,105,400

**30 Contingent 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.

On 2 April, 2015, Members of the Rockhampton Enterprise Centre Incorporated (RECI) voted unanimously to wind-up their operations. Based upon a Deed of Settlement established between Rockhampton Regional Council and the RECI in 2005, the remaining portion of a property (57.18%) known as 214 Quay Street, Rockhampton will transfer to Council ownership. The market value of the property is estimated at \$1,010,000 and the transfer is expected to take place during the first half of the 15/16 financial year. The portion of revenue that would be attributable to the transaction is estimated at \$577,518.

## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

## 31 Accounting for natural disaster events

## 2015 Cyclone Marcia

In February 2015, the Rockhampton area experienced Tropical Cyclone Marcia with considerable damage to the botanic assets, some structural damage to roads, buildings and other site improvements and local creek flooding and run off. Estimates have been made with regard to the impact on relevant assets to ensure that the carrying values reflect their damaged condition.

The treatment of impacted assets in the current year is:

**Disposal of assets due to major damage:**

• Assets with cash settlements by insurance: due to the nature of this disaster event some of the assets impacted were covered by insurance. Where there has been or it is likely that a cash settlement will occur the assets have been disposed in the current year and form part of the gain on disposal of assets in capital income.

• Assets impacted by major damage: assets were disposed with the amount recorded as a capital expense.

**Impairment of assets due to minor or moderate damage:**

• Assets impacted by minor or moderate damage have been impaired with the amount recorded in the appropriate asset revaluation surplus. This includes all assets located in the Kershaw Gardens that have access restrictions from previous landfill activities.

## 2013 Oswald flood event

In January 2013, the Rockhampton area experienced a major rainfall event within a 24 hour period from Cyclone Oswald which led to flash flooding as well as a moderate flood in the Fitzroy River. As a result of this event, road infrastructure asset values were adjusted to reflect their damaged condition.

In the current year the flood restoration works and asset entries were finalised. Any remaining estimated corrections to previous years were reinstated to the asset values.

## 2011 Yasi flood event

In January 2011, the Rockhampton area experienced a major flood from Cyclone Yasi and in the reporting period ended 30 June 2011, similar entries were performed to that of the January 2013 event above. In the prior year the flood restoration works and asset entries were finalised.

## (a) Current Year

	Note	Cost \$	Accumulated depreciation \$	Asset revaluation surplus \$	Capital income \$	Capital expense \$
<b>(i) 2015 Cyclone Marcia:</b>						
Asset adjustments - major damage insurance settlements	5	733,312	618,768	-	114,544	-
Asset adjustments - major damage insurance settlements	10	1,611,266	767,226	-	-	844,040
Asset adjustments - minor and moderate damage	22	3,266,247	1,373,975	1,892,272	-	-
Reduction in asset values due to 2015 disaster event		5,610,825	2,759,969	1,892,272	114,544	844,040
<b>(ii) 2013 Oswald flood event:</b>						
Reinstatement of asset values - 2012/13 adjustments not required	16 & 22	4,403,308	423,080	3,925,950	-	54,278
Increase in asset values due to 2013 flood event	16 & 22	4,403,308	423,080	3,925,950	-	54,278

## (b) Prior Year

		Cost	Accumulated depreciation	Asset revaluation surplus	Capital income	Capital expense
<b>(i) 2011 Yasi flood event:</b>						
Reinstatement of asset values - 2012/13 adjustments not required	16 & 22	1,089,030	235,460	853,570	-	-
Increase in asset values due to 2011 flood event	16 & 22	1,089,030	235,460	853,570	-	-

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

## 32 Correction of error

## (a) Restatement of opening balances for 1 July 2013:

The opening balances for assets and equity as at 1 July 2013 have been amended in the financial statements for the below items as were the comparative amounts for 2013/14.

The additional assets recognised (existing assets not previously recognised and contributed assets) incorporate depreciation to 1 July 2014 in the asset values.

	Note	Comparatives 2013/14 prior to adjustment		Correction of error	Comparatives 2013/14 restated	
		Opening balance 1 July 2013	Closing balance 30 June 2014		Opening balance 1 July 2013	Closing balance 30 June 2014
		\$	\$	\$	\$	\$
Property, plant and equipment - asset value increase	16 (b)	3,590,773,756	2,627,420,599	5,634,970	3,596,408,726	2,633,055,569
Property, plant and equipment - accumulated depreciation	16 (b)	992,411,748	794,962,941	1,623,561	990,788,187	793,339,380
<b>Total property, plant and equipment (increase)</b>		<b>2,598,362,008</b>	<b>1,832,457,658</b>	<b>7,258,531</b>	<b>2,605,620,539</b>	<b>1,839,716,189</b>
Retained surplus	21	1,963,537,727	1,221,687,076	7,258,531	1,970,796,258	1,228,945,607
<b>Equity</b>		<b>2,438,863,945</b>	<b>1,735,855,964</b>	<b>7,258,531</b>	<b>2,446,122,476</b>	<b>1,743,114,495</b>

Note: no retrospective adjustment has been made to the depreciation expense for the 2013/14 year, as the effect of the above adjustments on annual depreciation has been assessed as immaterial.

## (b) Correction of error by asset class:

## Asset values

Note	Site improvements	Buildings	Road and drainage network	Bridge network	Water	Heritage and cultural	Total
	\$	\$	\$	\$	\$	\$	\$
(i) Assets not previously recognised	16 (b)	10,441	-	5,604,704	3,830,527	62,069	9,571,994
(ii) Contributed assets - prior years	16 (b)	-	-	848,761	-	-	848,761
(iii) Assets previously recognised incorrectly	16 (b)	(83,000)	(304,356)	(3,997,993)	-	-	(4,385,349)
(iv) Disposals not previously recorded	16 (b)	-	-	(400,436)	-	-	(400,436)
<b>Total asset values</b>		<b>(72,559)</b>	<b>(304,356)</b>	<b>2,055,036</b>	<b>3,830,527</b>	<b>62,069</b>	<b>5,634,970</b>

## Accumulated depreciation

(vi) Assets previously recognised incorrectly	16 (b)	(24,542)	(27,459)	(1,538,127)	-	-	(1,590,128)
(vii) Disposals not previously recorded	16 (b)	-	-	(33,433)	-	-	(33,433)
<b>Total accumulated depreciation</b>		<b>(24,542)</b>	<b>(27,459)</b>	<b>(1,571,560)</b>	<b>-</b>	<b>-</b>	<b>(1,623,561)</b>

## Total correction of errors

	(48,017)	(276,897)	3,626,596	3,830,527	62,069	64,253	7,258,531
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ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

**Corrections to opening balances (1 July 2013):**

**Assets:**

Asset value  
Accumulated depreciation  
Total property, plant and equipment

16 (b)  
16 (b)

**Equity:**

Retained surplus

21

**Net impact**

Site improvements	Buildings	Road and drainage network	Bridge network	Water	Heritage and cultural	Total
\$	\$	\$	\$	\$	\$	\$
(72,559)	(304,356)	2,055,036	3,830,527	62,069	64,253	5,634,970
(24,542)	(27,459)	(1,571,560)	-	-	-	(1,623,561)
(48,017)	(276,897)	3,626,596	3,830,527	62,069	64,253	7,258,531
48,017	276,897	(3,626,596)	(3,830,527)	(62,069)	(64,253)	(7,258,531)
-	-	-	-	-	-	-

**(c) As identified in the revaluation preparation process**

During the preparation for valuing Council's assets for the rolling 3 year road and drainage valuation (predominately within the road, car park, kerb and footpath asset types) and for the bridge valuation, additional assets not previously recognised and recognised incorrectly were identified and brought to account.



## ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

## 33 Financial instruments

Rockhampton Regional Council's activities expose it to a variety of financial risks including interest rate risk, credit risk, and liquidity risk.

Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of the Council.

The Council minimised its exposure to financial risk in the following ways:

- Investments in financial assets are only made where those assets are with a bank or other financial institution in Australia.
- The Council does not invest in derivatives or other high risk investments.
- When the Council borrows, it borrows from the Queensland Treasury Corporation unless another financial institution can offer a more beneficial rate, taking into account any risk. Borrowing by the Council is constrained by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

Rockhampton Regional Council measures risk exposure using a variety of methods as follows:

Risk exposure	Measurement method
Credit risk	Ageing analysis
Liquidity risk	Maturity analysis
Interest rate risk	Sensitivity analysis

## (i) Credit risk

Credit risk exposure refers to the situation where the Council may incur financial loss as a result of another party to a financial instrument failing to discharge their obligations.

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts. In effect this power protects the Council against credit risk in the case of these debts.

In other cases, the Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

The Council is exposed to credit risk through its investments with the Queensland Treasury Corporation (QTC) and deposits held with banks or other financial institutions. The QTC Cash Fund is an asset management portfolio that invests with a wide variety of high credit rating counterparties. Deposits are capital guaranteed. Other investments are held with highly rated and regulated banks and whilst not capital guaranteed, the likelihood of a credit failure is remote.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the gross carrying amount of those assets inclusive of any provisions for impairment.

No collateral is held as security relating to the financial assets held by the Council.

The following table represents the Council's maximum exposure to credit risk:

Financial assets	Note	2015	2014
		\$	\$
Cash and cash equivalents	12	48,701,188	29,899,637
Investments	13	30,000,000	57,000,000
Receivables - rates	14	6,926,255	7,246,166
Receivables - other	14	10,401,357	9,549,990
<b>Other credit exposures</b>			
Guarantees	25	3,081,572	4,369,665
		<b>99,110,372</b>	<b>108,065,458</b>

## Past due or impaired

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements  
For the year ended 30 June 2015

The following represents an analysis of the age of the Council's financial assets that are either fully performing, past due or impaired:

30-Jun-15	Fully performing	Past due				Less impairment	Total
		Less than 30 days	30-60 days	61-90 days	Over 90 days		
	\$	\$	\$	\$	\$	\$	\$
Receivables	10,115,053	2,041,697	792,533	76,143	4,396,371	(94,185)	17,327,612
Net receivables	10,115,053	2,041,697	792,533	76,143	4,396,371	(94,185)	17,327,612

30-Jun-14	Fully performing	Past due				Less impairment	Total
		Less than 30 days	30-60 days	61-90 days	Over 90 days		
	\$	\$	\$	\$	\$	\$	\$
Receivables	10,499,061	2,747,915	315,183	49,330	3,699,290	(514,624)	16,796,157
Net receivables	10,499,061	2,747,915	315,183	49,330	3,699,290	(514,624)	16,796,157

(ii) Liquidity risk

Liquidity risk refers to the situation where the Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Council is exposed to liquidity risk through its trading in the normal course of business and borrowings from the Queensland Treasury Corporation for capital works.

The Council manages its exposure to liquidity risk by maintaining sufficient undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in the borrowings Note 20. There are no additional facilities or lines of credit available.

The following table sets out the liquidity risk of financial liabilities held by the Council in a format as it might be provided to management. The amounts disclosed in the maturity analysis represent the contractual undiscounted cash flows at balance date.

	0 to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
	\$	\$	\$	\$	\$
<b>2015</b>					
Trade and other payables	11,882,758	-	-	11,882,758	11,882,758
Loans - QTC	23,658,183	94,582,130	78,443,005	196,683,318	156,180,285
	35,540,941	94,582,130	78,443,005	208,566,076	168,063,043
<b>2014</b>					
Trade and other payables	14,464,383	-	-	14,464,383	14,464,383
Loans - QTC	22,752,408	90,898,238	86,096,417	199,747,063	157,903,336
	37,216,791	90,898,238	86,096,417	214,211,446	172,367,719

The outflows in the above table are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated in the table.

(iii) Interest rate risk

The Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation and investments held with financial institutions.

The risk in borrowing is effectively managed by borrowing from financial institutions which provide access to a mix of floating and fixed funding sources such that the desired interest rate risk exposure can be constructed. Interest rate risk in other areas is minimal.

The Council does not undertake any hedging of interest rate risk.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2015

Interest rate sensitivity analysis

The following interest rate sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss should there be a 1% increase in market interest rates. The calculations assume that the rate would be held constant over the next financial year, with the change occurring at the beginning of that year. It is assumed that interest rates on overdue rates would not change. If the rates decreased by 1% the impact would be equal in amount in the reverse direction.

	Net carrying amount		Profit/Loss		Equity	
	2015	2014	2015	2014	2015	2014
	\$	\$	\$	\$	\$	\$
Financial assets	78,674,158	86,872,137	786,742	868,721	786,742	868,721
Financial liabilities	(156,180,285)	(157,903,336)	(1,561,803)	(1,579,033)	(1,561,803)	(1,579,033)
Net total	(77,506,127)	(71,031,199)	(775,061)	(710,312)	(775,061)	(710,312)

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2015

34 National competition policy

(a) Business activities

Before the end of each financial year, the Minister for Local Government must decide for the financial year, the expenditure amounts (the "threshold amounts") for identifying a "significant business activity".

A significant business activity where the threshold expenditure has been set by the Minister for the year ended 30 June 2015 follows:

- (a) for water and sewerage combined activities - \$13,300,000
- (b) for other activities - \$8,900,000

The Council has resolved to commercialise the following activities which fall into the expenditure guidelines above.

Waste and Recycling  
Fitzroy River Water  
Airport

(b) Activities to which the code of competitive conduct is applied

A "business activity" of a local government is any activity that involves trading in goods or services.

The code of competitive conduct (CCC) must be applied to the following business activities:

- (a) A building certifying activity that:
  - (i) involves performing building certifying functions within the meaning of the Building Act, section 8; and
  - (ii) is prescribed under a regulation\*.

\*Section 38 of the *Local Government Regulation 2012* lists the local government's whose activities are prescribed building certifying activities.

- (b) A roads activity, other than a roads activity for which business is conducted only through a sole supplier arrangement, that involves:

- (i) the construction or maintenance of state controlled roads for which the local government submits an offer to carry out work in response to a tender invitation.
- (ii) construction or road maintenance on another local government's roads which the local government has put out to tender.

Each local government may elect to apply a Code of Competitive Conduct (CCC) to any other identified business activities. However, for any with current expenditure of \$312,000 or more, the local government must decide, by resolution each year, whether to apply the CCC to that activity.

In general, applying the competitive code of conduct means that the competitive neutrality principle is applied to the business activity.

Under the competitive neutrality principle, an entity that is conducting a business activity in competition with the private sector should not enjoy a net advantage over competitors only because the entity is in the public sector.

The competitive neutrality principle may be applied by commercialisation or full cost pricing. This includes removing any competitive advantage or disadvantage, where possible, and charging for goods and services at full cost.

In addition the cost of performing community service obligations, less any revenue received from carrying out those obligations, must be treated as revenue for the business activity.

## ROCKHAMPTON REGIONAL COUNCIL

## Notes to the financial statements

For the year ended 30 June 2015

A community service obligation is an obligation the local government imposes on a business activity that is not in its commercial interest. For example, giving a concession to pensioners.

A local government's financial statements must contain an activity statement for each business activity to which the CCC applies.

The Rockhampton Regional Council applies the competitive code of conduct 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:

## (c) Financial performance of activities subject to competition reforms:

Revenue for services provided to Council  
Revenue for services provided to external clients  
Community service obligations

Less : expenditure  
Surplus/(deficiency)

Building Certification	
2015	2014
\$	\$
-	-
87,221	158,901
187,335	113,567
274,556	272,468
274,556	272,468
-	-

## (d) 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	187,335
Fitzroy River Water	Remissions to community & sporting bodies - water	22,558
	Tropical Cyclone Marcia - potable water distribution, Glenmore Water Treatment	347,644
	Plant review and CQ Ice generator & filtration system	
	Combined line charges (operating)	56,191
	Remissions to community & sporting bodies - sewerage	91,299
	Combined line charges (capital)	120,794
	Raising manholes (capital)	215,113
		853,599
Rockhampton Airport	Capricorn Rescue Helicopter Service	21,666
	Royal Flying Doctor Service	83,634
		105,300
Waste and Recycling	Roadside bin operations	422,236
	Roadside bin disposal costs	231,421
	Disposal costs associated with environmental regulations	17,160
	Old landfill maintenance works	95,887
	Green waste	1,184,892
	Waste education	45,367
	Boat ramp services	2,584
	Charity waste policy	48,338
	Waste audit	16,700
	Tropical Cyclone Marcia - community recovery assistance	5,992,507
		8,057,092

## ROCKHAMPTON REGIONAL COUNCIL

**Financial statements**For the year ended 30 June 2015

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**Management Certificate**

For the year ended 30 June 2015

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 51, 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.

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M.F. Strelow  
**Mayor**

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E.A. Pardon  
**Chief Executive Officer**

Date:

Date:

*These draft financial statements exclude the impact of the roads revaluation.*







**ROCKHAMPTON REGIONAL COUNCIL**  
**Current-year Financial Sustainability Statement**  
For the year ended 30 June 2015

**Measures of Financial Sustainability**

Council's performance at 30 June 2015 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)	-5.5%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	81.6%	greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	59.4%	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 2015.

**Certificate of Accuracy**  
**For the year ended 30 June 2015**

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.

M.F. Strelow  
**Mayor**

E.A. Pardon  
**Chief Executive Officer**

Date:

Date:

*These draft financial statements exclude the impact of the roads revaluation.*





ROCKHAMPTON REGIONAL COUNCIL  
Long-Term Financial Sustainability Statement  
Prepared as at 30 June 2015

Measures of Financial Sustainability	Measure	Target	Actuals at 30 June 2015	Projected for the years ended								
				30 June 2016	30 June 2017	30 June 2018	30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	-5.5%	4.0%	2.9%	3.3%	3.8%	4.0%	4.4%	4.6%	5.0%	5.4%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	81.6%	121.6%	94.8%	89.6%	84.3%	101.1%	95.8%	88.4%	89.4%	83.4%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	59.4%	63.5%	63.3%	58.3%	52.3%	50.7%	52.0%	46.5%	41.0%	33.9%

**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 prepared as at 30 June 2015	
This long-term financial sustainability statement has been prepared pursuant to Section 178 of the <i>Local Government Regulation 2012</i> (the Regulation).	
In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.	
<div> <div></div> <div>M.F. Strelow</div> <div>Mayor</div> </div>	<div> <div></div> <div>E.A. Pardon</div> <div>Chief Executive Officer</div> </div>
Date:	Date:
<i>These draft financial statements exclude the impact of the roads revaluation.</i>	

**9.4 CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT****File No:** 1392**Attachments:**

1. Finance Monthly Report - August 2015
2. Workforce & Strategy Monthly Report - August 2015
3. Corporate & Technology Monthly Report - August 2015

**Authorising Officer:** Evan Pardon - Chief Executive Officer**Author:** Ross Cheesman - General Manager Corporate Services

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**SUMMARY**

*The monthly operations report for the Corporate Services department as at 31 August 2015 is presented for Councillor's information.*

**OFFICER'S RECOMMENDATION**

THAT the Corporate Services Departmental Operations Report as at 31 August 2015 be received.

**COMMENTARY**

It is recommended that the monthly operations report for Corporate Services department as at 31 August 2015 be received.

# **CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT**

## **Finance Monthly Report - August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

**MONTHLY OPERATIONS REPORT**  
**FINANCE SECTION**  
**Period Ended August 2015**

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**VARIATIONS, ISSUES AND INNOVATIONS**

***Innovations***

Audit of the Draft Financial Statements commenced on 7 September, with further audit times to be made available for the Road Revaluation work.

Workshops have been booked with Council during October, to address the Water and Sewerage Asset Management Plans.




***Improvements / Deterioration in Levels of Services or Cost Drivers***

Nil.

## LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for *Finance* are as below:

	Balance B/F	Completed in Current Mth	Current Month NEW Requests		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth	Avg Completion Time (days) 6 Months	Avg Completion Time (days) 12 Months	Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed							
Rates Enquiry	7	7	74	71	3	0	3	 1.75	 1.87	 2.21	1.49

**Comments & Additional Information**

Nil.



## **2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS**

### ***Safety Statistics***

The safety statistics for the reporting period are:

	FIRST QUARTER		
	July	August	Sept
<b>Number of Lost Time Injuries</b>	0	0	
<b>Number of Days Lost Due to Injury</b>	0	0	
<b>Total Number of Incidents Reported</b>	0	0	
<b>Number of Incomplete Hazard Inspections</b>	0	0	

### ***Risk Management Summary***

Example from Section Risk Register (excludes risks accepted/ALARP)

Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments
Lack of funds for capital works resulting in degradation of existing assets causing unusable assets and public liability claims	High 5	Enhanced capital expenditure reporting for monitoring purposes. Improved Asset Management and Financial Planning	30/6/16	16%	10 year Capital list now matched off with the LTFF, AM planning underway.
The use of inaccurate GIS data by external and internal users will lead to litigation and a lack of integrity for internal and external users.	Moderate 5	Continued review of integrity of existing data	30/06/16	16%	Ongoing

### ***Legislative Compliance & Standards***

Legislative Compliance Matter	Due Date	% Completed	Comments
Audited Statement completed by end of October	31/10/15	70%	In progress.
Annual Budget adopted by 1 August	01/08/15	100%	Budget adopted in July
Asset Register must record its non-current	30/06/16	16%	Ongoing

Legislative Compliance Matter	Due Date	% Completed	Comments
physical assets			
A community financial report must be prepared for the Annual Report	30/10/15	0%	
A Local Government must have a Debt Policy, Investment Policy and a Revenue Policy	01/08/15	100%	Included with the Budget adoption
Trust Fund Management in accordance with the Local Government Regulation	30/06/16	16%	Ongoing
Monthly Financial report prepared for the monthly meeting of Council	30/08/15	16%	Ongoing
A Local Government must set an Asset Recognition threshold	30/06/16	0%	Amount set – changes proposed in respect of Asset Classes only.

### **3.ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

No capital projects are relevant to the Finance Section.

### **4.ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

No Operational Projects to highlight within the Adopted Budget.

### **5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS**

#### ***Adopted/Operational Service Level Standards & Performance***

Service Level	Target	Current Performance
Levy rates within 1 week of predicted dates in revenue statement	100%	100%
Manage the recovery of unpaid rates and charges in accordance with the Revenue Management Policy, achieving an overdue balance of less than 3% at its lowest point.	<3%	2.44% achieved in August

Please note the service levels depicted in the above table are operational standards only and have not been formally adopted by Council.

## FINANCIAL MATTERS

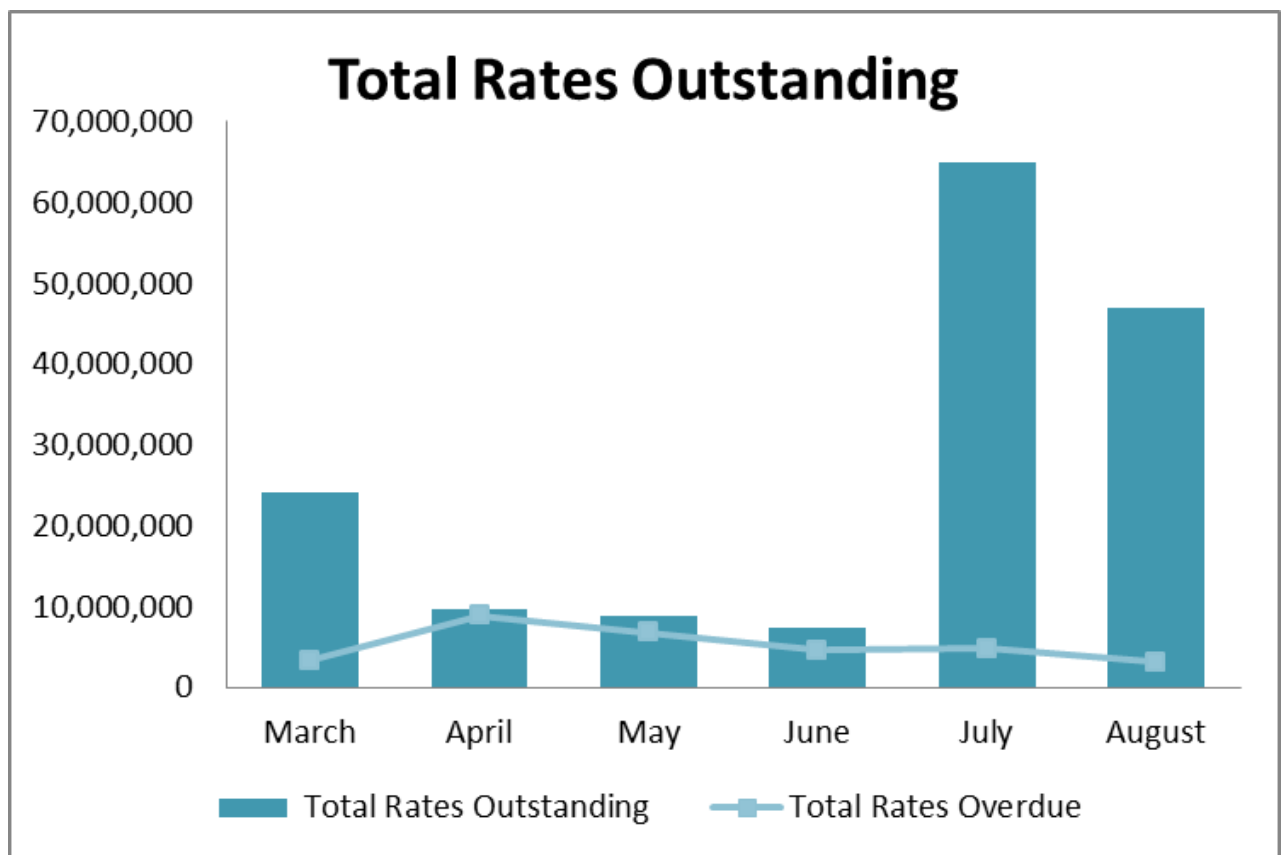
## End of Month Job Costing Ledger - (Operating Only) - FINANCE AND BUSINESS

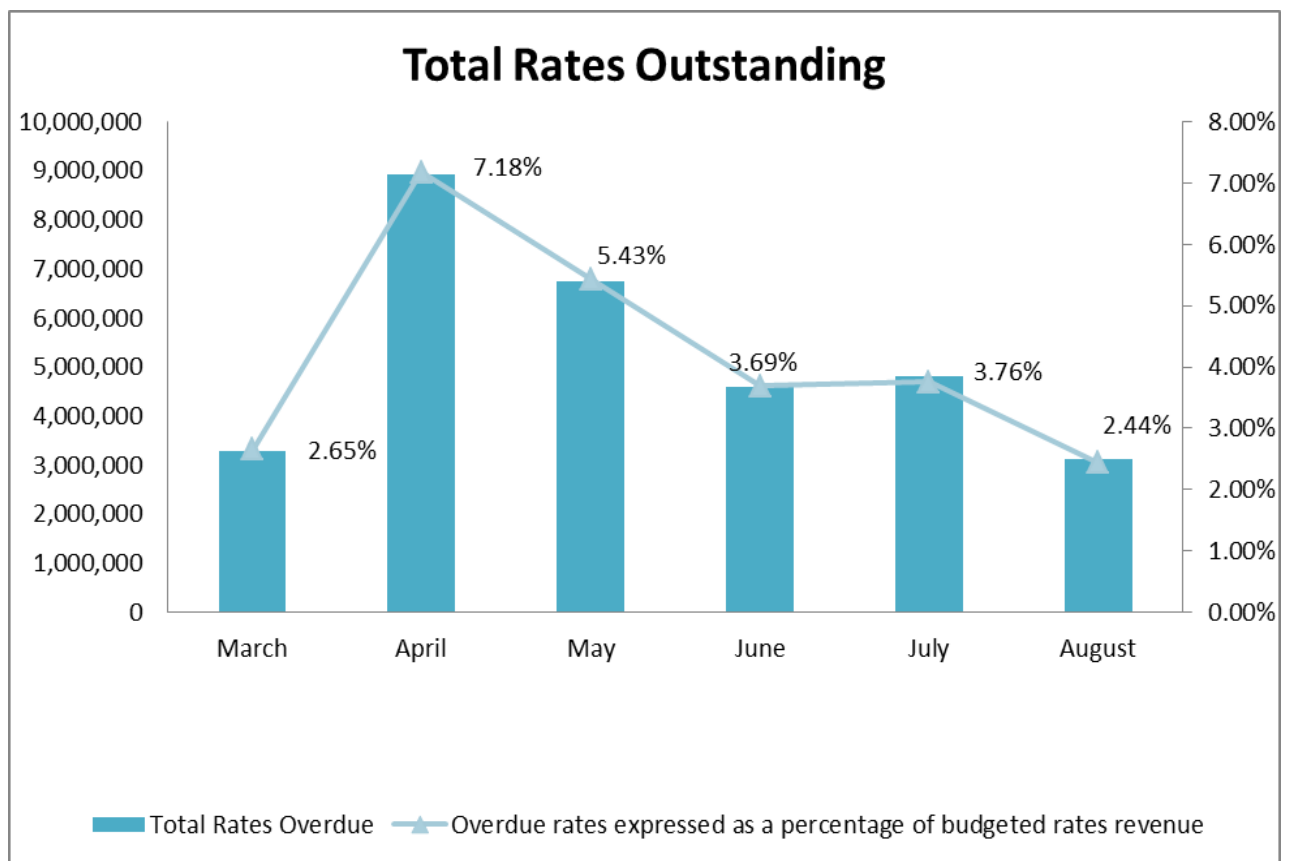


As At End Of August

Report Run: 04-Sep-2015 07:53:01 Excludes Nat Accs: 2802,2914,2917,2924

	Adopted Budget	Revised Budget	EOM Commitments	YTD Actual	Commit + Actual	Variance	On target 16.7% of Year Gone
	\$	\$	\$	\$	\$	%	
<b>CORPORATE SERVICES</b>							
<b>FINANCE</b>							
<u>Finance Management</u>							
Expenses	700,228	0	70,854	34,225	105,079	15%	✓
<b>Total Unit: Finance Management</b>	<b>700,228</b>	<b>0</b>	<b>70,854</b>	<b>34,225</b>	<b>105,079</b>	<b>15%</b>	<b>✓</b>
<u>Revenue &amp; Accounting</u>							
Revenues	(458,160)	0	0	(79,424)	(79,424)	17%	✓
Expenses	2,937,430	0	30,987	405,416	436,403	15%	✓
Transfer / Overhead Allocation	9,000	0	0	1,060	1,060	12%	✓
<b>Total Unit: Revenue &amp; Accounting</b>	<b>2,488,270</b>	<b>0</b>	<b>30,987</b>	<b>327,052</b>	<b>358,039</b>	<b>14%</b>	<b>✓</b>
<u>Financial Systems</u>							
Expenses	413,831	0	0	65,011	65,011	16%	✓
Transfer / Overhead Allocation	0	0	0	255	255	0%	✗
<b>Total Unit: Financial Systems</b>	<b>413,831</b>	<b>0</b>	<b>0</b>	<b>65,265</b>	<b>65,265</b>	<b>16%</b>	<b>✓</b>
<u>Assets &amp; GIS</u>							
Revenues	(5,100)	0	0	(1,044)	(1,044)	20%	✓
Expenses	1,872,358	0	0	230,814	230,814	12%	✓
Transfer / Overhead Allocation	35,770	0	0	5,921	5,921	17%	✓
<b>Total Unit: Assets &amp; GIS</b>	<b>1,903,028</b>	<b>0</b>	<b>0</b>	<b>235,692</b>	<b>235,692</b>	<b>12%</b>	<b>✓</b>
<b>Total Section: FINANCE</b>	<b>5,505,358</b>	<b>0</b>	<b>101,841</b>	<b>662,233</b>	<b>764,075</b>	<b>14%</b>	<b>✓</b>
<b>Total Department: CORPORATE SERVICES</b>	<b>5,505,358</b>	<b>0</b>	<b>101,841</b>	<b>662,233</b>	<b>764,075</b>	<b>14%</b>	<b>✓</b>
<b>Grand Total:</b>	<b>5,505,358</b>	<b>0</b>	<b>101,841</b>	<b>662,233</b>	<b>764,075</b>	<b>14%</b>	<b>✓</b>





# **CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT**

## **Workforce & Strategy Monthly Report - August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 2**

**MONTHLY OPERATIONS REPORT**  
**WORKFORCE AND STRATEGY SECTION**  
**Period Ended 31 August 2015**

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**VARIATIONS, ISSUES AND INNOVATIONS*****Innovations***Enhanced Communications

Employees who currently receive their pay slip emailed to their personal email address, now receive the monthly RRC Roundup and weekly e-bulletins emailed directly to their email address.

This will ensure that employees always receive these even when away from work on holidays or other absences.

***Improvements / Deterioration in Levels of Services or Cost Drivers***Policy and Forms Improvement Projects

The Corporate Improvement and Strategy unit will lead a project that was deemed necessary as a result of the recent Councillors Policy Workshop held on 12 August 2015 to undertake the Councillors suggested policy improvements within the set deadlines.

Service Level Review Project

The Service Level Review (SLR) Project was scheduled to commence on 1 September 2015 with the first review being undertaken for Parks Maintenance. However at a pre-planning meeting held late August, amended timeframes were agreed and subsequently endorsed by the SLR Steering Group which comprises of the Leadership Team and Manager Workforce and Strategy. Please refer to the "Achievement of Operational Projects Within Adopted Budget and Approved Timeframes" section of this report for more information in this regard.

LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for Workforce and Strategy are as below:

	Balance B/F	Completed in Current Mth	Current Month NEW Requests		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth	Avg Completion Time (days) 6 Months	Avg Completion Time (days) 12 Months	Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed							
Administrative Action Complaints	0	0	0	0	0	0	36	● 0.00	● 5.00	● 5.00	5.00
W&S - Complaints Management Process (NOT CSO USE)	0	0	11	9	2	0	30	● 3.89	● 7.92	● 11.43	7.12

COMMENTS

Matters are being addressed within the set timeframes.



## 2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS

### **Safety Statistics**

The safety statistics for Workforce & Strategy in the reporting period are:

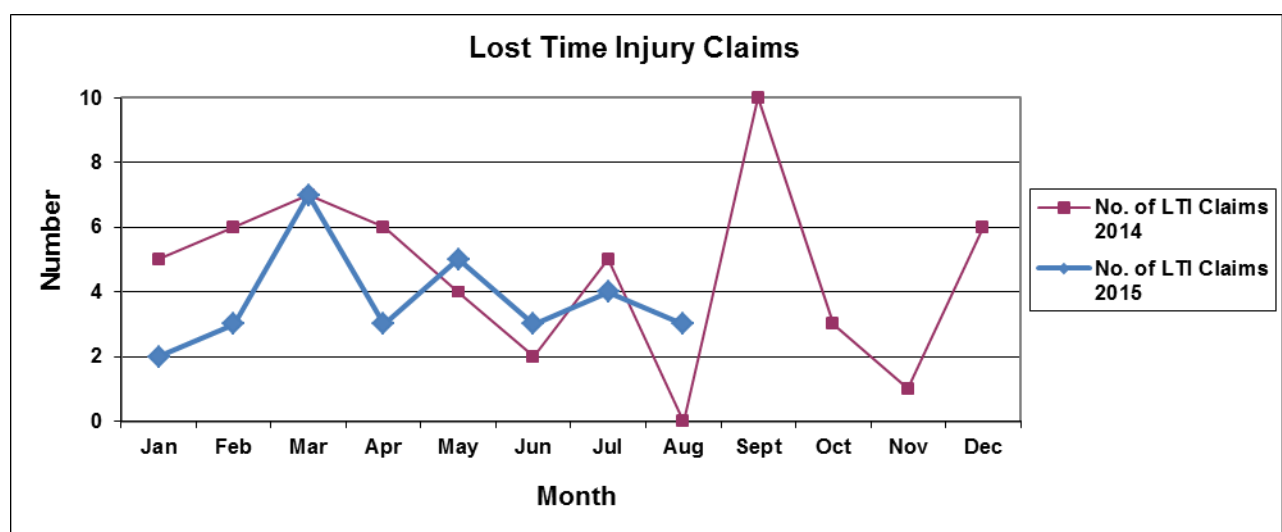
	June 15	July 15	August 15
<b>Number of Lost Time Injuries</b>	0	0	0
<b>Number of Days Lost Due to Injury</b>	0	0	0
<b>Total Number of Incidents Reported</b>	1	0	2
<b>Total number of Incomplete Hazard Inspections</b>	0		

The safety statistics for All of Council in the reporting period are:

	30 June 2015	31 July 2015	31 August 2015
<b>Number of Lost Time Injuries</b>	3	4	3
<b>Number of Days Lost Due to Injury</b>	36	42	46
<b>Total Number of Incidents Reported</b>	40	34	30
<b>Total number of Incomplete Hazard Inspections</b>	18 (10 current month)		

Incomplete hazard inspections are high and have been reported to the appropriate operational areas for action.

The graph below displays the number of lost time injuries (LTI) claims lodged across Council. There was a total of three lost time injury claims lodged for August 2015.



**Risk Management Summary**

Example from Section Risk Register (excludes risks accepted/ALARP):

Potential Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Comp	Comments
<b>Corporate Risks</b>					
A legislatively compliant SafePlan is not implemented, monitored and reviewed effectively, for the whole of council, its workers and contractors, to achieve the acceptable compliance level with annual WH&S audits resulting in: increased worker injuries, legislative breaches/legal action, reputational damage, reduced service levels, increased costs and non-compliance with a key council objective.	Low	<p>Ongoing annual audits will be conducted.</p> <p>Continuing to rectify the actions from the 2014 Workplace Health &amp; Safety System Audit.</p> <p>A third Party Workplace Health &amp; Safety system audit due in late 2015.</p> <p>Rectifications resulting from the Workplace Health &amp; Safety system audit will be addressed and assessed in the annual internal audit of the Workplace Health &amp; Safety systems.</p>	December 2015	50%	Safety Unit currently working to rectify actions identified as part of the 2014 WHA Audit which have now been included in the 2014 Audit Rectification Action Plan.
<b>Section Risks</b>					
Council's payroll function fails to accurately record and process employee wages and entitlements resulting in an inability to pay employees on time and accurately, potential employee dissatisfaction, Industrial disputes, financial impacts and reputation damage.	Moderate	Multiskilling of Administration and HR staff	30 June 2015	100%	Job rotation of Payroll staff commenced July 2015 to cross train and upskill in all positions in Payroll

**Legislative Compliance & Standards**

Legislative Compliance Matter	Due Date	% Completed	Comments
Prepare and adopt annual 2015/16 operational plan	9 July 2015	100%	Adopted by Council at the budget adoption meeting 9 July 2015.
Quarterly written assessment of progress towards implanting the 2014/15 annual operational plan	25 August 2015	100%	The combined Quarter Four and Annual Review of the 2014/15 Plan was endorsed by the August Performance and Service Committee meeting.
Report on the results of the implementation of the annual operational plan	25 August 2015	100%	The combined Quarter Four and Annual Review of the 2014/15 Plan was endorsed by the August Performance and Service Committee meeting.
Update of Workplace Health & Safety documents to meet the new legislative requirements	31 December 2015	80%	Documents continue to be updated so that Council remains compliant.
Report breaches of the Workplace Health & Safety Act and Regulation as necessary to the division within specified legislative timeframes	As soon as practicable	100%	Council has been compliant in this regard for the current reporting period.
Workplace Health and Safety Audit	December 2015	0%	LGW to advise of expected audit date.
Rectification Action Plan (2014 Audit)	As soon as practicable	50%	Work through the RAP from the 2014 Audit.
WHS Infringement Notices issued to Council are remedied within required timeframes	As per notice	100%	No current notices to report.
Performance Reviews	Various	80%	As at 31 August 2015, 98 out of 492 performance reviews are yet to be completed from the 1 July 2014 to 30 June 2015 period.

**3. ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

No capital projects are relevant to the Workforce and Strategy Section.

**4. ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

As at period ended August 2015 – 16.7% of year elapsed.

Project		Explanation
WHS Data Management System		The injury management module is currently being installed and tested. An iPad App has been developed. This will allow hazard inspections to be conducted using the iPad in the field and uploaded directly into the system. Currently being tested
Strategic Community Plan		The draft Strategic Community Plan is completed. The progress of the actions (as at 30 June 2015) within the draft plan will be updated by responsible officers and presented to the Leadership Team by the end of September 2015.
Service Level Review Project (SLR)		<p>This project was originally scheduled to commence in March, however was delayed to 01/09/15 due to the first service scheduled for review (Parks Maintenance) being deferred to other important matters since the onset of TC Marcia.</p> <p>At a meeting recently held between the project facilitator, GM Communities and Manager Parks, it was agreed that timing was still not ideal for the Parks Maintenance review and therefore the SLR Steering Group endorsed amended timeframes as proposed by the project facilitator.</p> <p>Accordingly, an update and information regarding the Parks Maintenance review will be presented to Council approximately April to June 2016.</p>
Delegations/Authorisations Management System		A solution to administer and manage legislative and corporate delegations and authorisations is being explored. It is hoped that the implementation of a solution in this regard will reduce the current level of manual data input by key users, improve reporting and audit trail capabilities, and, link to other Council systems. A concept brief was endorsed at the ISSG meeting 10 August 2015 and this project has been added to IT's queued project list, awaiting scheduling. The Coordinator Corporate Improvement and Strategy will be preparing a Business Case to

Project		Explanation
		assist in prioritisation of this project.
Aurion Project		With the proposed adoption of a single modern award and certified agreement negotiations, the timelines for implementation of award interpreter and timekeeper are currently being reviewed. At this stage the HR and Payroll upgrade should be completed in February 2016. The proposal for implementation of Web recruitment to follow immediately after is under examination. Awareness sessions in Aurion 11 are currently being run in house for HR and Payroll staff.
HR Review		The remaining outstanding issue of the HR Review – the HR Service standards have been agreed to and are on the HUB for perusal by all stakeholders.

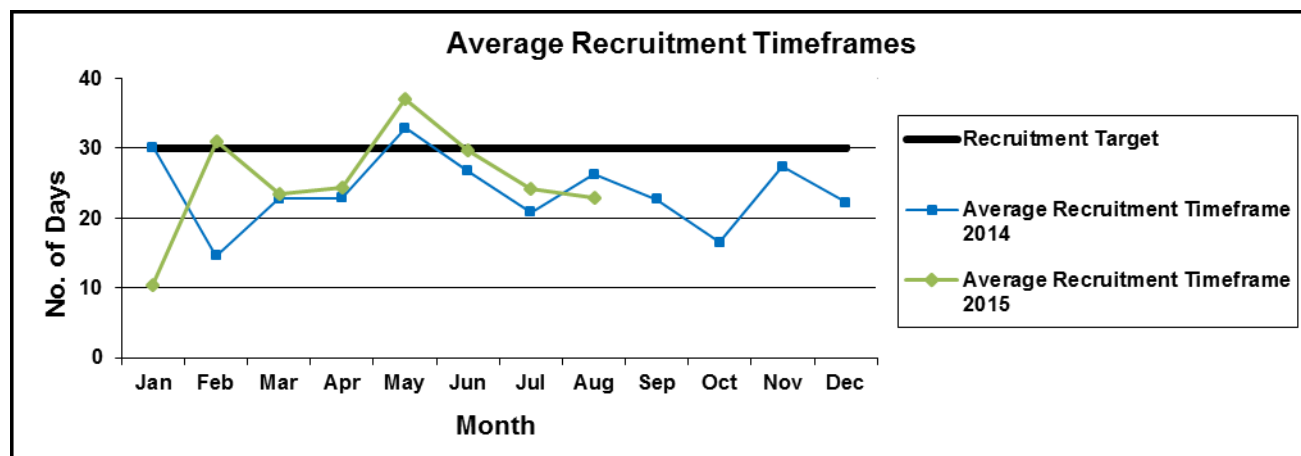
#### **5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS**

Service Delivery Standard	Target	Current Month's Performance
Recruitment positions finalised within 30 working days (refer graph below)	100%	78%
Policies reviewed within 10 working days	100%	100%
Acknowledge job applications within 2 working days of the advertising close date. (as per policy/procedure)	100%	100%
Employee pays processed and paid within 3 working days after the period end date	100%	100%
Payroll accuracy	100%	99.85%
Hazard Inspections completed as per the adopted Matrix	100%	100%

#### **Recruitment Timeframes**

Some delays in recruitment have occurred during the reporting period. Of the 18 positions recruited in the reporting period, 4 were not finalised within the 30 day timeframes.

These delays are due to a range of issues including the length of time by panel members to conduct the shortlisting process in addition to delays experienced by suppliers for the completion of pre-employment screening checks.



### Establishment

FTE Positions	Period	Workforce & Strategy	Council
Starting Point	1 January 2014	30.05	838.9
Same Time Previous Year	31 August 2014	30.27	831.69
Previous Month	31 July 2015	34.44	851.42
Current Month	31 August 2015	34.44	854.42

*FTE Positions is the total full time equivalent positions approved and recorded in Aurion excluding casual positions and including approved vacancies.*

The FTE positions of 854.42 as at August 2015 include the following apprentices and trainees across Council:

Apprentices	Trainees
15	11

### Changes to Workforce & Strategy Establishment

There is no change to the FTE for Workforce & Strategy in August 2015.

### Changes to Council Establishment

#### Decreases:

- Corporate Applications Project Officer position within IT Services was made inactive.
- Supervisor – Mechanical position within Fitzroy River Water was made inactive.

#### Increases:

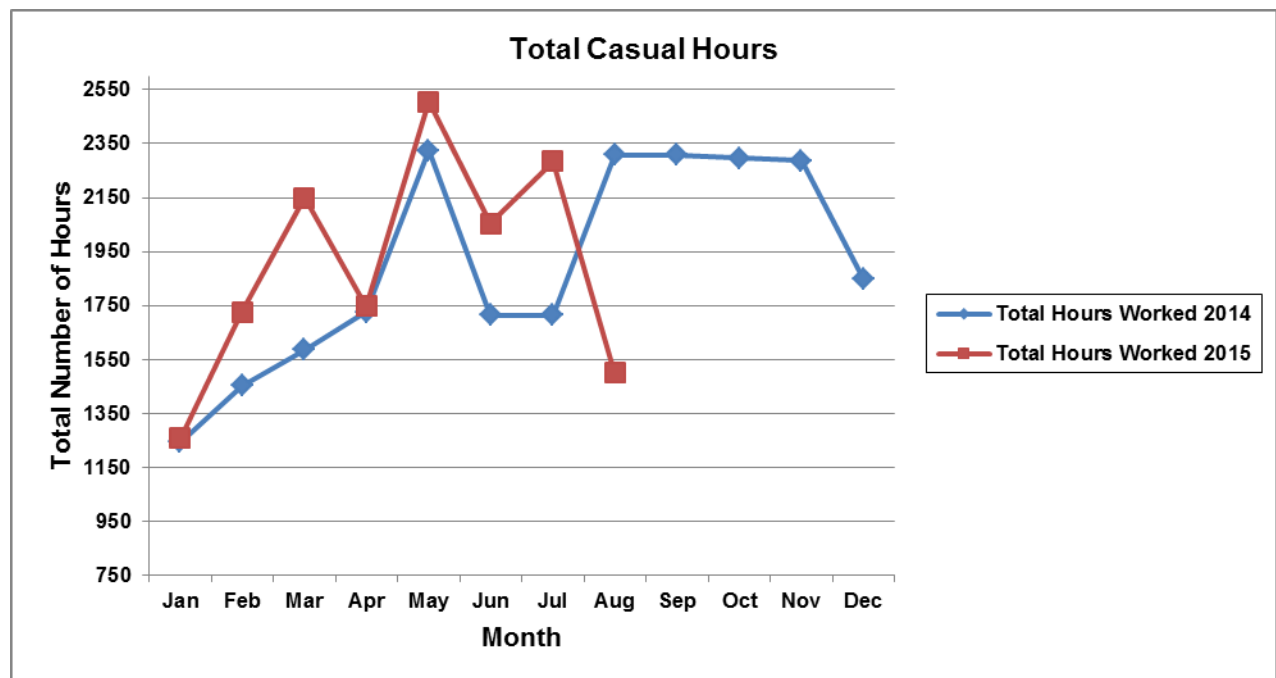
- Creation of a Temporary Full Time Apprentice Landscape Construction position within the Parks Section.
- Creation of two Permanent Full Time Labourer – Public Amenity positions within the Parks Section.
- Creation of a Permanent Full Time Coordinator Parks, Planning and Projects position within the Parks Section.
- Creation of a Permanent Full Time Maintenance Safety/Security Officer position for Airport Services (Rockhampton Airport), however one position will be deleted in the near future following a pending retirement.

### FTE Positions Internal / External Split

The percentage split for approved full time equivalent positions excluding casual positions and including approved vacancies currently sits at 56% (482.63) internal and 44% (371.79) external.

### Casual Hours – August 2015

There are currently a total of 44 casuals actively employed by Council of which 34 were engaged during the reporting period. The engaged casual employees collectively have worked the total number of 1501.52 hours during the month of August 2015.



### Casual Hours by Section – August 2015

The following list shows the total number of hours worked by casual employees by Section and Unit in the reporting period as provided by the responsible operational area.

Section	Unit	Commentary	No. of hours	Percentage of cost recovery
Arts and Heritage	Art Gallery	Casual staff utilised for program delivery and the installation of exhibitions. Partial casual wages recovered via a grant.	111	60%
Arts and Heritage	Heritage Services	Functions staff in Shearing Shed fully recovered.	183	100%
Arts and Heritage	Venue Operations	To cover periods of staff leave. Technical, Box Office and cleaning staff utilised.	600.5	Unavailable this month
Communities and Facilities	City Child Care Centre	To cover RDO's and periods of staff leave.	127	
Communities and Facilities	Client Services	To cover RDOs, periods of staff leave; and Saturday morning library roster.	155.82	
Communities and Facilities	Facilities	To cover RDOs, periods of leave, cleaning staff including the Saturday roster.	87.95	
Regional Development	Regional Promotions	Assisting with inaugural events.	5	

Community Standards and Compliance	Support Services	To assist with dog registration and high volume workload. To also cover periods of staff leave.	130.5	
Corporate Services	Customer Service Centre	To cover periods of leave over the dog registration and rates period.	100.75	
<b>TOTAL</b>			<b>1501.52</b>	

The above casual hours for August 2015 by employment type includes the following HERO hours.

Section	Unit	No. of hours
Corporate and Technology Services	Customer Service Centre	100.75
Community Standards and Compliance	Support Services	130.5
<b>TOTAL</b>		<b>231.25</b>

It should be noted that labour hire is also utilised in addition to casual labour in some areas of the organisation to support staff shortages and special project requirements or events.



## FINANCIAL MATTERS

Financial performance as expected for reporting period.



## End of Month Job Costing Ledger - (Operating Only) - FINANCE AND BUSINESS

As At End Of August

Report Run: 10-Sep-2015 08:56:39 Excludes Nat Accs: 2802,2914,2917,2924

	Adopted Budget	Revised Budget	EOM Commitments	YTD Actual	Commit + Actual	Variance	On target
	\$	\$	\$	\$	\$	%	16.7% of Year Gone
<b>CORPORATE SERVICES</b>							
<b>WORKFORCE &amp; STRATEGY</b>							
<i>Human Resources and Payroll</i>							
Expenses	1,464,874	0	224	199,387	199,611	14%	✓
Transfer / Overhead Allocation	8,700	0	0	0	0	0%	✓
<b>Total Unit: Human Resources and Payroll</b>	<b>1,473,574</b>	<b>0</b>	<b>224</b>	<b>199,387</b>	<b>199,611</b>	<b>14%</b>	✓
<i>Safety &amp; Training</i>							
Revenues	(32,000)	0	0	(16,399)	(16,399)	51%	✓
Expenses	1,286,545	0	87,401	161,999	249,399	19%	✗
Transfer / Overhead Allocation	61,500	0	0	6,798	6,798	11%	✓
<b>Total Unit: Safety &amp; Training</b>	<b>1,316,045</b>	<b>0</b>	<b>87,401</b>	<b>152,398</b>	<b>239,798</b>	<b>18%</b>	✗
<i>Corporate Improvement &amp; Strategy</i>							
Revenues	0	0	0	(673)	(673)	0%	✓
Expenses	457,843	0	11,905	60,303	72,208	16%	✓
<b>Total Unit: Corporate Improvement &amp; Strategy</b>	<b>457,843</b>	<b>0</b>	<b>11,905</b>	<b>59,630</b>	<b>71,535</b>	<b>16%</b>	✓
<i>Workforce &amp; Strategy Management</i>							
Expenses	383,545	0	706	55,143	55,850	15%	✓
<b>Total Unit: Workforce &amp; Strategy Management</b>	<b>383,545</b>	<b>0</b>	<b>706</b>	<b>55,143</b>	<b>55,850</b>	<b>15%</b>	✓
<i>Investigations and Industrial Relations</i>							
Expenses	346,841	0	5,828	49,828	55,656	16%	✓
<b>Total Unit: Investigations and Industrial Relations</b>	<b>346,841</b>	<b>0</b>	<b>5,828</b>	<b>49,828</b>	<b>55,656</b>	<b>16%</b>	✓
<b>Total Section: WORKFORCE &amp; STRATEGY</b>	<b>3,977,848</b>	<b>0</b>	<b>106,064</b>	<b>516,386</b>	<b>622,450</b>	<b>16%</b>	✓
<b>Total Department: CORPORATE SERVICES</b>	<b>3,977,848</b>	<b>0</b>	<b>106,064</b>	<b>516,386</b>	<b>622,450</b>	<b>16%</b>	✓
<b>Grand Total:</b>	<b>3,977,848</b>	<b>0</b>	<b>106,064</b>	<b>516,386</b>	<b>622,450</b>	<b>16%</b>	✓

# **CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT**

## **Corporate & Technology Monthly Report - August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 3**

**MONTHLY OPERATIONS REPORT**  
**CORPORATE & TECHNOLOGY SECTION**  
**Period Ended August 2015**

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**VARIATIONS, ISSUES AND INNOVATIONS****Section Update**RTI / IP Application Status:

Two (2) new applications were received under the Right to Information Act/Information Privacy Act this month. One (1) application was completed this month, leaving two (2) applications outstanding. No documents were released administratively this month, and no external reviews were received for the month, leaving two outstanding. All current applications are progressing in accordance with legislative timeframes.

***Innovations***

Glentworth Consulting has been engaged to work with Council, and engage with business stakeholders and the community to develop the Smart Regional City Strategy and Action Plan. The strategy and action plan will spell out Council's plan to position itself as a smart regional city to encourage technology innovation and attract technology based businesses and jobs to the region.

To support the Building Our Regions (BOR) funding application for the Smart Riverbank and CBD Technologies Project, Glentworth will be drafting a Smart Regional City Strategic Direction Summary document. This professionally designed and presented document will be included with the BOR application to support the project objective to embrace technologies to better manage Council infrastructure, promote business investment and provide a safe festive environment that will attract people to the riverbank and CBD precinct day and night. The BOR submission deadline is 1400, 11 September 2015.

***Improvements / Deterioration in Levels of Services or Cost Drivers***

Nil to report

## LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for August 2015 are as below:

	Balance B/F	Completed in Current Mth	Current Month NEW Request		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth	Avg Completion Time (days) 6 Months	Avg Completion Time (days) 12 Months	Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed							
Accounts Payable Enquiry	0	0	0	0	0	0	2	● 0.00	● 0.88	● 0.73	0.44
Bookings Enquiry	0	0	9	8	1	0	5	● 0.88	● 2.75	● 2.65	1.69
Insurance: Mower / Slasher / Whipper / Snipper	3	1	0	0	2	0	90	● 1.00	● 18.69	● 18.41	16.90
Insurance: Personal Accident / Injury	29	2	2	0	29	2	120	● 1.00	● 1.00	● 3.29	104.51
Insurance: Public Liability / Property Damage Public Property	12	6	10	6	10	0	90	● 4.67	● 7.01	● 6.60	10.26
Leased Premises - General Enquiry	1	1	4	3	1	0	5	● 0.67	● 0.50	● 1.17	1.42
Rates Searches	12	12	137	110	27	1	3	● 1.67	● 1.71	● 1.69	1.47

## 2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS

### ***Safety Statistics***

The safety statistics for the reporting period are:

	Third Quarter		
	July	August	September
<b>Number of Lost Time Injuries</b>	0	1	
<b>Number of Days Lost Due to Injury</b>	0	1	
<b>Total Number of Incidents Reported</b>	2	4	
<b>Number of Incomplete Hazard Inspections</b>	0	0	

### ***Risk Management Summary***

Section Risk Register (excludes risks accepted/ALARP)

Potential Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments
Corporate Recordkeeping software (ECM) doesn't meet strategic records management requirements in relation to systematic electronic records archival and disposal resulting in failure to dispose/archive eRecords.	High	The Records Archiving, Retention and Disposal (RARRD) project commenced in 2012 to develop a corporate solution to cover eRecords (including more effective hardcopy disposal recording).	TBA	30%	No further update, still working through post ECM upgrade project actions.
Operational degradation or failure of Council's Two-way radio communications system resulting in failed regional communications for daily operations and emergency disaster management.	High	Commence planning and implement a replacement RRC regional two-way radio communications system. Two stage plan-1. Replace the Rockhampton City Two-way system. 2. Integrated regional solution taking in the Gracemere infrastructure.	TBD	10%	Digital mobile radio tender advertised 27/06/15. Tender closed 22/07/2015 and currently under evaluation.
Ensure Council operations are performed considering and addressing all potential risk occurrences to Council and the community.	Mod	Research and implement a risk management software application to support ERM functions.	30/06/16	5%	Risk Management Officer prepared and submitted a concept brief for a software solution; initially looking at the Riskware and TechOne software applications.

***Legislative Compliance & Standards***

Legislative Compliance Matter	Due Date	% Completed	Comments
A local government must review its procurement policy annually.	30/06/16		

**3. ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

Project	Start Date	Expected Completion Date	Status	Budget Estimate	YTD actual (incl committals)
<b>CAPITAL WORKS PROGRAM</b>					
<b>FLEET (CP440)</b>					
Fleet Asset Renewal Program	1/07/2015	30/06/2016	Ongoing	\$4,890,000	\$563,354
Comment: YTD represents 16% of budget expenditure and includes committals.					
<b>INFORMATION TECHNOLOGY (CP230)</b>					
IT Asset Renewal & Upgrade Program	1/07/2015	30/06/2016	Ongoing	\$1,534,400	\$318,706
Comment: YTD represents 29% of budget expenditure and includes committals.					
<b>BUSINESS SUPPORT &amp; DEVELOPMENT (CP630)</b>					
Property Sales	1/07/2015	30/06/2016	Ongoing	\$250,000	-\$6,767
Comment:					

**4. ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

As at period ended August 8.3% of year elapsed.

Project	2015/16 Budget	Actual (incl. committals)	% budget expended	Explanation
Customer Service After Hours Operation	\$60,000	\$8,868	15%	Propel after hours call centre service.

Project	Project Start Date	Project Completion Date	% Completed	Comments
Planned implementation of Aurion System Improvement Project recommendations.	August 2015	June 2016	10%	Scheduling underway Aurion 11 installed and being tested
Progress the implementation of ePathway and Pathway mobile Apps throughout 2015/16.	October 2015	June 2016	0%	
Develop and implement a solution for managing and processing tax invoices in digital format.	August 2015	June 2016	0%	Scheduled

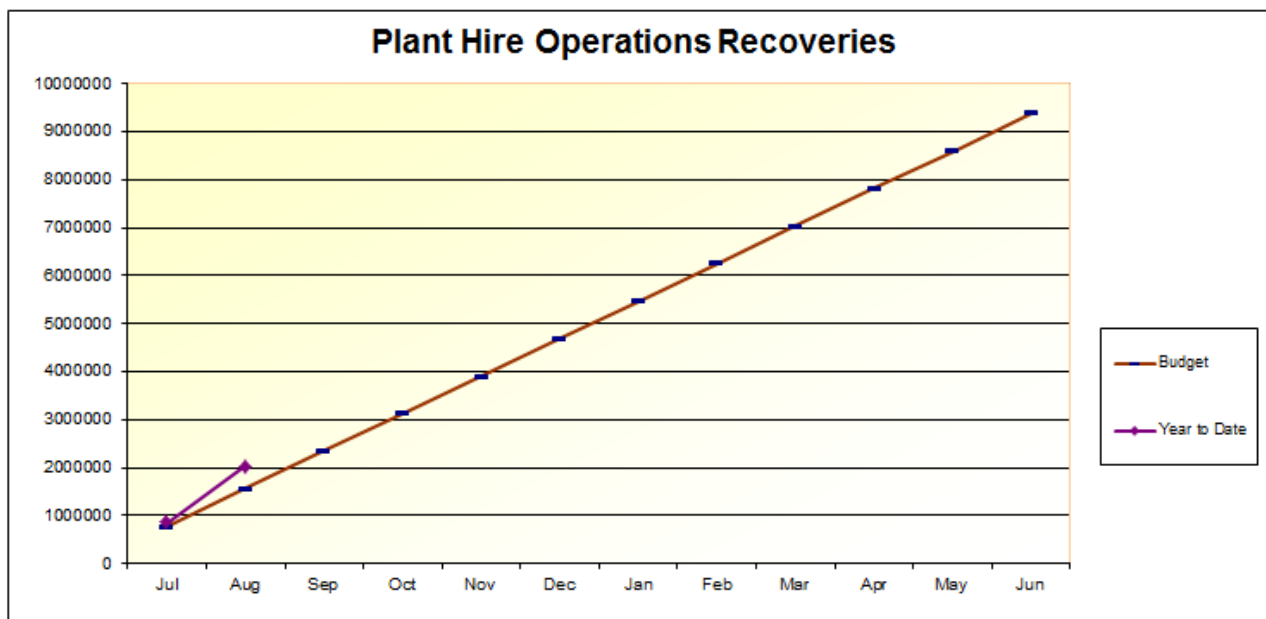
**5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS**

Service Delivery Standard	Target	Current Performance
IT support services provided within service levels outlined in the IT Service Catalogue.	95%	94%
Ensure availability of system up-time during core business hours (excluding planned outages).	99%	100%
Maintain the ratio of customer queries satisfied by Customer Service Officers, without referral to departments.	80%	80%
Customer Service Call Centre answering 75% of incoming calls within 45 seconds.	75%	69%
Process records on the day of receipt as per Recordkeeping Charter.	95%	100%
Process Right to Information/Information Privacy (RTI/IP) applications within legislative timeframes.	100%	100%
Manage centralised tendering and contracting functions in accordance with legislative requirements and Council policy.	100%	100%
Ensure supplier payments are made within stated trading terms.	90%	92%
Ensure staff purchasing activity is compliant with legislation and policy.	100%	100%

Service Delivery Standard	Target	Current Performance
Ensure top 100 suppliers by dollar value under formal purchasing agreements (contracts).	90%	94%
Maximise Council property occupancy rates.	98%	100%
Ensure tenanted properties in any month, have current lease agreements and public liability insurance.	80%	84%
Process insurance claims within procedural timeframes.	100%	100%
Maintenance of the risk monitoring and reporting regime by providing a quarterly risk report to the Council and Leadership Team on all current high and very high risks assessed as not ALARP (unacceptable).	100%	100%

### Fleet Services

Ensure internal plant hire operations deliver budgeted net surplus.



<b>Plant Hire Operations Budget (Surplus)</b>	<b>\$ 9,389,500</b>
<b>Year to Date (Surplus)</b>	<b>\$ 2,040,570</b>



**Procurement & Logistics**

Contracts Awarded for August: Qty 9

11443 – Western Waste Transfer Facilities Supervision Services – Meagan Best - \$47,782.43 per month.
11659 - Sewer Main Replacement Project - Abergeldie Watertech Pty Ltd - SOR
11730 - Demolition of Removal of Sheds - Frater Enterprises Pty Ltd - \$41,200
11744 - Smart City Concept - Glentworth Consulting Pty Ltd - SOR
11751 - Preliminary Investigation for Webber Park Stormwater Drainage Catchment - AECOM Australia Pty Ltd - \$19,805
11755 - Supply of Retaining Wall Blocks - Barlow's Earthmoving Pty Ltd - \$107,650
11762 - Supply of Surface Enrichment Product to Rockhampton Airport - Rock N Road Bitumen Pty Ltd - \$41,491
11763 - Concept Design for Kershaw Gardens Masterplan - Urbis Pty Ltd - \$25,240
11794 - Grant Writing - Building our Regions Application - Indigo Gold Pty Ltd - SOR

Customer Requests Completed Monthly & Top 5 Customer Requests												
	September	October	November	December	January	February	March	April	May	June	July	August
Requests Logged	3667	3415	3171	2717	3747	3702	4643	3853	3521	3354	3732	3883
Same month Completed	2969	2680	2469	2710	2797	2845	3651	2893	2757	2640	3212	3192
% completed same month	81%	78%	78%	99%	74%	76%	78%	75%	78%	78%	86%	82%
Completed Total for Month	3383	3325	3132	2749	3276	3569	4315	3580	3783	3644	3997	3777
Total Pending	1919	1941	1912	1888	2332	2393	2649	2861	2521	2134	1883	1957
Top 5 Requests for Month	Meter Mtce D/Planner C/Dec Park Gen W/Leak	Inf Enq D/Plan Park Gen Rates T/Trim	Inf Enq D/Plan Meter Mtce W/Leak C/Dec	C/Dec W/Leak D/Plan Inf Enq T/Trim	T/Trim Park Gen D/Plan W/Leak Pothole	T/Trim W/Leak Park Gen D/Planner Bin RRC	D/Water W/Leak P/Disaster Bin RRC D/Plan	Bin RRC P/Disaster Inf Enq D/Plan W/Animal	Bin RRC D/Plan Meter Mtce W/Leak W/Animal	Food Enq W/Ani W/Leak D/Plan C/Dec	D/Plan Inf Enq C/Dec T/Trim Food Enq	An/Dogr C/Dec Dev/Dpl Mt/Wlek Infrin/Enq

Total uncompleted customer requests up to 3 months old:	1300	Conquest Work Order & Investigation Long Term up to 3 months old:	435
Total uncompleted customer requests between 3 to 6 months old:	224	Conquest Work Order & Investigation Long Term between 3 to 6 months old:	145
Total uncompleted customer requests greater than 6 months old:	204	Conquest Work Order & Investigation Long Term greater than 6 months old:	184

Request Completed: Requested task or action has been completed (not just work order raised), or complaint has been investigated, action taken and correspondence finalised.

Conquest Work Order: A Work Order has been raised for maintenance, repair or future planned action.

Investigation Long Term: Requested task, action or complaint assigned to internal or external investigation, may include, but not limited to: Insurance, Planning, Legal, Civil or Domestic matter

Key:	T/Trim - Tree Trimming	Inf Enq - Infringement Enquiry - Local Laws	Food Enq - Food Enquiry
	D/Plan - Duty Planner	W/Animal - Wandering Animal	W/Leak - Water Leak
	Bin RRC - Replace Bin RRC	D/Plan - Duty Planner (New Enq)	C/Dec - Commissioner of Declaration

## FINANCIAL MATTERS

Operational Budget Status for month ending August 2015

	Adopted Budget	Revised Budget	EOM Commit	YTD Actual	Commit + Actual	Var	On target 16.6% of Year Gone
	\$	\$	\$	\$	\$	%	
<b>CORPORATE AND TECHNOLOGY</b>							
<u><i>Fleet</i></u>							
Revenues	(266,000)	0	0	(42,470)	(42,470)	16%	✗
Expenses	12,942,760	0	904,494	2,421,303	3,325,798	26%	✗
Transfer / Overhead Allocation	(17,053,000)	0	0	(3,151,483)	(3,151,483)	18%	✓
<b>Total Unit: Fleet</b>	<b>(4,376,240)</b>	<b>0</b>	<b>904,494</b>	<b>(772,649)</b>	<b>131,845</b>	<b>-3%</b>	<b>✗</b>
<u><i>Property &amp; Insurance</i></u>							
Revenues	(591,200)	0	0	(157,816)	(157,816)	27%	✓
Expenses	2,944,667	0	66,663	1,765,006	1,831,668	62%	✗
Transfer / Overhead Allocation	9,740	0	0	3,013	3,013	31%	✗
<b>Total Unit: Property &amp; Insurance</b>	<b>2,363,207</b>	<b>0</b>	<b>66,663</b>	<b>1,610,203</b>	<b>1,676,865</b>	<b>71%</b>	<b>✗</b>
<u><i>Corporate &amp; Technology Management</i></u>							
Expenses	667,268	0	235,532	69,473	305,005	46%	✗
<b>Total Unit: Corporate &amp; Technology Management</b>	<b>667,268</b>	<b>0</b>	<b>235,532</b>	<b>69,473</b>	<b>305,005</b>	<b>46%</b>	<b>✗</b>
<u><i>Information Systems</i></u>							
Revenues	(14,000)	0	0	(2,783)	(2,783)	20%	✓
Expenses	6,473,867	0	309,625	1,424,907	1,734,532	27%	✗
Transfer / Overhead Allocation	21,525	0	0	3,207	3,207	15%	✓
<b>Total Unit: Information Systems</b>	<b>6,481,392</b>	<b>0</b>	<b>309,625</b>	<b>1,425,331</b>	<b>1,734,956</b>	<b>27%</b>	<b>✗</b>
<u><i>Procurement &amp; Logistics</i></u>							
Expenses	1,568,900	0	1,111	229,088	230,198	15%	✓
Transfer / Overhead Allocation	35,000	0	0	7,720	7,720	22%	✗
<b>Total Unit: Procurement &amp; Logistics</b>	<b>1,603,900</b>	<b>0</b>	<b>1,111</b>	<b>236,808</b>	<b>237,919</b>	<b>15%</b>	<b>✓</b>
<u><i>Customer Service</i></u>							
Revenues	(210,000)	0	0	(30,121)	(30,121)	14%	✗
Expenses	1,734,409	0	4,836	222,743	227,579	13%	✓
<b>Total Unit: Customer Service</b>	<b>1,524,409</b>	<b>0</b>	<b>4,836</b>	<b>192,621</b>	<b>197,458</b>	<b>13%</b>	<b>✓</b>
<b>Total Section: CORPORATE AND TECHNOLOGY</b>	<b>8,263,935</b>	<b>0</b>	<b>1,522,261</b>	<b>2,761,786</b>	<b>4,284,047</b>	<b>52%</b>	<b>✗</b>

**9.5 OPERATIONAL PERFORMANCE REPORT FOR GOVERNANCE SUPPORT UNIT FOR AUGUST 2015**

**File No:** 1830  
**Attachments:** 1. Operational Performance Report Governance Support Unit as at 31 August 2015  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Shane Turner - Manager Governance Support

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**SUMMARY**

*Manager Governance Support presenting the monthly Performance Report for the Governance Support Unit for the period ending 31 August 2015.*

**OFFICER'S RECOMMENDATION**

THAT the monthly Performance Report for the Governance Support Unit for August 2015 be received.

**BACKGROUND**

Council has requested that each unit manager provide a performance report on a monthly basis to Council.

The report will contain updates on matters such as staffing issues, financial matters, key projects etc.

The report for the period ending 31 August 2015 is attached for the Councillor's information.

# **OPERATIONAL PERFORMANCE REPORT FOR GOVERNANCE SUPPORT UNIT FOR AUGUST 2015**

## **Operational Performance Report Governance Support Unit as at 31 August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

**MONTHLY OPERATIONAL PERFORMANCE REPORT**  
**GOVERNANCE SUPPORT SECTION**  
**Period Ended 31 August 2015**

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**VARIATIONS, ISSUES AND INNOVATIONS**

The Governance Support unit filled an Executive Support Officer role that was made vacant due to a resignation, Cindy Green has taken up duties and is fast coming up to speed and has met all of her Councillors and is being mentored through her training by Janet and Megan.

Activity for the Governance Support section for August has again been constant. The unit has commenced a number of activities and media opportunities for the Redevelopment of the Riverfront and Quay Street areas. Previously the unit was heavily involved in the very successful Talisman Sabre Open day on 5 July. The Armed Forces representative and unit staff held a "Wash Up" meeting late in July where it was evident that the Army was very pleased with the way the open day ran and significant donations were able to be made to Military base charities from the funds raised through the gates.

There are some concerns developing with the ability to continue to deliver the number of these community / civic events with the current staff numbers within the Governance Support Unit. The unit does not have an events officer and the ability to rely on other Council units to assist in any substantial way is meeting with resistance due to their competing priorities.


**IMPROVEMENTS / DETERIORATION IN LEVELS OF SERVICES OR COST DRIVERS**

We are currently recruiting for a Committee Support Officer due to a staff member taking up a new role in Regional Development directorate.

## LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for August 2015 are as below:



## All Monthly Requests (Priority 3) Governance 'Traffic Light' report August 2015

	Balance B/F	Completed in Current Mth	Current Month NEW Requests		TOTAL INCOMPLETE REQUESTS BALANCE	Under Long Term Investigation	Completion Standard (days)	Avg Completion Time (days) Current Mth		Avg Completion Time (days) 6 Months		Avg Completion Time (days) 12 Months		Avg Duration (days) 12 Months (complete and incomplete)
			Received	Completed				●	●	●	●	●	●	
Media All Enquiries	1	1	0	0	0	0	1	●	0.00	●	5.71	●	4.00	5.50
Citizenship Request/Enquiry	0	0	1	1	0	0	5	●	0.00	●	0.00	●	1.83	1.09
Committee Support - Meetings/Agendas etc	0	0	0	0	0	0	2	●	0.00	●	0.00	●	0.00	0.00
CEO General Request	0	0	3	2	1	0	1	●	1.00	●	10.11	●	14.67	9.10
Councillor General Enquiry	1	1	1	1	0	0	2	●	1.00	●	1.40	●	12.94	10.67
Mayor's Personal (Mayor's General Info)	1	1	3	2	1	0	2	●	9.00	●	14.29	●	10.34	1.75

**Comments & Additional Information**

All of the Requests for August have been actioned, with one awaiting finalization.

## **2. COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS INCLUDING SAFETY, RISK AND OTHER LEGISLATIVE MATTERS**

### ***Safety Statistics***

The safety statistics for the reporting period are:

	FOURTH QUARTER		
	July	Aug	Sept
Number of Lost Time Injuries	0	1	
Number of Days Lost Due to Injury	0	9	
Total Number of Incidents Reported	0	1	
Number of Incomplete Hazard Inspections	0	0	

### ***Risk Management Summary***

Example from Section Risk Register (excludes risks accepted/ALARP)

Potential Risk	Current Risk Rating	Future Control & Risk Treatment Plans	Due Date	% Completed	Comments

### **ACHIEVEMENT OF CAPITAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME AND OTHER UNIT INFORMATION FOR MAY 2015**

No capital projects are relevant to the Governance Support Section; other activity undertaken by the unit for August is listed below.

- Media:
  - 23 Media releases on subjects as varied as Planning Scheme, Riverfront Redevelopment, Morning Melodies Mayor's Treat, Cedric Archer Park, Carols by Candlelight, and major roundabout works
  - 9 Media Opportunities, for Riverfront redevelopment, Sewer Treatment Plant upgrade, Sister City Students, Cedric Archer Park, Official opening of GIA, NBL game for Rockhampton, WQBL Cyclones victory, Planning Scheme Adoption & Jetgo coming to Rockhampton.
- Facebook likes 10760, Facebook post reach for August 104500

Communication Projects being undertaken by the Communications Section:

- Kershaw Gardens Remediation
- Mount Archer Activation Master Plan
- New Council Internet project, training, content loading
- Garden Competition



Community Engagement Projects for June:

- Continuation of Mount Archer Activation Master Plan process
- Riverfront & Quay St Redevelopment
- Gracemere Cemetery
- Kershaw Gardens
- Rockhampton CBD revitalisation

**3. ACHIEVEMENT OF OPERATIONAL PROJECTS WITHIN ADOPTED BUDGET AND APPROVED TIMEFRAME**

Project	Revised Budget	Actual (incl. committals)	% budget expended	Explanation

**4. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS**

***Adopted/Operational Service Level Standards & Performance***

Service Level	Target	Current Performance

Please note the service levels depicted in the above table are operational standards only and have not been formally adopted by Council.

## FINANCIAL MATTERS

The overall financial performance of the unit to date is on track with expectations the large amount expended by Executive Support is for the yearly Council subscription to LGAQ for the financial year payable in July, August each year and is within Budget allocation.

End of Month Job Costing Ledger - (Operating Only) - OFFICE OF CEO							
As At End Of August							
Report Run: 14-Sep-2015 17:12:44 Excludes Nat Acs: 2802,2914,2917,2924							
	Adopted Budget	Revised Budget	BOM Commitments	YTD Actual	Current + Actual	Variance %	On target 14.7% of Year Goals
	\$	\$	\$	\$	\$		
<b>OFFICE CHIEF EXECUTIVE OFFICER</b>							
<b>GOVERNANCE SUPPORT</b>							
<u>Office of CEO - Management</u>							
Revenues	0	0	0	(3,528)	(3,528)	0%	✓
Expenses	283,722	0	4,250	34,650	38,700	14%	✓
Transfer / Overhead Allocation	0	0	0	582	582	0%	*
Total Unit: Office of CEO - Management	283,722	0	4,250	31,813	36,663	13%	✓
Total Section: GOVERNANCE SUPP	283,722	0	4,250	31,813	36,663	13%	✓
Total Department: OFFICE CHIEF EX	283,722	0	4,250	31,813	36,663	13%	✓
<u>Marketing &amp; Media</u>							
Expenses	402,510	0	0	70,739	70,739	18%	*
Transfer / Overhead Allocation	4,000	0	0	0	0	0%	✓
Total Unit: Marketing & Media	406,510	0	0	70,739	70,739	17%	*
Total Section: GOVERNANCE SUPP	406,510	0	0	70,739	70,739	17%	*
Total Department: OFFICE CHIEF EX	406,510	0	0	70,739	70,739	17%	*
<u>Executive Support</u>							
Expenses	936,634	0	3,323	249,806	253,801	27%	*
Transfer / Overhead Allocation	0	0	0	582	582	0%	*
Total Unit: Executive Support	936,634	0	3,323	250,478	253,801	27%	*
Total Section: GOVERNANCE SUPP	936,634	0	3,323	250,478	253,801	27%	*
Total Department: OFFICE CHIEF EX	936,634	0	3,323	250,478	253,801	27%	*
Grand Total:	1,626,866	0	7,573	353,030	365,863	22%	*

**9.6 REGIONAL DEVELOPMENT - MONTHLY REPORT AUGUST 2015**

**File No:** 1830  
**Attachments:** 1. Regional Development Monthly Report - August 2015  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Russell Claus - Executive Manager Regional Development

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**SUMMARY**

*This report provides information on the activities of the Regional Development Unit for the month of August 2015.*

**OFFICER'S RECOMMENDATION**

THAT the Regional Development monthly report be received.

**COMMENTARY**

The Regional Development Unit was initiated in late April, pulling together Economic Development, Strategic Planning and Promotions.

To optimise the effectiveness and community impact of the Unit's operations, staff are currently developing a coordinated work plan that will define the Unit's priorities for the coming year.

Activities throughout August for the Regional Development Unit are outlined in the attached document.

**CONCLUSION**

It is recommended that the monthly report for the Regional Development Unit be received.

# **REGIONAL DEVELOPMENT - MONTHLY REPORT AUGUST 2015**

## **Regional Development Monthly Report - August 2015**

**Meeting Date: 22 September 2015**

**Attachment No: 1**

## **MONTHLY OPERATIONS REPORT**

### **REGIONAL DEVELOPMENT UNIT**

**Period Ended 31 August 2015**

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#### **VARIATIONS, ISSUES AND INNOVATIONS**

##### ***Improvements / Deterioration in Levels of Services or Cost Drivers***

1. Worked on submission of Stronger Regions and Building our Regions grant applications
2. Coordinating with Urbis on Riverfront planning and design
3. Working to define and deliver Smart City initiatives
4. Tori Jacobsen has recently filled the position of Administration Officer within the Regional Development team.

## **ECONOMIC DEVELOPMENT**

### **Defence Proposals**

Work has continued in this area with Darren Chester, Parliamentary Secretary to the Minister for Defence visiting Rockhampton on 5 August 2015. Graeme Mickelberg has been looking at the information needed by the Singapore Armed Forces to expand their presence in the Rockhampton Region.

### **Rockhampton Industry Group (RIG)**

Richard Chappell and Simon Lever attended a meeting with the Mayor and Councillors on 6 August 2015 and explained the intended operations of RIG. RIG has subsequently submitted a second funding request to Council.

### **Economic Gardening Project**

This project, which is designed to help potentially strong small businesses prosper, has been approved in principle by Council. The details of the proposed program are being finalised. Rick Palmer attended the afternoon of an initial Boot Camp on 9 September 2015 and noted a positive response by business to the program.

### **Gracemere Industrial Area (GIA)**

The opening of the Gracemere Industry Park took place on 18 August 2015 and was attended by 70 stakeholders. On 17 August 2015 the Gibb Group held a presentation night at which Council's support was strongly acknowledged. Continued business opportunities were referred to the Gibb Group and to Kele Property Group.

### **Leichhardt Highway Promotions Committee**

Rick Palmer attended the 2015 AGM in Taroom on 27 August 2015. LSC is about to join again and the Goondiwindi Regional Council is still considering its support. A new secretariat (potentially led by RRC) is required as the role has been filled in the last eight years by Banana Shire and Eastern Downs Regional Council. A further meeting to resolve some marketing activities is to be held on 1 October 2015.

### **Innovation**

The State Government through ilab and the Department of Science, Information Technology & Innovation has been encouraging regional areas to become actively involved in start-ups. This can provide Council with businesses interested in taking part in the proposed CBD innovation hub.

### **Ag in the Asian Century 2015 Conference**

Rick Palmer is attending this conference on 22-24 September 2015 in Toowoomba. It includes an inspection of future farm technology developed by the University of Southern Queensland. At the same time Cr Fisher will be meeting with businesses that were identified at the Surat Basin Energy & Mining Expo and expressed an interest in locating to Rockhampton.

## REGIONAL PROMOTIONS

### Events

The Regional Promotions team are currently in the process of coordinating, planning and delivering the following upcoming events within the region:

Event	Anticipated Delivery Date
JetGo Inaugural Flight Arrival	Thursday 17 September 2015
JetGo NBL Game	Friday 18 September 2015
Secret Sundays	Anticipated inaugural event in late October 2015
Christmas Fair 2015	November 2015
New Years Eve 2015	31 December 2015
Rockhampton River Festival 2016	15-17 July 2016
Wholly Cow Month	May 2016

### Marketing

The Regional Promotions team are progressively initiating various marketing and engagement activities to promote the region. Current marketing projects include:

- The 'My Rockhampton' Magazine has been developed and printing has been finalised
- The 'My Rockhampton' brand review has been completed, with the new brand guidelines currently under development
- Project management of 'Rockhampton Region' brand photo shoot – filming key locations, business activity, lifestyle and mixed demographics
- Project management of the directional signage tender

### Additional Projects

- Acquittal and funding application is currently underway for the Rockhampton River Festival
- Development and testing is currently being undertaken for the new website
- Collaboration with the Rockhampton Youth Justice Centre to paint concrete benches around the region
- Currently facilitating discussions between market event coordinators to improve market collaboration and profile
- Currently managing the Digital Investment Prospectus Project

## STRATEGIC PLANNING

### **Proposed Planning Scheme**

The new planning scheme was adopted on 24 August 2015 replacing the Rockhampton City Plan, Fitzroy Shire Planning and Mount Morgan Planning Schemes. This is a major milestone for Council. The scheme is available on Council's website and includes an interactive viewer version, online mapping and a planning enquiry process for determining development requirements. Training has been conducted with all key internal Council users, with continued support being provided by strategic planning through the initial implementation of the new scheme. A developer's forum was held to launch the new planning scheme on the date of commencement.

### **Major Amendment**

Work has commenced on the major amendment including a review of all content, character areas and updating mapping. Further amendments may arise via feedback from internal departments and external stakeholders. Once the draft amendments have been completed a Council workshop will be scheduled to identify proposed changes.

### **Local Government Infrastructure Plan (LGIP) Amendment**

The draft LGIP has been completed and currently under review by Council's external consultant (appointed reviewer) as part of the LGIP amendment process.

### **Planning Reform**

The State Government has released the draft planning bill for public comment. The draft planning bill aims to capture the key reforms outlined in the "Better Planning for Queensland Directions Paper – Next Steps for Planning Reform" which was released by the State Government in May 2015. The draft Planning Bill will replace the current legislation being the Sustainable Planning Act 2009 (SPA).



## 10 NOTICES OF MOTION

### 10.1 NOTICE OF MOTION - COUNCILLOR STEPHEN SCHWARTEN - PROPOSED RIVERBANK DEVELOPMENT PROJECTS

**File No:** 8246  
**Attachments:** 1. Notice of Motion - Councillor Swarten  
**Responsible Officer:** Evan Pardon - Chief Executive Officer

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#### SUMMARY

*Councillor Stephen Swarten has indicated his intention to move a Notice of Motion at the next Performance and Service Committee regarding the proposed Rockhampton Riverbank Redevelopment projects.*

#### COUNCILLOR'S RECOMMENDATION

THAT the Chief Executive Officer provide a report to the next Performance and Service Committee meeting as to the financing of the proposed Rockhampton Riverbank Redevelopment Projects, to include:

- 1) The estimated total capital expenditure of all such proposed projects and all sources of capital funding; and
- 2) An estimated costing of all annual recurrent expenditures associated with same.

#### BACKGROUND

Councillor Stephen Swarten has submitted the attached Notice of Motion regarding the proposed Rockhampton Riverbank Redevelopment Projects.

Councillor Swarten has requested the Chief Executive Officer submit a report to the next meeting of the Performance and Service Committee detailing the following:

- 1) The estimated total capital expenditure of all such proposed projects and all sources of capital funding; and
- 2) An estimated costing of all annual recurrent expenditures associated with same.

**NOTICE OF MOTION - COUNCILLOR  
STEPHEN SCHWARTEN -  
PROPOSED RIVERBANK  
DEVELOPMENT PROJECTS**

**Notice of Motion -  
Councillor Stephen Swarten**

**Meeting Date: 22 September 2015**

**Attachment No: 1**



**Councillor Stephen Schwarten**

**Division 7**

All Enquiries 1300 22 55 77

PO Box 1860, Rockhampton Q 4700

**Mobile** 0408 710 623

**Email** Stephen.Schwarten@rrc.qld.gov.au

2 September 2015

Michael Rowe  
Acting Chief Executive Officer  
Rockhampton Regional Council  
PO Box 1860  
ROCKHAMPTON QLD 4700

**NOTICE OF MOTION – PROPOSED RIVERBANK REDEVELOPMENT  
PROJECTS**

Dear Michael

I, Councillor Stephen Schwarten, Member for Division 7, Rockhampton Regional Council do hereby give written notice I will move the following motion as an item of General Business at the Performance and Service Committee Meeting of 22 September 2015.

That the Chief Executive Officer provide a report to the October meeting of the Performance and Service Committee as to the financing of the proposed Rockhampton Riverbank Redevelopment projects, to include:

- 1) The estimated total capital expenditure of all such proposed projects, and all sources of capital funding
- 2) An estimated costing of all annual recurrent expenditures associated with same

**Background**

Following Tropical Cyclone Marcia, Council was made aware that significant grant funding from the Queensland Government could become available for an iconic project, or projects. The majority of Councillors subsequently agreed on the submission of an application for State Government monies to be put towards redevelopment of the south



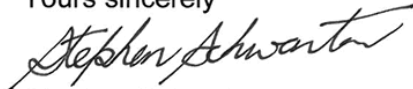
side riverbank along Quay Street, from Fitzroy Street to William Street. At the time, the Mayor publicly announced that Council would be committing \$5M as its contribution towards such project/s. In the subsequent Queensland Government budget for 2015/16 a grant of \$15M was allocated to Rockhampton Regional Council.

Reports in the media have suggested that the scope of works on the riverbank is far in excess of the \$20M known funded allocation and whilst I'm aware of various actions to secure additional grant money, the full extent of the scope of the integrated project is not clear nor are the funding implications inherent in the project well understood.

This has resulted in persistent questions being raised by members of the public which I believe Councillors are currently unable to answer, I certainly find myself in that position. A position given the sums of money involved that is untenable.

The intention of this motion is for Council to provide sufficient information so as to enable myself and all Councillors to answer such questions to the satisfaction of those raising them.

Yours sincerely



Stephen Swarten  
Councillor for Division 7

## **11 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.*

## 12 CLOSED SESSION

In accordance with the provisions of section 275 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 275 of the *Local Government Regulation 2012*, for the reasons indicated.

#### 13.1 Legal Matters as at 31 August 2015

This report is considered confidential in accordance with section 275(1)(f), of the *Local Government Regulation 2012*, as it contains information relating to starting or defending legal proceedings involving the local government.

#### 13.2 Monthly Report from Chief Executive Officer for period ending 14 September 2015

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage .

## 13 CONFIDENTIAL REPORTS

### 13.1 LEGAL MATTERS AS AT 31 AUGUST 2015

**File No:** 1392  
**Attachments:** 1. Legal Matters - August 2015  
**Authorising Officer:** Tracy Sweeney - Manager Workforce and Strategy  
Ross Cheesman - General Manager Corporate Services  
**Author:** Kerrie Barrett - Coordinator Corporate Improvement & Strategy

This report is considered confidential in accordance with section 275(1)(f), of the *Local Government Regulation 2012*, as it contains information relating to starting or defending legal proceedings involving the local government.

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#### SUMMARY

*Coordinator Corporate Improvement & Strategy presenting an update of current legal matters that Council is involved in as at 31 August 2015.*

**13.2 MONTHLY REPORT FROM CHIEF EXECUTIVE OFFICER FOR PERIOD ENDING  
14 SEPTEMBER 2015****File No: 1830****Attachments: 1. Monthly Report September 2015****Authorising Officer: Evan Pardon - Chief Executive Officer****Author: Evan Pardon - Chief Executive Officer**

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

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**SUMMARY**

*Chief Executive Officer presenting monthly report for the period ending Monday 14 September 2015.*



## **14 CLOSURE OF MEETING**