



PERFORMANCE & SERVICE COMMITTEE MEETING

AGENDA

27 OCTOBER 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 27 October 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
21 October 2015

Next Meeting Date: 24.11.15

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:

The Mayor, Councillor M F Strelow (Chairperson)
Councillor C E Smith
Councillor C R Rutherford
Councillor G A Belz
Councillor S J Schwarten
Councillor A P Williams
Councillor R A Swadling
Councillor N K Fisher

In Attendance:

Mr E Pardon – Chief Executive Officer

3 APOLOGIES AND LEAVE OF ABSENCE

4 CONFIRMATION OF MINUTES

Minutes of the Performance & Service Committee held 22 September 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 Meeting

Responsible Officer: Evan Pardon - Chief Executive Officer

Author: Evan Pardon - Chief Executive Officer

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

Meeting Date: 27 October 2015

Attachment No: 1

Date	Report Title	Resolution	Responsible Officer	Due Date	Notes
22 September 2015	Notice of Motion – Councillor Stephen Schwarten – Proposed Riverbank Development Projects	THAT this matter lay on the table until the October Performance and Service Committee meeting.	Evan Pardon	06/10/2015	

7 PUBLIC FORUMS/DEPUTATIONS

Nil

8 OFFICERS' REPORTS

8.1 APPROVAL TO APPLY FOR FUNDING THROUGH THE FEDERAL GOVERNMENT'S STRONGER COMMUNITIES PROGRAMME

File No: 7322

Attachments: 1. Stronger Communities Programme Guidelines

Authorising Officer: Michael Rowe - General Manager Community Services

Author: Margaret Barrett - Manager Parks

SUMMARY

The Department of Infrastructure and Regional Development is seeking applications for small capital projects which deliver social benefits, improving local community participation, cohesion and contribute to vibrant and viable communities. Project applications are submitted via the local Federal electorate office. Grants of between \$5,000 and \$20,000 are available. This report outlines a proposed project in Mt Morgan for submission to the office of the Member for Flynn.

OFFICER'S RECOMMENDATION

THAT Council approves the submission of an application to the Department of Infrastructure and Regional Development Stronger Communities Programme.

COMMENTARY

Improvements to the streetscape in central areas of Mt Morgan have been under consideration for some time. Recent Community Conversation session with the community in Mt Morgan have resulted in confirmation that these works will assist in the overall viability and improved amenity within the town centre of Mt Morgan.

BACKGROUND

Department of Infrastructure and Regional Development Stronger Communities Programme funding provides Council with an opportunity to add to approved budget for streetscape improvements in Morgan St, Mt Morgan.

The detailed scope of the project is still being finalised, the focus will be on public amenity, shade and landscape features in the centre median of Morgan St. The final design and scope will be confirmed in consultation with Councillor for Division 5 and community of Mt Morgan.

The timeframes involved with this programme have required that the application for this funding was submitted via the Department's grant portal on 14 October, 2015.

BUDGET IMPLICATIONS

The Parks Operations operational budget has approved funding for streetscape improvements in Mt Morgan of \$45,000.

The application will seek the maximum available funding of \$20,000.

STAFFING IMPLICATIONS

The project will be delivered by Parks Operations teams.

CONCLUSION

A successful submission to the Department of Infrastructure and Regional Development Stronger Communities Programme will increase the funding available for the streetscape improvements in Mt Morgan, allowing more work to be completed in 2015/16.

APPROVAL TO APPLY FOR FUNDING THROUGH THE FEDERAL GOVERNMENT'S STRONGER COMMUNITIES PROGRAMME

Stronger Communities Programme Guidelines

Meeting Date: 27 October 2015

Attachment No: 1



Grant Programme Guidelines

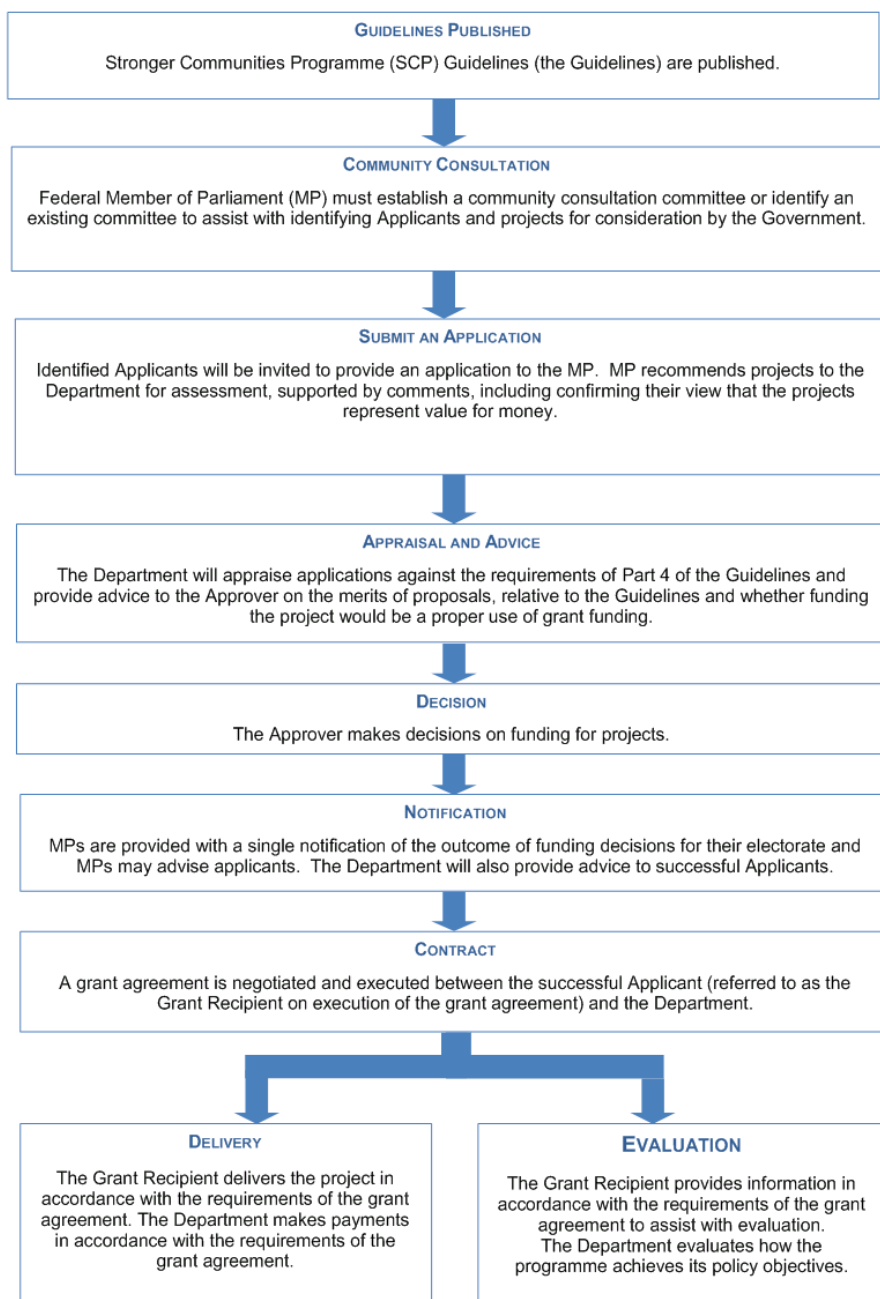
STRONGER COMMUNITIES PROGRAMME



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Grant Programme Process Flowchart



Stronger Communities Programme June 2015 **3**



1. Introduction

1.1. Overview

The Stronger Communities Programme (SCP) is a new programme designed to deliver social benefits across Australia. The Government is providing \$45 million over two years, commencing in 2015-16, to fund small capital projects in local communities in each of the 150 Federal Electorates.

Funding of \$150,000 per year over two years will be available to support projects in each of the Electorates. Applicants must seek a grant of at least \$5,000 and up to a maximum of \$20,000 and must match the SCP grant in cash or in-kind on at least a dollar for dollar basis.

The input of the community is a key priority of the SCP. Each Member of Parliament must establish a community consultation committee to assist with identifying projects for consideration by the Government.

Applications for grant funding will be appraised against the Guidelines and whether funding the project would be a proper¹ use of grant funding. Decisions on projects to be funded will be taken by the Approver (an officer of the Department).

The Guidelines apply to all projects seeking funding from the SCP. The Guidelines outline the objectives and desired outcomes of the SCP, eligibility requirements, the application and selection process, roles and responsibilities, and funding arrangements.

Applicants are strongly encouraged to read these Guidelines in conjunction with the Frequently Asked Questions which are available on the Department of Infrastructure and Regional Development website at <http://www.infrastructure.gov.au/SCP>.

1.2. Programme objective and outcomes

The objective of the SCP is to fund small capital projects which will deliver social benefits.

The desired outcome of the programme is to improve local community participation, cohesion and contribute to vibrant and viable communities.

1.3. Programme coverage

This Programme is optional for Members of Parliament to participate or not to participate in. Should a Member of Parliament choose to participate in the Programme, they will need to source and recommend applications in accordance with these Guidelines and within the specified timeframes.

Should a Member of Parliament choose not to participate in the Programme, the \$150,000 allocated per year to that electorate will be returned to Budget.

Funding that is not fully allocated to an electorate in any one year will not be available for allocation in subsequent years and it will not be available for allocation to other electorates, but will be returned to budget.

¹ Proper' is defined in the *Public Governance, Performance and Accountability Act 2013* as meaning 'efficient, effective, economical and ethical'.



Members of Parliament may only recommend projects for consideration of funding up to a maximum combined cost of \$150,000 in each of the two years of the Programme.

The Department does not undertake a comparative assessment of projects against other projects within the \$150,000 per year funding envelope. Prioritisation of projects and ensuring the total funding sought is within the electorate's nominal allocation is the responsibility of the Member of Parliament.

1.4. Roles and responsibilities

The *Process Flowchart* on page 3 outlines the roles and responsibilities of each party.

The SCP is administered by the Department of Infrastructure and Regional Development (the Department).

The Member of Parliament is responsible for undertaking community consultation to identify potential applicants and projects for consideration. As part of this process, the Member of Parliament must establish a committee, consisting of representatives from the local community or consult with an existing committee.

Following consultation, the Member of Parliament will identify eligible projects that will improve local community participation and cohesion and/or contribute to vibrant and viable communities.

Applicants will complete, and provide to the Member of Parliament, an online application form for projects that have been identified through the consultation process.

The Member of Parliament will select projects totalling no more than \$150,000 per year and submit these projects to the Department for assessment against the requirements of the Guidelines.

The Department provides advice to the Approver on the merits of projects relative to the requirements of the Guidelines.

The Approver considers the Department's advice, information provided by the Applicant and advice from the Member of Parliament in making decisions on projects to be funded.

For the purposes of these Guidelines, the Applicant means the organisation that submits the application and will be the organisation which enters into the grant agreement if grant funding is approved. On entering into the grant agreement, this organisation will be referred to as the Grant Recipient. The Approver is a delegated officer in the Infrastructure Investment Division in the Department with authority to make funding decision associated with the SCP.



2. Key Dates

Key Dates	
SCP Announced	12 May 2015
Guidelines Published	25 June 2015
Information sessions for MPs	25 June 2015
System open for MPs to advise selected proponents to lodge applications for projects to receive payments in 2015-16	Late August 2015
MPs submit recommended projects to the Department to enable assessment and payment in 2015-16	By 30 October 2015
Assessments Completed (target date depending on numbers of proposals)	30 January 2016
System open for MPs to advise selected proponents to lodge applications for projects to receive payments in 2016-17	15 February 2016
MPs submit recommended projects to the Department to enable assessment and payment in 2016-17	By 30 April 2016
Assessment Completed (target depending on numbers of proposals)	31 July 2016

All key dates will be published on the Department's website. Any recommendations submitted by Members of Parliament after 30 October 2015 and 30 April 2016 will be assessed after all previously submitted recommendations have been processed.

3. How to Apply

3.1. Application process

Through the community consultation processes the Member of Parliament will identify eligible projects and Applicants. Those invited to apply by the Member of Parliament will be provided with an electronic link and asked to fill out an online application form. Only Applicants that have been identified to apply will be provided with the link.

Following completion of the application form, it will be provided electronically to the Member of Parliament, who will select projects from his or her electorate, totalling no more than \$150,000 per year, and submit these projects to the Department for assessment against the requirements of the Guidelines.

Recommended applications totalling up to the \$150,000 limit can be submitted by the Member of Parliament at any time and should be submitted by no later than 5.00pm local time on 30 October 2015 for 2015-16 payments and 30 April 2016 for 2016-17 payments. Applications should be submitted as a complete electorate package to enable timely processing and will be assessed in order of lodgement.

Applicants or Members of Parliament may be contacted to clarify information that has been provided.



3.2. Application requirements

Applicants must provide all of the information required in the application form.

Co-funding from Applicants is mandatory. Applicants must match the SCP grant in cash or in-kind on at least a dollar for dollar basis. Cash or in-kind partner funding must be confirmed and can be provided by any organisation including, but not limited to, the Applicant, private donations and sponsorships, local, state or territory government, not-for-profit organisations and private sector companies. The Applicant must identify these sources and provide confirmation of funding. For example, if the local council is to provide a level of funding then a letter from the council endorsing its commitment would be expected.

Grants from other Australian Government initiatives cannot be included as part of the Applicant's matching funding. Total funding for the project from the Australian Government cannot exceed 50 per cent of the total project cost.

3.3. How to submit an application

Applications must be provided to the Member of Parliament by the Applicant via the online application form on the Department's Grant Management System (GMS) Portal. The online application form is accessed through a link provided to the Applicant by the Member of Parliament at the completion of the consultation process. Supporting documents are uploaded with the application, however each supporting document must not exceed 15 megabytes in size and must not exceed 45 characters in length for the file name.

The Member of Parliament will complete an eligibility assessment and provide comments on each application before submitting applications to the Department via the GMS. Further information on lodging an application is available in the GMS Portal User Guide at www.infrastructure.gov.au/scp.

4. Selection Process

Based on information provided in the application and advice from the Member of Parliament, the Department will undertake an appraisal against the requirements of this Part 4 of the Guidelines to determine whether SCP funding may be approved.

4.1 Eligibility

The following eligibility requirements must be met in order to be considered for SCP funding:

- the applicant must be an eligible applicant (see 4.1.1);
- the project must be an eligible project (see 4.1.2);
- funding sought from the SCP must be at least \$5,000 and no more than \$20,000;
- match the SCP grant in cash or in-kind on at least a dollar for dollar basis; and
- all partner funding is confirmed.



4.1.1. Applicant Eligibility

To be eligible for funding an Applicant must:

- be a community based not-for-profit organisation in its own right that is not owned by a state or territory government; or
- be a local governing body, as defined at Attachment A of the Guidelines; and
- a legal entity with a current Australian Business Number (ABN).

The following organisations are not eligible for funding:

- state and territory governments;
- state and territory government-owned entities;
- state and territory government-owned not-for-profit organisations;
- universities, technical colleges, schools and hospitals;
- other organisations which are primarily supported by other Australian Government programmes or initiatives;
- Regional Development Australia committees; and
- for-profit organisations.

4.1.2. Project Eligibility

To be eligible for funding a project must:

- be for capital purchases/activities; and
- contribute to an improvement in local community participation and cohesion and contribute to the vibrancy and viability of the community
 - claims against this requirement must be described.

The following items are considered to be ineligible for funding:

- expenditure incurred prior to the announcement that the project has been successful in its application for funding;
- provision of services and support activities;
- payment of salaries for existing staff or contractors;
- recurring or ongoing expenditure (eg annual maintenance);
- projects that seek funding to stage events, exhibit a display or for filming;
- projects to undertake studies or investigations;
- purchase of land or buildings; or
- projects that involve the development of private or commercial ventures including licensed areas of registered clubs.



The Australian Government reserves the right not to fund any project if there is any information known about the applicant or their personnel which might suggest that they, their business or their activities would be inconsistent with the policies and/or expectations of the Australian Government or that might suggest the project could be used for purposes and/or by individuals or groups which are inconsistent with the policies and/or expectations of the Australian Government.

4.2 Risk

Projects which involve risks that, in the view of the Approver, cannot be efficiently and effectively managed may not be funded.

The Department will consider the following factors, and other factors it deems appropriate, to determine whether a project has a risk profile which is acceptable to the Australian government:

- does the project involve complex project/activities for which planning is required, and does the plan have acceptable delivery claims (scope, time, cost, quality);
- does the project involve reasonable (rather than excessive) cost having regard to the quality and quantity of deliverables that are proposed;
- is there any adverse information known about the applicant or their personnel that might suggest Commonwealth funding could be at risk, misused or mismanaged; and
- is the project/activities dependent on other projects/programmes/funding, and how will this dependency effect implementation.

5. Decisions

5.1. Value with relevant money

Value with relevant money is achieved when the processes, actions and behaviours employed by the Australian Government and Grant Recipients result in public resources being used in an efficient, effective, economical and ethical manner. Public resources are defined in the *Public Governance, Performance and Accountability Act 2013* as 'relevant money, relevant property, or appropriations'.

In the context of selecting individual candidates for funding the SCP seeks to promote value with relevant money by selecting for funding, those projects that have met the requirements of the Guidelines.

Value with relevant money will also be considered on an ongoing basis during and after the delivery of the project, including by ensuring that Australian Government funding is expended and acquitted in accordance with contracted requirements and all other conditions of funding are met, and through monitoring and evaluating the extent to which a funded project achieves its objectives and contributes to the outcomes of the SCP.

5.2. Decisions on projects to be funded

Following advice from the Department on the merits of a proposal relative to the Guidelines, the Approver will make decisions on whether funding a project would be a proper use of public resources.



The Approver may require additional conditions and management strategies be attached to the grant funding based on the outcomes of the assessment and any identified risks.

Should a project not be approved, the Member of Parliament will be provided with the opportunity by the Government to submit a new or alternative project.

5.3. Advice to the Applicant

Members of Parliament will be advised by the Department in writing of the funding decisions as soon as possible after the Approver has made a decision, so that each Member of Parliament is able to inform successful applicants in their electorate.

The Department will not be able to respond to requests from Members of Parliament who are seeking early or advance decisions for an application in their electorate due to external timing pressures.

Following written advice to Members of Parliament, the Department will also write to successful Applicants. Those letters will detail any specific conditions attached to the funding. Funding approvals will also be listed on the Department's website and include Applicants name, location, project description and funding amount.

6. Conditions of Funding

6.1. Contractual arrangements

Applicants that have been selected to receive grant funding will be required to enter into a grant agreement with the Commonwealth of Australia, represented by the Department.

The grant agreement, in the form of a letter of offer, states the obligations of the Grant Recipient and the Department. Grant Recipients are advised to be aware of the obligations and requirements set out in the letter of offer, and should seek legal advice where needed. A template of the letter of offer is available on the Department's website from 1 September 2015, at www.infrastructure.gov.au/scp.

The Grant Recipient should not make financial commitments for funded activities based on the approval of funding or public announcements. Financial commitments entered into before a letter of offer has been accepted with the Department are done so at the risk of the Grant Recipient.

Grant Recipients will be required to keep all evidence of expenditure for two years after the completion of the project and provide this evidence upon request by the Department. Project audits will be made through a representative sample.

6.2. Evaluation

A Monitoring and Evaluation Strategy forms part of the Department's programme delivery arrangements, and will assess the extent to which the SCP is achieving its policy objectives and provide valuable input to the development of future programmes.

Applicants are required to provide information, as requested, to support the collection of data and inform the evaluation of the SCP.



7. Payment of Funding

7.1. Payment arrangements

Grant funding will be made in a single payment. Before any payment can be made, Grant Recipients will be required to provide a tax invoice for the amount of the payment, bank details to enable payment and evidence of the commitment to spend eg. order with supplier or invoice from the supplier.

7.2. GST implications

Grants under SCP are not subject to GST. Applicants are to provide quotes that are both GST exclusive and inclusive and whether they are GST registered or not.

For those applicants that are GST registered the grant amount will be the GST exclusive amount and for the non GST registered organisation the grant amount will be the GST inclusive amount.

It is recommended that GST registered Grant Recipients seek guidance about the implications in receiving funding from a tax advisor or the Australian Taxation Office at www.ato.gov.au prior to submitting an application.

8. Probity

The Australian Government is committed to ensuring that the process for providing funding is transparent and in accordance with published Guidelines. The Guidelines may be varied from time-to-time by the Australian Government, as needed or to reflect its priorities. Amended Guidelines will be published on the Department's website.

8.1. Conflict of interest

A conflict of interest may exist if, for example, the Applicant, the Member of Parliament or any of their personnel:

- has a relationship (whether professional, commercial or personal) with a party who is able to influence the application appraisal process, such as a Department staff member;
- has a relationship with, or interest in, an organisation, which is likely to interfere with or restrict the Applicant or Member of Parliament in carrying out the proposed activities fairly and independently; or
- has a relationship with, or interest in, an organisation from which they have received or will receive political donations or personal gain as a result of the granting of funding.

Each Applicant and Member of Parliament will be required to declare any actual, apparent or potential conflicts of interest.

Where an Applicant or Member of Parliament subsequently identifies an actual, apparent, or potential conflict of interest in relation to the application for funding, the Applicant or Member of Parliament must inform the Department in writing immediately.

Department employees will manage any conflict of interest in accordance with the Department's Accountable Authority Instruction for probity.



8.2. Confidential information

Information submitted by the Applicant may be provided to other organisations. Applicants should identify any information submitted which they wish to be considered as confidential, supported by reasons for the request. The Australian Government reserves the right to accept or refuse a request to treat information as confidential.

The Privacy Act 1988 applies to the handling of personal information about individuals obtained in the course of the delivery of the SCP.

Grant Recipients must not act or engage in any practice which, if done or engaged in by the Commonwealth, would be a breach of an Information Privacy Principle contained at Section 14 of the *Privacy Act 1988*.

9. Contact Details

Questions about the SCP, including the eligibility criteria and the application process can be emailed to SCP@infrastructure.gov.au. Questions should be clear and concise. Questions that are directly relevant to the SCP will be included in a Frequently Asked Questions document and placed on the Department's website.

Any enquires relating funding decisions or complaints should be directed to:

General Manager
Stronger Communities Programme
Department of Infrastructure and Regional Development
GPO Box 594
CANBERRA ACT 2601
E: SCP@infrastructure.gov.au

10. Attachments

A: Eligible Local Governing Bodies



Attachment A

Eligible Local Governing Bodies

A *local governing body* is defined by the *Local Government (Financial Assistance) Act 1995* (Cwlth) as either:

- a) a local governing body established by or under a law of a State, other than a body whose sole or principal function is to provide a particular service, such as the supply of electricity or water ('State' in the *Local Government (Financial Assistance) Act 1995* (Cwlth) includes the Australian Capital Territory and the Northern Territory); or
- b) a body declared by the Minister, on the advice of the relevant State Minister, by notice published in the *Gazette*, to be a local governing body for the purposes of this Act.

In addition, for the purposes of the SCP, the following organisations will be considered local governing bodies:

- ACT Government
- Five Indigenous local governing bodies in South Australia (Anangu Pitjantjatjara, Maralinga, Gerard, Nepabunna and Yalata);
- Outback Communities Authority, formerly the Outback Areas Community Development Trust, in South Australia;
- Trust Account in the Northern Territory;
- Silverton and Tibooburra villages in New South Wales;
- Cocos (Keeling) Islands Shire Council;
- Shire of Christmas Island;
- Norfolk Island Administration; and
- Lord Howe Island governed by New South Wales.

8.2 ECONOMIC DEVELOPMENT STRATEGY

File No: 11442

Attachments: 1. Draft Economic Development Strategy
2. Summary of Economic Development Strategy

Authorising Officer: Russell Claus - Executive Manager Regional Development
Evan Pardon - Chief Executive Officer

Author: Rick Palmer - Manager Economic Development

SUMMARY

This report contains a draft economic development strategy for the Committee to consider adopting.

OFFICER'S RECOMMENDATION

THAT Council adopt the economic development strategy as attached to the report and as amended.

COMMENTARY

In 2014 Council contracted RPS Australia East Pty Ltd to draft an economic development strategy for Council to consider.

A copy of the draft strategy is attached to this report.

A copy of a summary of the economic development strategy is also attached.

Staff will identify priorities, strategic alliances and allocation of resources required to achieve the strategy; for future Committee consideration.

ECONOMIC DEVELOPMENT STRATEGY

Draft Economic Development Strategy

Meeting Date: 27 October 2015

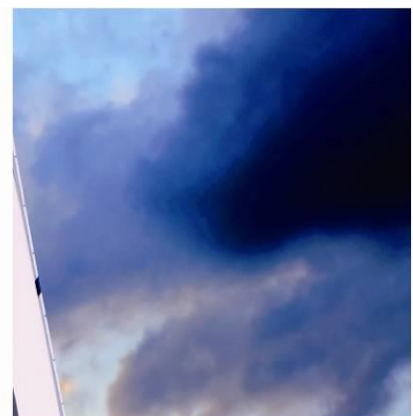
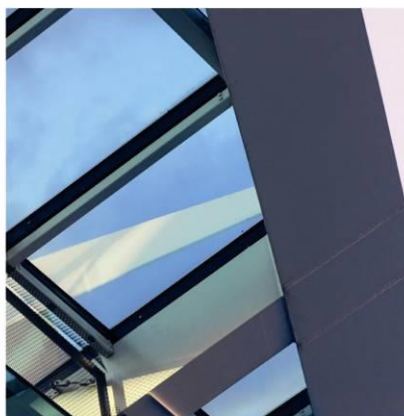
Attachment No: 1



ROCKHAMPTON REGION ECONOMIC DEVELOPMENT STRATEGY (DRAFT CONTENT)

**Prepared for ROCKHAMPTON REGIONAL
COUNCIL**

July 2015



Document Status

Version	Purpose of Document	Orig	Review	Review Date
WIP Draft	WIP Draft Content for RRC Review	HJ	MW	24/04/2015
Draft v1.0	Full Draft content for RRC Review	MW	HJ	18/05/2015
Draft v2.0	Revised Draft for RRC Review	MW	HJ	14/07/2015
Draft v3.0	Revised Draft for RRC Review	MW	HJ	23/07/2015

Approval for Issue

Name	Signature	Date

Foreword

<DN: TBC>

Summary

The Rockhampton Region has a resilient and stable economy, generating quality employment and business opportunities. It is recognised nationally as the beef capital of Australia, supporting wider agricultural production in Central Queensland. It is also home to a critical mass of residents attracted to the Region by high quality secondary and tertiary education, public and private tertiary hospitals, and allied health.

The Rockhampton Region is blessed with an incomparable range of economic opportunities. The central location of Rockhampton on major intra and interstate freight and transport infrastructure, its proximity to major mining and resource development activity and its large customer base and labour force all have the potential to drive the growth and prosperity of Rockhampton's business and residential community.

However, the Rockhampton Region's economic potential is currently not being realised. The Region is characterised by:

- a high unemployment rate;
- a workforce has a below average skills profile; it has an economy dominated by public sectors (like health, education and public administration);
- below average and slowing economic activity per resident; and
- a community leadership deficit despite high levels of community engagement and volunteering.

Most importantly, Rockhampton lacks a large, dynamic and entrepreneurial business community, with below average numbers of local businesses and slow business formation and growth rates. Rockhampton's position as the capital of Central Queensland is premised on its economic strength and to maintain this role, the Region must facilitate and drive robust growth in private investment, business establishment and jobs creation.

This Economic Development Strategy for the Rockhampton Region provides the framework for the growth and prosperity of the local business and residential community. The Strategy is the product of extensive engagement and analytical understanding of the region. It is structured and formulated by the Rockhampton Regional Council but incorporates the effort, skills and knowledge of local government, key State and Commonwealth Government agencies and business, community and not-for-profit sectors.

Central to the Strategy is recognition that the Region needs more than "business as usual" planning and instead needs to chart a more aspirational future characterised by a dynamic and entrepreneurial business community, highly skilled workforce, a diverse range of quality facilities and services and a prosperous community with a high quality of life.

The Strategy establishes the following Vision for the Rockhampton Region in 2050:

"Rockhampton is recognised globally as the economic heart of Central Queensland. It is home to a critical mass of residents, high quality services and facilities and a dynamic and prosperous economy driven by entrepreneurial and innovative businesses, strategic investment and international exports."

Shifting Rockhampton's population and economy growth trajectory from "business as usual" towards the aspirational trajectory outlined in the Strategy requires a comprehensive, consolidated and integrated approach to the growth and development of the Region. Economic Development Programs and Actions must seek to address the key challenges facing the Rockhampton economy while leveraging critical comparative advantages and opportunities to drive growth.

There are a range of ways to foster and promote the growth of a regional economy and community. Different initiatives generally fall into three broad approaches to growth and development:

- **ENABLING INITIATIVES – INVESTMENT IN ACTIVITIES, INFRASTRUCTURE, FACILITIES AND SERVICES THAT CATALYSE AND ENABLE THE PRIVATE SECTOR AND THE COMMUNITY TO GROW AND PROSPER IN A REGION;**
- **VALUE ADDING – BUILDING UPON AND ADDING VALUE TO THE STRENGTHS OF THE FOUNDATIONAL INDUSTRY TO DEEPEN REGIONAL ECONOMIC ACTIVITY. THIS CAN INCLUDE PHYSICAL VALUE ADDING TO RAW MATERIALS, INCREASED CAPTURE OF UPSTREAM SUPPLY CHAINS EXPENDITURE IN THE REGION OR INNOVATIVE USE OF EXISTING INFRASTRUCTURE AND ECONOMIC CAPACITY.**
- **DIVERSIFICATION – BROADENING OF THE ECONOMIC BASE OF A REGION THROUGH THE PROMOTION, FOSTERING AND GROWTH OF NEW INDUSTRIES AND BUSINESSES. THESE BUSINESSES ARE GENERALLY SEPARATE FROM THE VALUE ADDING ACTIVITIES ASSOCIATED WITH THE FOUNDATIONAL INDUSTRIES, DRAWING UPON THE REGION'S COMPETITIVE ADVANTAGES, INNOVATION, RESEARCH AND ENTREPRENEURSHIP TO DRIVE NEW BUSINESS AND INDUSTRY GROWTH.**

By pursuing enabling, value adding and diversifying activities and investments, the Rockhampton Region in the future will be characterised by levels of population, employment, business activity and investment greater than the "business as usual" profile of the Region would achieve.

The outcome of analysis and consultation in the development of this Strategy is the identification of six core Economic Development Programs that form the central part of the Economic Development Framework. These include:

Program	Description
Agriculture and Food Industry Growth and Diversification	This Program covers actions designed to grow, diversify and develop food production in the Rockhampton Region. It seeks to enhance Rockhampton's profile as a good producing region of national and global significance and the source of quality food products and supporting services and industries.
Branding and Marketing	This Program seeks to enhance the profile of the Rockhampton Region as a location of choice for people to "live, work and play" and for business to establish and grow. It promotes and encourages the growth of Rockhampton profile and greater awareness of its comparative advantages and investment and economic development opportunities.
Education and Skills	This Program seeks to improve the skills base of the Rockhampton population to improve the attractiveness of the regional workforce to new and emerging sectors while providing socio-economic, prosperity and quality of life benefits to residents from improved educational outcomes.
Small Business Development	This Program will drive the establishment, growth and development of small businesses in the Rockhampton Region. It recognises the importance of a dynamic and entrepreneurial small business sector in driving income growth and job creation in the Region. The Small Business Development Program seeks to promote collaboration, innovation, technology adoption, growth acceleration and major project supply chain integration.
Urban Rejuvenation	This Program will seek to increase the amenity, accessibility and competitiveness of the Rockhampton Urban Area. The program focuses on the redevelopment and modernisation of the City, making the central business district a more attractive urban environment for both residents and businesses.

Program	Description
Transport, Logistics and Manufacturing Promotion	This Program seeks to establish Rockhampton as the principal transport and logistics hub in regional Queensland; leveraging its strategic location relative to major Queensland centres as well as agricultural, tourism and mining regions. It seeks to optimise the performance and accelerate the growth of key industrial precincts, integrate businesses into mining and major project supply chains and be a location of choice for growing defence activity.

Within each of the broad Economic Development Programs identified in the Strategy are a range Potential Opportunities that enable, add value and diversify the regional economy and community.

The Rockhampton Region Economic Development Strategy is not simply a strategy for Government; it is a holistic economic development strategy that requires buy-in and investment by all aspects of the Rockhampton community. All members of the Rockhampton Region community have an important role to play to implement this Strategy. This will be achieved through collective and coordinated effort across a broad range of projects that will stimulate, incentivise and facilitate the growth and development of the Rockhampton economy, for the benefit of local residents and businesses.

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Introduction

What is Economic Development?

The economic development of a region is critical for maintaining and enhancing prosperity and quality of life of residents. Rising costs of living and increased competition and economic, social and environment pressures drive the need for regional economies to grow, expand and diversify.

The traditional goals and objectives of economic development include:

- attracting new residents;
- creating new jobs;
- increasing worker and household incomes;
- helping new business to establish and grow;
- encouraging new investment; and
- increasing the capacity and quality of regional services and facilities.

Economic development is not about encouraging economic growth for its own sake. Economic growth, poorly managed, can result in a range of perverse outcomes, including income inequality, a lack of social cohesion, environmental impacts and industry imbalances.

Instead, successful economic development must be characterised by the following attributes:

- **SUSTAINABLE – PROVIDING LONG-TERM, RECURRING BENEFITS TO THE COMMUNITY;**
- **EQUITABLE – PROVIDING BENEFITS TO A WIDE RANGE OF GROUPS AND COHORTS WITHIN THE COMMUNITY;**
- **PRACTICAL – ACHIEVING REAL TANGIBLE INCOMES;**
- **LOCAL – GENERATING BENEFITS FOR LOCAL BUSINESSES, RESIDENTS AND THE COMMUNITY; AND**
- **ATTAINABLE – WITH GOALS AND OBJECTIVES THAT ARE SUPPORTED BY EVIDENCE.**

Any initiative, action, project or investment, which helps to grow the economy in a manner that enhances the quality of life and prosperity of residents in the long-term, is a form of economic development.

Need for an Economic Development Strategy

Rockhampton is recognised nationally as the capital of Central Queensland. Characterised by a large residential and service population and proximity to major mining and agricultural activity, Rockhampton plays a critical service role for Central Queensland and the State more broadly. However, continued population growth, structurally high unemployment, economic uncertainty in core foundation industries and strong competition from other regions in Australia and around the world threaten to impact the dynamism of the Rockhampton economy into the future.

Therefore the continued prosperity and quality life of residents in Rockhampton is contingent on the implementation of effective tools to help guide and management the development of the regional economy in the long-term. This requires the establishment of a practical and evidence-based framework to inform and guide investment activities by public, private and community sectors and stakeholders. This framework is traditionally enshrined in an Economic Development Strategy.

Rockhampton Regional Council identified the need to establish an Economic Development Strategy for the region. The primary purpose of this Strategy is help guide Council's actions, regulations,

policies and investment over the next 5 years. However, this Economic Development Strategy looks beyond Council and is designed to help inform other critical public and private sector stakeholders, as well as potential new residents, business and investments, on the future potential and direction of the Rockhampton region.

Drawing the “Golden Thread”

The growth and development of the Rockhampton economy does not occur in isolation. Global and national mega trends are increasingly driving the development of regional economies within Australia, presenting both major opportunities as well as serious challenges to future growth and prosperity.

Effective economic development strategies therefore must look beyond the region and try to make connections between these current and emerging megatrends, the characteristics and attributes of the regional economy and the vision, opportunities and actions for the future. This connection or “golden thread” is critical to developing the story of the Rockhampton economy as well as providing the evidence needed to justify the investment needed from public and private sectors to help Rockhampton realise its full potential.



Figure 1 “Golden Thread” in Economic Development Strategies

Strategy Structure

The Rockhampton Regional Economic Development Strategy is comprised of the following key sections:

- **INTRODUCTION – OUTLINE OF THE RATIONALE AND PURPOSE OF THE ECONOMIC DEVELOPMENT STRATEGY**
- **ROCKHAMPTON PROFILE – PROFILE OF THE POPULATION, DEMOGRAPHIC AND SOCIO-ECONOMIC CHARACTERISTICS OF THE ROCKHAMPTON REGION;**
- **GLOBAL INFLUENCES AND TRENDS – SUMMARY OF CURRENT AND EMERGING GLOBAL AND NATIONAL TRENDS AND THEIR RELEVANCE TO THE ROCKHAMPTON ECONOMY;**
- **REGIONAL CAPACITY FOR GROWTH – ASSESSMENT OF THE CAPACITY, CONNECTIVITY, COMPETITIVENESS AND COMPARATIVE ADVANTAGES OF THE ROCKHAMPTON REGION;**
- **A VISION FOR THE ROCKHAMPTON ECONOMY – ESTABLISHMENT OF A LONG-TERM VISION FOR THE ROCKHAMPTON ECONOMY INCLUDING IDENTIFICATION OF ASPIRATIONAL POPULATION TARGETS AND IMPERATIVES FOR REGIONAL GROWTH AND DEVELOPMENT;**
- **ECONOMIC DEVELOPMENT STRATEGY FRAMEWORK – OUTLINE OF THE FRAMEWORK TO GUIDE THE IMPLEMENTATION OF THE ECONOMIC DEVELOPMENT STRATEGY OVER THE NEXT 5 YEARS AND IDENTIFICATION POTENTIAL ECONOMIC DEVELOPMENT PROGRAMS AND RECOMMENDED ACTIONS NEEDED TO DRIVE GROWTH AND PROSPERITY.**

Rockhampton Profile

Rockhampton - In Place and Time

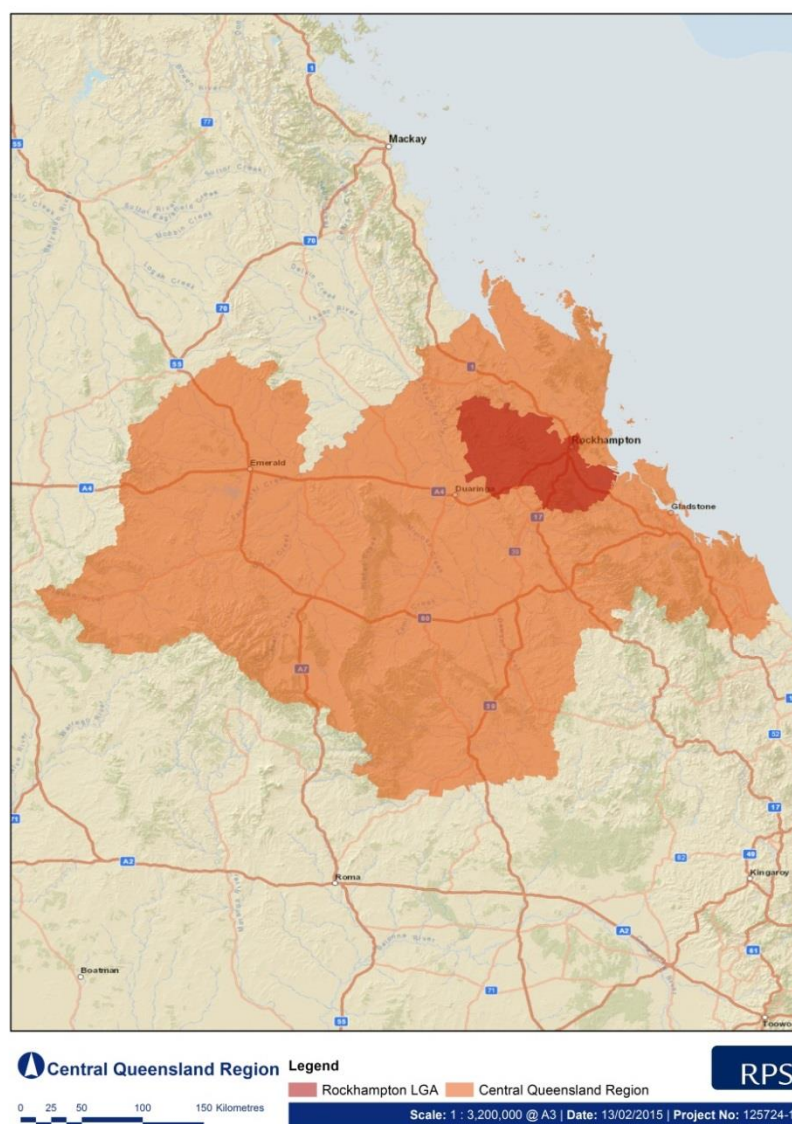
The Rockhampton Region – defined as the Rockhampton Local Government Area - is located on the Tropic of Capricorn in Central Queensland, approximately 600 kilometres north of Brisbane. Covering an area of 6,560 square kilometres, the Rockhampton Region is characterised by a subtropical climate with warm, wet summer months and moderate winters.

The Rockhampton Regional Local Government Area was established through the amalgamation the City of Rockhampton, Shire of Fitzroy and Shire of Mount Morgan in 2008. The Shire of Livingstone was also amalgamated into the Rockhampton Local Government Area, however residents opted for de-amalgamation in 2013 and it was restored as an independent council in 2014.

Figure 2
Rockhampton
Local
Government

The broader District, which the Rockhampton Government the traditional the Darambal people, who only inhabitants region until the European and settlers in

The combination abundant grazing good water accessibility the Fitzroy River tributaries and helped to Rockhampton as cattle producing This helped to Rockhampton's growth. The of gold at Mount the 1880s saw population of the region explode, with gold exported through ports at the mouth of the Fitzroy River.



Regional Area

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establish
a premier
region.
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early
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Morgan in
the

In 1902 the City of Rockhampton was proclaimed by the State Government, which invested heavily in rail connections from Brisbane and to Longreach – establishing Rockhampton's role as the principal service centre of the region and a major contributor to the growth of the State over the past century.

The Central Queensland Region

Rockhampton is the capital of the Central Queensland Region. As such, the economic success and prosperity of Rockhampton is invariably linked to the growth and development of Central Queensland. The Central Queensland Region covers over 117,500 square kilometres in area, or almost 7.0% of Queensland's total land area. Centrally located between Brisbane (500km south) and Townsville (600 km north), Central Queensland Region is comprised of six Local Government Areas including:

- Rockhampton Regional Council Area;
- Gladstone Regional Council Area;
- Livingstone Shire Council Area;
- Banana Shire Council Area;
- Central Highlands Regional Council Area; and
- Woorabinda Aboriginal Shire Council Area.

The Central Queensland Region was home to 233,747 people as of June 2014. The Rockhampton LGA contained the largest proportion of residents within the Central Queensland Region, with 35.7% of the total population. This was followed by the Gladstone LGA with 28.3% of the population and the Central Highlands LGA with 15.6%.

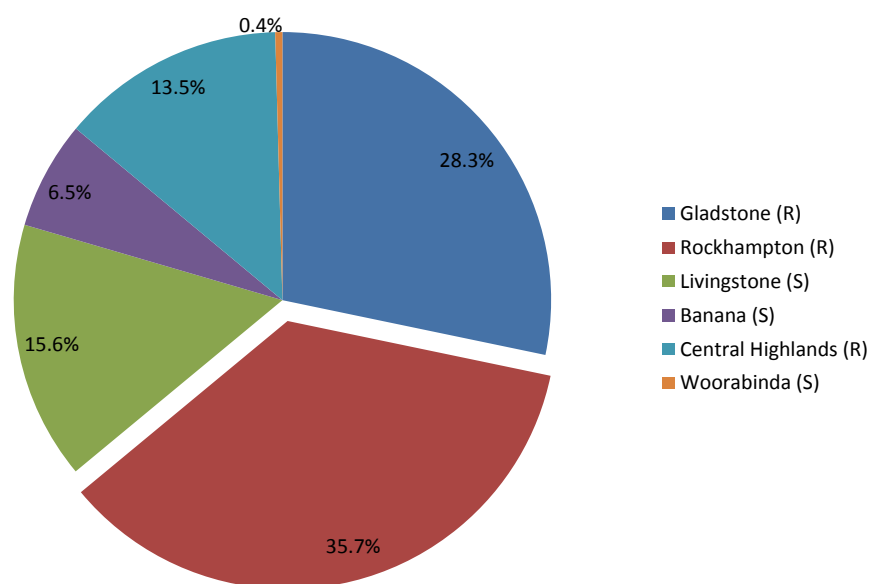


Figure 3 Central Queensland Population Distribution by Local Government Area, 2014ⁱ

The Central Queensland Region generates employment for approximately 100,000 people, with the top three employing industries within Central Queensland being retail trade, healthcare and social assistance, and manufacturingⁱⁱ. However employment drivers within the region vary considerably. Within the Rockhampton LGA the top employing industries were healthcare and social assistance, retail trade and education and training, where as in contrast, the top three employing industries within the Central Highlands LGA are mining, construction and agriculture, forestry and fishing.

This regional economic diversity of Central Queensland presents considerable opportunities for Rockhampton as the primary service centre. It not only provides residents with a wide range of employment opportunities across a variety of industries and sectors, but also presents opportunities

for local businesses to value add to Central Queensland's primary drivers – agricultural and mining and energy production.

The Rockhampton Community

Rockhampton was home to 83,439 residents in 2014, an increase of 11,019 residents over 10 years. Population growth rates have generally been moderate during this period, ranging between 1.0% and 1.5%, which is in line with national averages. However in 2012, growth accelerated to 2.5%, showing the region is capable of supporting accelerated population growth.

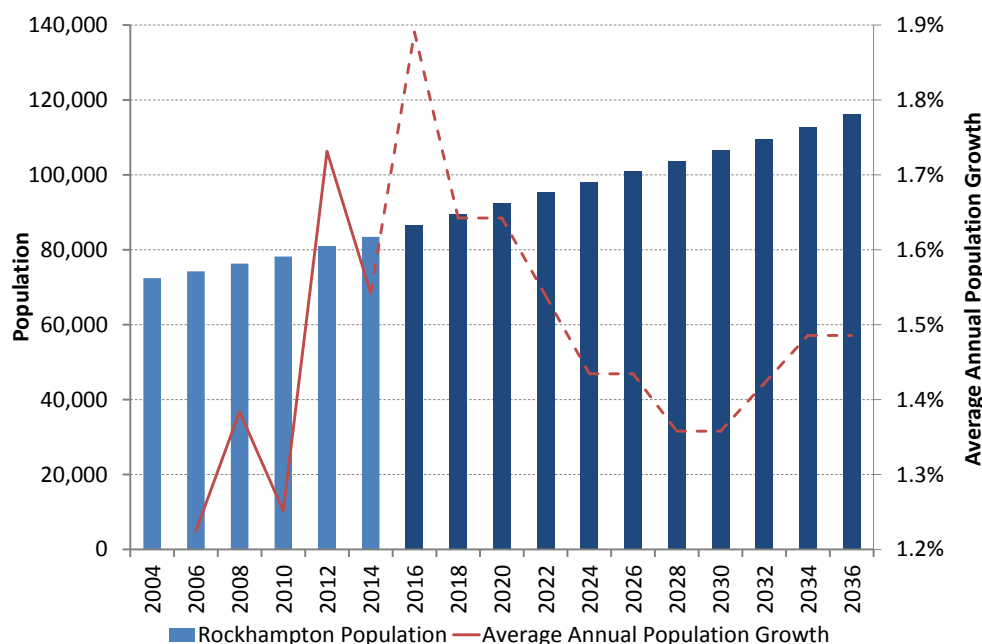


Figure 4 Historic and Projected Population, Rockhamptonⁱⁱⁱ

Based on the Queensland Government Statistician's Office, Rockhampton is projected to be home to 86,624 residents in 2016, growing to over 100,000 residents by 2026 and 118,000 residents in 2036. This will represent an additional 33,000 residents calling Rockhampton home by 2036.

In 2011, 6.8% of Rockhampton's residents identified as being of Aboriginal or Torres Strait Islander descent. The proportion of indigenous residents within Rockhampton is higher than the Queensland average at 3.8%. This above average share reflects the fact Rockhampton is the traditional home of the Darambal peoples who have a long and proud heritage in the region. They knew the wide river on which Rockhampton is located as "Toonooba", which offered significant resources and sustenance for the clans; environmental characteristics that subsequently attracted European settlers (initially cattle grazers) to the region^{iv}.

Rockhampton has a relatively strong working age population (population aged between 15 and 64 years). The share of residents aged 24-35^v is slightly below the State average though this is not uncommon for regional parts of Australia. In fact, Rockhampton's youth retention rate is actually very high, likely due to the presence of strong tertiary education services and facilities in the region.

The Rockhampton Region is comprised of a number of major settlements and townships. Rockhampton City is the largest and most prominent. It is not only the principal service centre in the Local Government Area but also in Central Queensland, providing the highest concentration and most diverse range of retail, health, education and Government services.

Gracemere is a residential and industrial satellite community to the south east of Rockhampton City. Located on the Capricorn Highway, Gracemere has been the focus of considerable new residential development in recent years, with supporting retail and commercial floor space. The location also offers strong road infrastructure access and is home to a growing transport and logistics cluster.

Mount Morgan is another notable settlement in the Rockhampton Region. The historic township founded in 1882 with the discovery of gold is currently home to about 2,500 residents. The Mount Morgan Mine operated for a century, producing vast quantities of gold, silver and copper that was exported through Rockhampton. After finally closing in 1981, Mount Morgan's economy has undergone a transition and now leverages its extensive heritage and historical assets to offer a unique tourism experience to visitors to Central Queensland.

Mount Morgan Mine

Established in 1882, the Mount Morgan Mine was developed by a syndicate of notable individuals in Queensland and world history, who drew upon the wealth of the mine to help establish British Petroleum through Middle East oil discoveries and establish the Walter and Eliza Hall Institute of Medical Research (Walter Hall was a syndicate member).

The syndicate became the Mount Morgan Gold Mining Company in 1886 and operated as an underground mine. The Company established extensive infrastructure and facilities to accompany the mine, including laboratories, brickworks (and supporting clay excavations), foundry, power house, and workshops. The Company operated until 1927 when fire forced the Company into liquidation. By this time however, Mount Morgan Mine had become one of the most productive gold mines in the world.

In the following year, Mount Morgan Limited was formed and shifted production to open cut methods. This was accompanied by significant modernisation of facilities and infrastructure. The mine continued to operate until 1981, when its ore body was exhausted, though it continued to process tailings from previous mining activity as well as output from other mines until 1990. Over the course of its life, Mount Morgan Mine produced approximately 262 tonnes of gold, 37 tonnes of silver and 387,000 tonnes of copper.

Now, the Mount Morgan Mine is the principal tourist attraction of the town. Structures such as the Main Stack, Gold Stores and General Office remain. Additionally, the excavation of clay to support the brickworks of the Mine revealed fossilised dinosaur footprints inside the cavern. The Fireclay Cavern contains over 300 footprints of the plesiosaur and is incorporated as part of the tours of the mine site.

Rockhampton Workforce

Rockhampton had a labour force of 43,992 people as at September 2014, an increase of 5.3%, or 2,200 workers over the year. This growth is considerably higher than the population growth highlighting the fact that Rockhampton's population age profile is strong in working age groups.

In September 2014, the unemployment rate in Rockhampton was 6.7%, an improvement of 0.7% compared to June 2014, and a 2.6% over the year. Considering the strong labour force growth recorded during this time, the fall in unemployment suggests robust employment generation has occurred in the past 18-24 months.

Despite this, Rockhampton's unemployment rate remains above that of Queensland, as it has for some time. This structurally higher unemployment rate mostly reflects Rockhampton's role as a major service centre in Central Queensland. The availability of a range of Government social services, as well as supporting public tertiary health services, means Rockhampton is home to a higher proportion of people who are unemployed. Nevertheless, employment generation is regarded as the critical objective of this Economic Development Strategy for the Rockhampton Region, supporting and reinforcing its role as the principal economic node in Central Queensland.

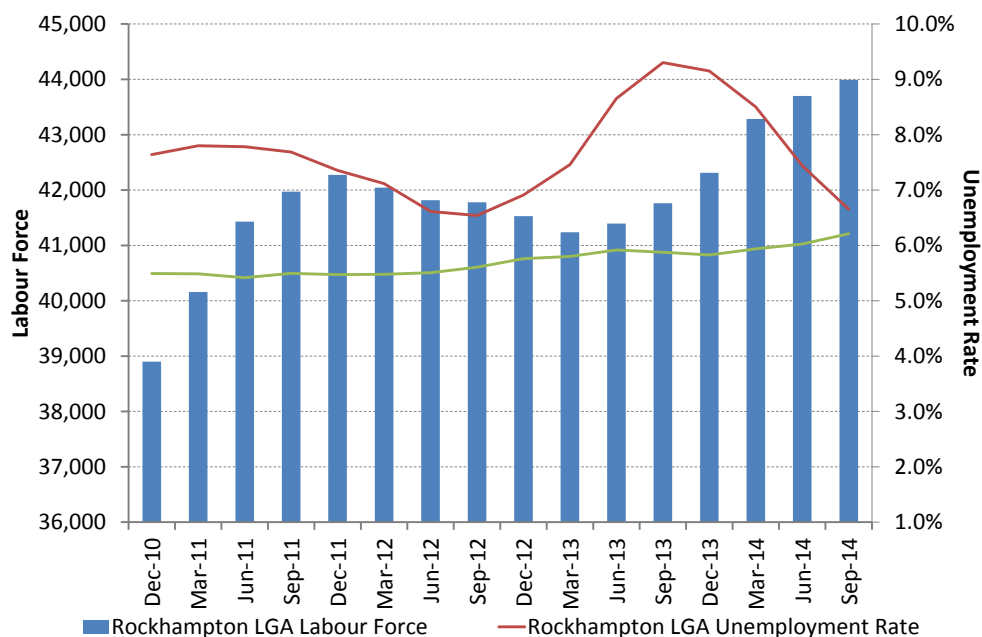


Figure 5 Labour Force and Unemployment Rate, Rockhampton LGA, 2010 to 2014^{vi}

Professionals accounted for the largest share of Rockhampton's workforce, with almost 1 in 5 workers in that occupation. Clerical and administrative workers accounted for a further 16.8% of occupations followed by technicians and trade workers with 16.0% of employment. The smallest employing occupation within Rockhampton is machinery operators and drivers, with only 6.9% of people employed. This fact is surprising given the potential strengths of Rockhampton as a major regional transport and logistics hub as well as the Region's proximity to mining and energy resource operations in Bowen and Galilee Basins.



Figure 6 Employment by Occupation by Place of Work, Rockhampton LGA, 2011^{vii}

Jobs and Industry in Rockhampton

According to the 2011 Census, there were almost 33,400 jobs in Rockhampton. The largest employing industry is Healthcare and Social Assistance with 16.0% of total jobs. This was followed by Retail Trade (12.1%) and Education and Training (10.5%). These three industries are population-serving sectors, highlighting Rockhampton's role servicing not only local and regional residents but communities across Central Queensland.

Furthermore, the Public Administration and Safety, Manufacturing and Transport, Postal and Warehousing industries each support more than 7% of Rockhampton. This indicates a moderate degree of economic diversification. In contrast, the Mining, Information, Media and Telecommunications, and Arts and Recreation Service industries were the lowest employing sectors within Rockhampton, employing less than 1.0% of total employment each. This suggests that opportunities exist to enhance and expand Rockhampton's exposure to mining activity in the wider region. It also indicates Rockhampton's current lack of technology and creative-oriented sectors, which represent important sectors of focus for Rockhampton's future economic development and growth.

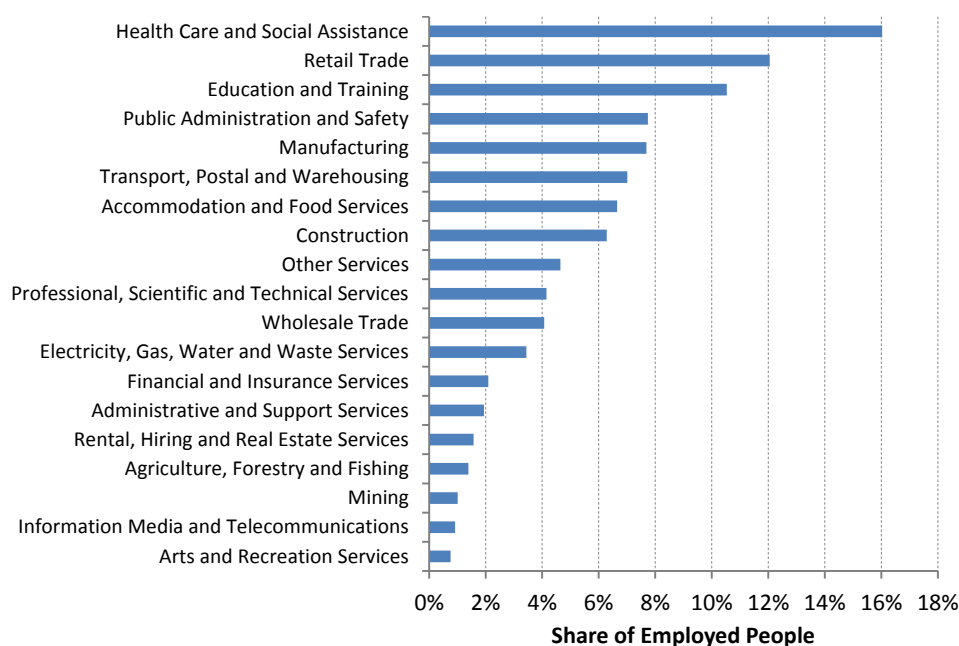


Figure 7 Employment by Industry by Place of Work, Rockhampton LGA, 2011^{viii}

Coal and LNG in Central Queensland

Queensland's position as the largest seaborne exporter of black coal in the world, and an emerging LNG exporter, is primarily due to extensive mineral and energy resources in Central Queensland. Coal was discovered in the region as early as 1845 and the region has since gone on to produce 40% of the State's coal production. The Bowen Basin is the region's and State's primary coal mining region, with production transported by rail to the Port of Gladstone, Hay Point and Abbot Point Ports for export. Japan, China and other East Asian markets represent the primary destination for the region's coal exports.

More recently, energy production has shifted in the region to include Liquid Natural Gas (LNG) extracted from coal seams across the region. This LNG (also commonly referred to as Coal Seam Gas or CSG) has been the focus of considerable investment in recent years, with major production and export facilities under construction in Gladstone (primarily on Curtis Island). This includes plant and terminals for Australia Pacific LNG, Gladstone LNG and Queensland Curtis LNG projects as well as many thousand kilometres of pipelines across the region, connecting gas wells with liquefaction and export facilities. These projects are expected to reach the end of the construction phase progressively in 2014 and 2015 and will commence full production.

Late 2014 and early 2015 saw global market conditions for both coal and LNG change. Reduced demand from China for both thermal and metallurgical, a sharp decline in oil prices (to which LNG spot prices are closely linked) and the growth of US shale oil and gas production has spot prices for these commodities fall in recent quarters. However, the size and scale of energy reserves in Central Queensland and the existing critical mass of coal and LNG production suggests that these sectors are expected continue to generate supply chain opportunities for regional communities in the medium term.

Employment self-sufficiency ratios are an easy way to identify the inflows and outflows of labour from a region. These ratios are measured by comparing employment by place of work with employment by place of usual residents. When the result is greater than one, there is a net inflow of labour into the

region to support that industry. In contrast, when the value is lower than one, labour leaves the region for work.

As can be seen in the figure below, there are a large number of industries with employment self-sufficiency ratios above one. These include sectors associated with public utilities, professional services, and major population serving sectors like education, health, retail and public administration. This profile illustrates Rockhampton's role as a job generator in Central Queensland, providing employment opportunities for residents and non-residents alike.

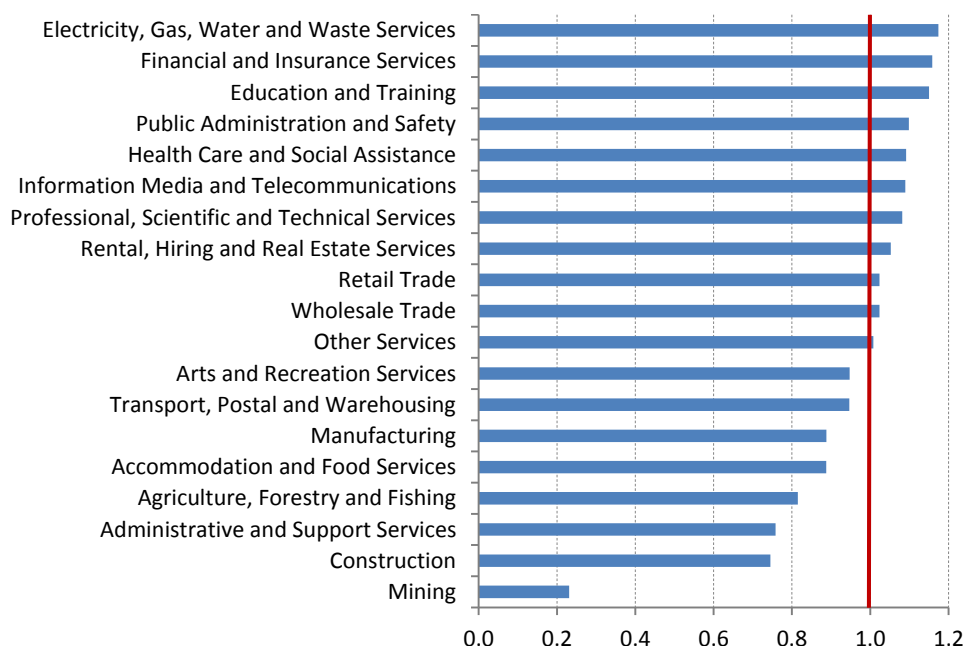


Figure 8 Employment Self Sufficiency (Place of Work vs. Place of Residence) ^{ix}

In contrast, notable sectors with employment self-sufficiency ratios below 1.0 include:

- Transport, Postal and Warehousing;
- Manufacturing;
- Construction; and
- Mining.

While the outflow of workers in Mining and Construction sectors are expected (particularly given the activity in the mining sector in Central Queensland in 2011), low ratios for transport and manufacturing sectors are concerning and potentially represent a lost opportunity in the Rockhampton economy.

Rockhampton Businesses

While the public sector (namely State and Local Governments) play a particularly important role in employment generation in Rockhampton, the majority of jobs growth is created by private sector businesses. There were 4,994 businesses registered within Rockhampton in 2013. Business growth and development has been flat in recent years, growing by only 140 business or 2.9% between 2009 and 2013. In 2013, approximately 58% of businesses were non-employing businesses – single person businesses commonly associated with construction and agricultural sectors.

Of employing businesses, approximately one quarter employed between one to four workers, while 13% of businesses employed between five to nineteen workers. Interestingly, 3.5% of businesses were medium or large employing businesses, employing more than twenty (20) workers. This suggests that there are a large number of local businesses that employ significant numbers of Rockhampton workers.

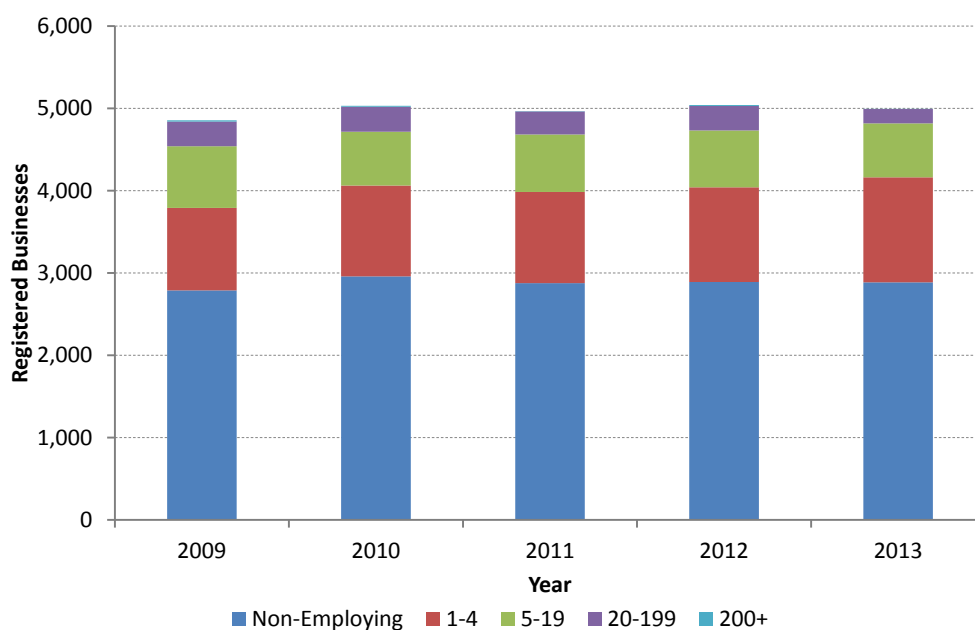


Figure 9 Business Counts by Employment Size^x

Note this analysis does not include businesses that operate in Rockhampton but have their principal place of business registered at another location. The outcomes of consultation with stakeholders suggest that there are a number of non-locally registered businesses, including large employers, operating in Rockhampton. The central location of Rockhampton in Queensland, proximity to major mining regions and access to a large labour force and customer base are all attributes of Rockhampton that were identified as attracting non-local businesses to select Rockhampton as the location of their Central Queensland operations. However, a range of concerns regarding the ease with which such operations can be established were raised, with planning, approval, infrastructure costs and local business community acceptance constraints specifically identified.

Agriculture Production in the Rockhampton Region

Rockhampton is the beef capital in Australia. It is the major service and processing centre within the Fitzroy National Resource Management (NRM) region, which is home to one of the largest concentrations of beef capital in the country. In 2012/13, there were almost 3 million head of cattle in the NRM region, or some 23.4% of the national herd. Rockhampton's role is in processing and supply chain support to regional beef producers, and includes significant local abattoir capacity run by JBS Australia and Teys Australia. Beef products produced in Rockhampton are exported across the world.

Outside of livestock production and processing, the Rockhampton Region has a number of significant emerging agricultural opportunities. The potential to increase local coarse grain production for use in regional feedlots is significant, with previous analysis identifying the potential need for over ten (10) 15,000 herd feedlots to accommodate Central Queensland growing livestock production capacity.

Similarly, the strategic location of the Fitzroy River, as well as other major water bodies and rivers in Central Queensland, underpins the potential for more intensive horticultural production. Horticulture is viewed as the fastest growing segment in food production globally, owing to rapidly growing populations in India and China and impacts on water security and availability in those countries. Common horticultural crops include market vegetables, citrus fruits and tropical orchard fruits (such as lychees, guava, mangoes and avocados) and plantation fruits (such as bananas, kiwi fruit, passionfruit and pineapples).

The industries with the largest number of businesses within Rockhampton are Construction and Agriculture, with 865 and 581 businesses respectively in 2013. This is a common trend, reflecting the fact that more than half of businesses in these sectors are registered as sole traders. Interestingly, Transport, Postal and Warehouse sector features more prominently in terms of business registrations than employment, reflecting a higher proportion of non-employing and micro-businesses. In contrast, Arts and Recreation Services and Information, Media and Telecommunications recorded significantly smaller numbers of business registrations within Rockhampton.

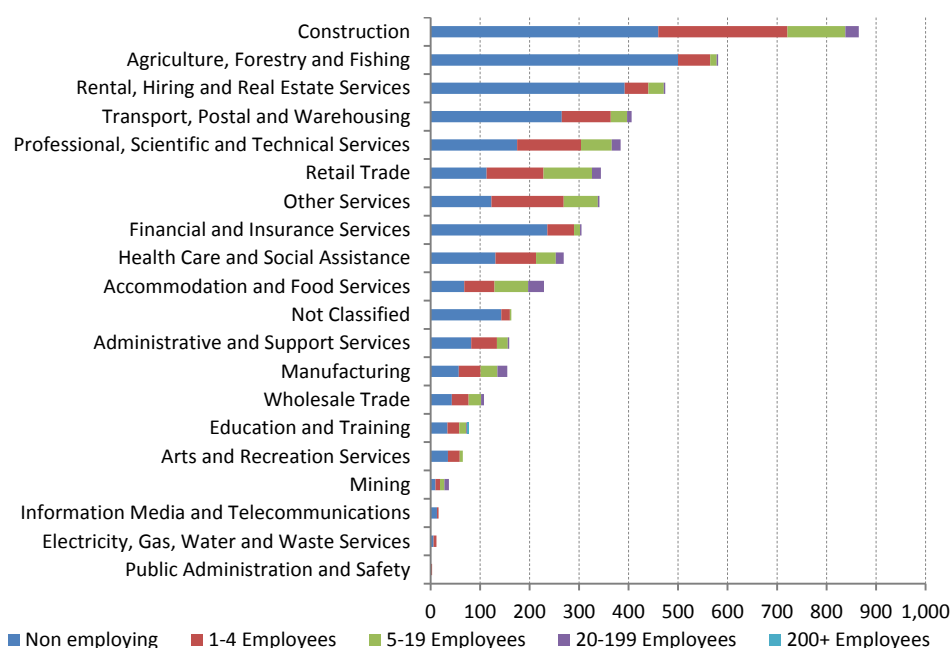


Figure 10 Businesses by Industry Classification, Rockhampton, 2013^{xi}

An area of concern however is the relative business intensity of the Rockhampton economy. This is measured as the ratio of the number of locally registered businesses per 1,000 residents. In 2013, Rockhampton had a business intensity ratio of 60. This is well below State (89) and national (90) averages. Given the importance of Rockhampton as an employment generator in Central Queensland and strong growth in the local labour force in recent years, increasing the size and diversity of the Rockhampton business community must be a priority.

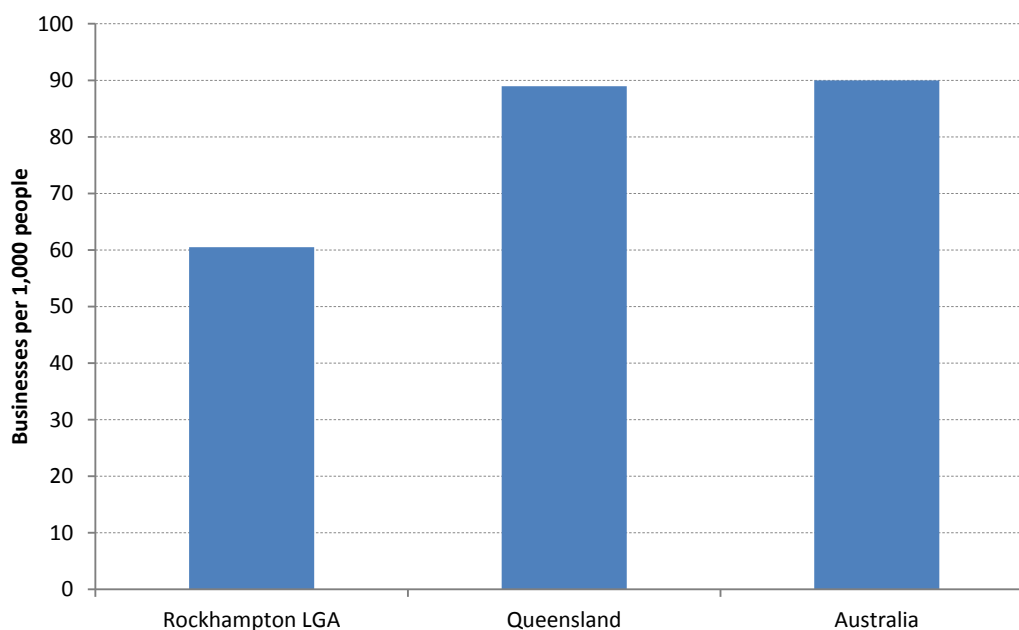


Figure 11 Businesses per 1,000 residents, Rockhampton, Queensland and Australia, 2013

Rockhampton Economy

As at 30 June 2014, the Rockhampton economy had a Gross Regional Product of \$4.85 billion^{xii}. This represents the total wealth generated by businesses, organisations and individuals working in the Rockhampton Region and is a common measure of the size and strength of regional and national economies.

The Rockhampton Region economy experienced strong and steady growth in the order of 5-7% per annum between 2003 and 2009. However, the onset of the Global Financial Crisis saw GRP decline marginally in 2010 and 2011 (by approximately 0.5% per year), before recovering strongly in 2012. More recently, Rockhampton's economic growth has been broadly flat, with growth in 2013 offset by a decline in 2014.

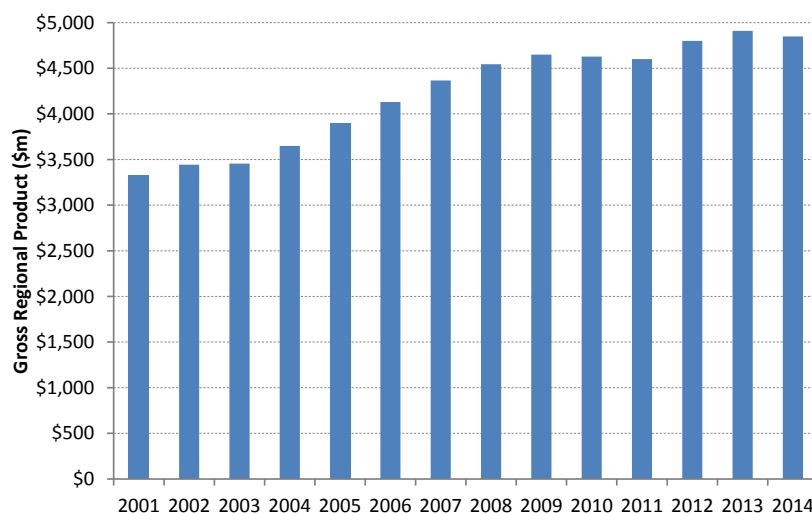


Figure 12 Gross Regional Product, Rockhampton Region, 2001 to 2014

It is important to note that Gross Regional Product can be highly volatile, particularly in regions with strong exposure to agricultural production. The seasonality of agriculture, coupled with the impacts of weather events (such as droughts and floods) can result in the Gross Regional Product of the region varying from year to year. Similarly, movement in the prices of agricultural commodities on global markets can also impact the value of production, and therefore the size of the Region's economy.

Of greater concern than this volatility is the fact that the Rockhampton economy has diverged from Australia's broader growth profile over the past 15 years. A review of gross product per person reveals that while Australia has seen an almost doubling in the size of the economy per resident since 2001; Rockhampton has experienced only a 15% growth. This slower economic growth profile in Rockhampton during this period partly reflects the lack of exposure in the Rockhampton economy to mining-related economic growth in Australia over the past decade, coupled with comparatively strong population growth. This raises serious concerns regarding the sustainability of the quality of living for Rockhampton residents and future generations if Rockhampton continues to fall further and further behind the rest of the country.

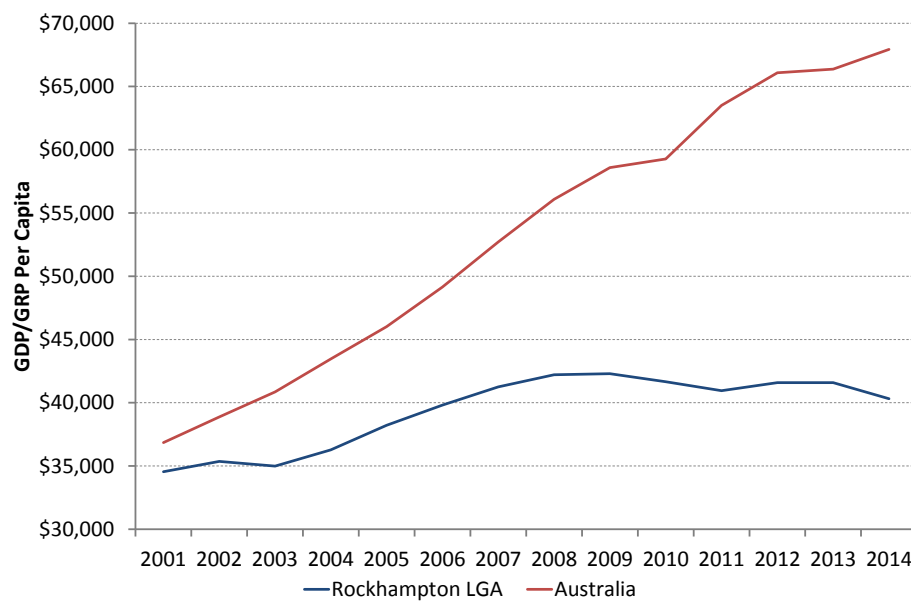


Figure 13 Gross Product per capital, Rockhampton Region and Australia, 2001 to 2014

The recent growth profile of the Rockhampton Region economy suggests that more targeted and coordinated effort is required to drive growth in Gross Regional Product through strategic investment, business expansion and jobs generation.

Global Influences & Trends

Major Global Trends

The world is changing. Global shifts in demographics, resources, the environment, movement and communication are transforming the way we live, work and interact with one another. Established economic systems, governance models and business processes need to evolve and adapt to this changing global environment to ensure future growth and prosperity.

These global shifts or “megatrends” are relevant to all communities and regions in Australia, including Rockhampton. The Rockhampton Region is exposed to the global economy, through food and mineral exports, while the impacts of climate change will present challenges but also opportunities for the region.

Global megatrends that will influence the trajectory of the Rockhampton economy over the next thirty years have been analysed in this Economic Development Strategy, including:

- Asian Population Growth;
- Global Food Consumption;
- Mineral Resource and Energy Investment;
- Climate Change;
- Affordability and Cost Living;
- Population Ageing;
- Broadband and the Digital Age.

The global population is projected to continue to grow rapidly for the first half of this century, with Asian countries of China and India contributing the most to this growth. The increase in the size of this population, coupled with the industrialisation of Developing Economies and associated rising incomes, is expected to accelerate demand for quality food and mineral and energy resources.

This growth in food and resource demand is expected to occur at a time when the effects of climate change may begin to emerge. The productivity of Australian and global food producing areas is projected to deteriorate (due to water security) and the greater focus on carbon emissions and energy security is expected to underpin a shift to renewable energy and low-carbon fuels.

Energy costs are regularly identified by Australians as one of a number of major pressures on household budgets. The comparatively high cost of living in Australia has been increasingly rapidly in recent decades. Regional Australia is particularly susceptible to increases in cost of living, with isolation and associated transport costs resulting in goods and services being 10-20% higher than capital city averages. Similar, housing affordability, particularly in high amenity locations, can also be a critical issue, with local workers and households often lacking the income and purchasing power to enter the market.

This is further exacerbated by an ageing population in Australia and much of the Western World. The fixed incomes of older households make it difficult for rising costs of living to be absorbed and managed creating significant financial stress for older Australians. With Regional Australia ageing faster than metropolitan areas, this issue is particularly stark. However, this ageing demographic also presents significant opportunities with health care and social assistance services now the largest employing sector of the Australian economy and expected to grow rapidly over the coming decades with the retirement of the Baby Boomer generation.

A lack of population critical mass in many parts of Regional Australia can impact the delivery of quality health and social assistance services to this older demographic, as well as education, retail, community and public administration services to the broader population. The use of technology, tele-delivery and video conferencing facilities to break down these barriers in the short-term is essential to ensuring regional populations have access to the same quality and convenience of access to critical services as metropolitan residents. This includes for remote and disadvantaged towns, including Aboriginal communities, where a lack of services can mean the differences between life and death.

Communication technology also presents significant opportunities for individuals and businesses to connect and integrate with emerging Asia economies. E-commerce, telecommuting and freelancing trends are becoming fully imbedded in the way businesses operate and are allowing entrepreneurs to look beyond Australia to opportunities in the global economy. This includes the use of technology to enhance the tourism and visitation experience of individuals, using smart phones, QR codes and other access systems to imbed information on different attractions into the overall tourism experience of the Region.

These trends and their relevance to the Rockhampton economy are summarised in the matrix below. A more detailed examination of each of the trends is included in **Appendix 1**

Summary of Mega Trends

The following table summarises these megatrends and their relevance to the Rockhampton LGA economy and community

Table 1 Mega Trends Summary

Driver	Driver Description	Relevance to Rockhampton	Rationale
Asian Population Growth	<p>Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050. Most of Asia's population, in fact the world's populations, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%).</p> <p>Queensland's population is also expected to experience rapid growth (by Australian standards) over the next 20 years, reaching 7.1 million people by 2036, an increase of over 50% compared to current population levels.</p> <p>Although a lot of this growth is expected to occur within south east Queensland, the current push to decentralise Queensland's population away from the south east corner of the State and into regional areas should see an increase in regional centres such as Townsville, Cairns, Mackay and Rockhampton.</p>	High	<p>The Rockhampton LGA has a relatively centralised population, mainly situated within the City of Rockhampton, with a small proportion of the population distributed over a large area. The Rockhampton LGA has also recorded a lower rate of population growth compared to the State. Growing the population is essential to underpin demand for a range of population services and facilities, and to provide a large and diverse labour force.</p> <p>Based on consultation feedback, the Rockhampton LGA already has in place the infrastructure to accommodate an extra 10,000 residents tomorrow, with no impact to the current services and facilities.</p>
Global Food Demand	<p>Global food production will need to increase by 60% by 2050 to meet projected demand levels. At the same time, global food production is projected to grow at only 1.7% per annum over the next 10 years, as a combination of increased resource competition from biofuel sectors and increased environmental protections constrain production. Demand is already outpacing supply in international markets, with food price volatility increasing dramatically since 2006 and prices trending upwards from 2000 lows, after decades of real food price declines resulting from increased productivity.</p> <p>This increase in food demand will also be characterised by an increasing shift to high protein foods. This includes both aquatic and terrestrial protein-based food commodities such as livestock production and export. Recent and near term Free Trade Agreements with countries such as South Korea and China are also expected to drive demand for livestock. This will build upon existing major markets for Australia, including Indonesia and Japan.</p>	High	<p>The Rockhampton Region is a significant agricultural and horticultural area within Central Queensland, with Rockhampton processing a large proportion of Australia's beef. Despite this, there is a very low proportion of processed beef product which is exported directly out of Rockhampton.</p> <p>Growing food demand from both increased global population and emerging middle classes in China, India and ASEAN countries will underpin demand for a diverse range of agricultural commodities from which may result in the international export market opening up for Rockhampton and the Central Queensland Region.</p>
Mineral Resource and Energy Investment	<p>The industrialisation of Developing Countries, particularly in Asia is expected to drive a structural increase in demand for a range of resources. This includes iron ore and other minerals as well as energy commodities such as coal and LNG. Queensland has a globally significant resource endowment, particularly in energy commodities. These resources have been the focus of consideration investment and development over the past two decades, with major coal deposits being developed in Bowen and Surat Basins and major coal seam gas-based LNG projects commencing export in 2015/16.</p> <p>Rockhampton is strategically located in close proximity to Queensland major mining and resource regions and operations. This provides the opportunity for local businesses to integrate into resource supply chains, both in construction and operational phases. However, current exposure by Rockhampton to the mining sector is limited. The most recent resource investment cycle has entered a decline, following the completion of construction of a large pipeline of major resource projects as well as low spot prices across a wide range of commodities (including coal, iron ore and oil). This decrease in resource construction opens up the longer term operational phase for many of these developments within Central Queensland.</p>	High	<p>The Rockhampton Region is strategically located to support the Central Queensland coal and LNG industries. Given the locations of the other major regional centres, including Mackay and Gladstone, Rockhampton is the best geographically positioned to support the operational aspect of these activities, providing employment, supply chain, training and economic engagement opportunities</p>
Climate Change	<p>The average global surface temperature has risen around 0.8°C since 1850 and will rise further in the coming decades as a result of emissions that have already occurred. For Australia, this is likely to involve substantial environmental change, where both natural and agricultural production systems face significant change due to the combined effects of higher temperatures and a general reduction in rainfall across much of the nation. These environmental changes also increase the risks from bushfires and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3%.</p>	Moderate	<p>The Rockhampton Region has experienced a series of severe weather events in recent years, including floods and cyclones, and the frequency and severity of such events may be exacerbated by variability in the global climate. The Rockhampton Region is also at risk from decreased and unseasonably low rainfall, which impacts on the water supply for surrounding towns, as well as impacting on the agricultural industries within Rockhampton and the wider Central Queensland Region.</p>
Affordability and Cost of Living	<p>Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities have been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly. Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8).</p>	Moderate	<p>The cost of living in the Rockhampton Region is comparatively more affordable than within south east Queensland. This reflects a relatively similar cost structure of retail goods when compared to the south east. Housing within the City of Rockhampton is more affordable than the State average, with the price of housing getting cheaper in the surrounding towns.</p>
Ageing Population	<p>The population of Australia is ageing. Approximately 3 million people in Australia were aged 65 years and over in 2011 representing over one in eight Australians. This was an increase of 27.6% over the last decade with an annual average growth rate of 2.5%. Looking forward, the number of people aged 65 years and over is projected to increase by 83.6% over the next two decades with an annual average growth rate of 3.1%.</p>	High	<p>The proportion of residents aged over 65 years is lower than the State average, though only marginally. General ageing of the Rockhampton population over the next 20-30 years is expected to underpin growing demand for health, medical and welfare based services (including retirement accommodation and aged care).</p>

Driver	Driver Description	Relevance to Rockhampton	Rationale
Broadband and the Digital Age	Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders. These macro trends have profound life and business changing effects as they are able to transform businesses to better tailor their products and services to meet their customers' needs (i.e. increasing mass customisation). This has made Australian businesses become more responsive to change, have faster speeds of transactions (i.e. maturity of Australian financial markets), cheaper and more convenient as well as making better use of scarce resources in the process.	High	The distance of the Rockhampton LGA from south east Queensland and other regional centres should act as an incentive to adapt and take up new technologies. Given the location of Rockhampton to Central Queensland, and the current and future potential demand for technical services throughout the Region, Rockhampton is ideally positioned to leverage this demand.
Defence and Security	<p>An increasingly globalised and interconnected world does raise issues regarding national security. Recent Defence White Papers have identified a number of interrelated factors that may influence Australia's strategic security outlook in the coming decades. These include:</p> <ul style="list-style-type: none"> the importance of the Indo-Pacific in global security enhanced regionalism and cooperation in South East The relationship between the United States of America and China potential conflict hotspots in North and South East Asia Regional military modernisation Terrorism Climate change impacts and resource security Cyber warfare <p>Of particular note in the Defence White Papers is the fact that the economic importance of northern Australia and offshore resources has increased and this must be considered in defence planning.</p>	High	Central Queensland already plays an important role in Australia's military preparedness and cooperation. The location of Shoalwater bay Military Training Area north of Rockhampton and Yeppoon sees up to 30,000 US and Australian forces visit Central Queensland as part of biennial joint training exercises (Exercise Talisman Sabre). The regular presence of US Forces in Central Queensland, coupled with the region's strategic location along the Queensland coast, is the basis for recent calls for Rockhampton to host a permanent US and/or Australian military presence. This reflects an increasing trend by the US to maximise the utilisation of strategic military assets, particularly in East Asia.

Regional Capacity for Growth

The growth and development of the Rockhampton economy in the long-term will depend on its capacity use its unique attributes and characteristics to leverage emerging global megatrends. It is therefore important to investigate the prospects for Rockhampton through the prism of its economic, social and physical attributes and performance within a regional and global context.

An assessment of Rockhampton's capacity for growth has been undertaken using the "Four Cs Assessment" approach for regional economic development. The four "Cs" approach provides the critical analysis required to identify and understand the strength and direction of each region's economy. The four "Cs" are:

- **Capital** – human capital, particularly skills and education;
- **Communities** – economically, environmentally and socially sustainable communities and population growth;
- **Connections** – access to international, national and regional markets; and
- **Competitiveness** – business competitiveness.

A benefit of this approach is that it enables the identification of comparative advantages to exploit and impediments to regional development to overcome. This is essential to ensuring the vision for the future of the Rockhampton economy and associated opportunities and actions, as both aspirational and evidence-based.

The analysis draws upon the analysis of key data sets and indicators in this Strategy, as well as consultation and engagement with a wide range of stakeholders both within and outside the region.

Human Capital

Human capital refers to the skill, knowledge and experience possessed by an individual or population and is viewed in terms of the value people contribute to the development and growth of communities and organisations. It is a fundamental input to economic activity and crucial to regional competitiveness and resilience.

The availability of a highly skilled and educated workforce enables businesses and organisations to respond to changing environments, address challenges and pursue commercial opportunities. Conversely, a lack of access to appropriate human capital can constrain the growth of local enterprises and discourage new business creation.

It is imperative that a region must support the development of its human capital. This support not only provides for existing economic needs, but also allows the region to prepare for future. Increasing a region's knowledge capacity and skill set can provide a stimulus for substantial economic and socio-economic shifts.

Table 2 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Workforce Participation	Adult Participation Rate	66.8%	65.6%
	Adult Female Participation Rate	60.5%	59.2%
	Aboriginal Adult Participation Rate	58.3%	53.3%
Skills	Year 12 Qualified	42.2%	46.1%
	University Qualified	13.9%	22.8%
	Technical Qualified	30.6%	31.6%
	English Proficiency	98.9%	92.0%
Education and Training Outcomes	Year 12 Completions	70.7%	75.3%
	Learning or Earning	89.8%	80.1%

Workforce Participation

The Rockhampton Region is characterised by a slightly higher level of workforce participation compared to the national average. A contributing factor to this is the historically stable level of economic activity, with the Rockhampton Region not experiencing the sharp increases and decreases in economic activity which are currently evident in other areas surrounding the Rockhampton LGA

Despite this strong labour force participation rate and historically consistent level of economic growth within the Rockhampton Region, there remain significant opportunities for employment and business development through unlocking and harnessing the latent human capital of the Rockhampton Region. For instance, more than 40% of working age Aboriginal adults and just under 40% of working age women are not in the workforce. Encouraging these adults into part or full time employment would reduce dependence on welfare whilst enhancing the quality of life for the individuals and supporting long-term economic growth.

Skills Development

The appropriate level of skilling of the workforce should be a major aim within the Rockhampton Region, with a focus on up-skilling and capturing some of the flow-on benefits associated with having tertiary health infrastructure and the Central Queensland University located within close proximity to the major population centre.

The Rockhampton Region currently has a population with below average skills level. Year 12 completion rates are low as are post school qualification levels. This issue is contrasted by a high rate of “earning or learning” among young adults, suggesting that young people are entering the workforce as unskilled labourers rather than gaining further education and training.

This situation is potentially a result of the demand in the labour market from the surrounding areas. Due to the Rockhampton Region’s positioning within Central Queensland, there has historically been a high demand for mining, industrial and transport occupations where higher education qualifications may not be required. Therefore there may be fewer incentives for residents to undertake higher education studies. Given the recent deterioration of the global market for coal, this reliance on unskilled and unqualified employment, both locally and across the region, represents a considerable risk for the Rockhampton economy.

Unlike many regional communities within Australia, accessing tertiary and further education within the Rockhampton Region is comparative easy, with a TAFE campus and Central Queensland University both located within Rockhampton. This TAFE recently underwent a transition and was incorporated with the Central Queensland University, improving the quality and diversity of post-school tertiary education offering. As a result the Central Queensland University now offers a full spectrum of courses from certificates and diplomas through to doctorates across eight subject areas.

CQUniversity

Rockhampton is home to the main campus of Central Queensland University or CQUniversity. First established as Queensland Institute of Technology (Capricornia) in 1967, the passing of legislation in 1971 gave the institution full autonomy from the Department of Education. After operating as the Capricornia Institute of Advanced Technology for two decades, CQUniversity gained full university status in 1992.

Since then CQUniversity has expanded and now has campuses in Bundaberg, Emerald, Gladstone City, Gladstone Marina, Mackay Ooralea, Mackay City and Noosa, as well as delivery sites in other region Queensland and Western Australia locations. Along with four international campuses in Brisbane, Gold Coast, Melbourne and Sydney, CQUniversity has one of the most expansive geographical spreads of any tertiary education institution in Australia.

CQU has had many claims to fame over its fifty plus year history. It was the first university to introduce a Bachelor of Science externally in 1974, pioneering remote and distance university education models that now feature prominently in Australia. This has continued with CQUniversity becoming the first to offer a fully online Bachelor of Laws in 2011. It was also the first university to have a female Vice-Chancellor.

CQUniversity hosts a range of research institutes including the Appleton Institute for Behavioural Science, Learning and Teaching Education Research Centre, Institute for Health and Social Science Research and the Institute for Resource Industries and Sustainability. Much of the research undertaken by these institutes and other research centres focus on improving the quality of life and prosperity of residents and industry in Central Queensland.

In 2010, CQUniversity announced its intention to become Queensland's first "dual sector" university with the merger with Central Queensland Institute of TAFE. As at July 2014, the merger was complete and CQUniversity now presents the most diverse and comprehensive tertiary education and training offering in Queensland.

Given the offering of tertiary education within the Rockhampton LGA, and the desire for the younger generations to have a strong education behind them, 70.7% of young adults (aged 20 to 24) completed year 12 within the Rockhampton LGA. Although this is slightly lower than the national average, the regional nature of Rockhampton could mean these people entered into a trade based qualifications after year 10. This assumption is reinforced by the fact that 89.8% of 15 to 19 year olds engaged in schooling, work or further education, considerably higher than the Australian average of approximately 80%.

Education and Training Outcomes

Investment in adequate and demanded education and training is important to enhancing human capital and supporting, not only short term, but long term economic growth of a region. A key message which came out of the consultation process is that education providers within the Rockhampton Region were in high demand, with primary and secondary schools attracting students from several hundred kilometres away and with the Central Queensland University attracting students from outside the Central Queensland Region. This has supported Rockhampton's comparatively

strong youth retention, with the attraction of youth to the region offsetting the loss of local youth, namely to South East Queensland.

There are currently several top quality schools within the Rockhampton Region, offering Prep to Year 12, with boarding school options for students outside of the Region. Combining this with the Central Queensland University, which offers traditional university and TAFE offerings means Rockhampton has the ability to become an educational hub in Regional Queensland. Based on consultation it does not appear that the current educational offering requires improvements in terms of staff and facilities. Instead focus should be afforded to Rockhampton being an education destination of choice for higher performing students.

Sustainable Communities

Sustainability is the capacity to endure. A sustainable community is one that has diversity and resilience. It does not rely on one industry alone but leverages from the economy's mix of industries, human capital quality, its natural assets and comparative advantage to become competitive and buoyant. Sustainable communities are inclusive, accessible, healthy and safe with access to a range of employment, housing, cultural, educational and recreational opportunities. In essence, a sustainable community is a place where people want to live and work, now and into the future. The objectives of sustainable communities can be grouped under three key areas:

- Economic sustainability;
- Community vibrancy and diversity; and
- Health and educational access.

Table 3 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Economic Sustainability	Businesses (per 1000 residents)	60	90
	Unemployment	6.7%	5.2%
	Economic Diversification	0.87	0.57
	Welfare Dependent Families	14.5%	9.8%
	Regional Index of Retail Prices	99.1%	100.0*
Community Vibrancy and Diversity	Leadership Capacity	25.3%	34.9%
	Volunteer Activity	19.7%	17.7%
	Aged Residents (65+)	13.7%	14.2%
	Family Households	62.9%	71.5%
Health and Educational Access	Access to Hospital Services (per capita)	0.03	0.11
	Access to GP Services (per capita)	88.9	112.4
	Adult Health	5.6%	4.7%
	Access to Allied Health Services	12.1%	11.0%
	Child Development Vulnerability	31.4%	23.6%
	Distance to Medical Facility	5.1km	38.9km
	Distance to Primary Education Services	3.6km	24km
	Distance to Secondary Education Services	30.9km	23.3km

Economic Sustainability

The Rockhampton Region has a strong economic base in healthcare, and social assistance and education and training. These industries have underpinned continual stability within the Region. As a result of this, the population-serving economic structure is influenced by the critical mass of residents in the Region and broader Central Queensland. Combined with an established economic based in agriculture value adding, and emerging transport, logistics and manufacturing potential, Rockhampton is broadly more economically diverse, and therefore stable compared to the national and state economies.

Given the location of the Rockhampton Region relative to the Bowen Basin, Rockhampton has a significantly lower exposure to mining activity than expected. This has seen Rockhampton miss out on the benefits of mining expenditure and supply chains during the most recent investment and construction cycle.

As a result of the Rockhampton LGA not being exposed to the mining industry a large proportion of investment which could have occurred within the Rockhampton LGA has subsequently been invested in the surrounding regions, with Mackay being viewed as a major beneficiary. Even though the Rockhampton LGA has limited direct mining resources, opportunities to capture the mining supply chain industries have been missed, which would have resulted in further flow-on investment in other services.

Community Vibrancy and Diversity

The Rockhampton Region contains a relatively balanced population, with a lower proportion of residents aged 65 years and over compared to the national average. This suggests that Rockhampton's population will not age any faster than the rest of the country. Aged residents are important contributors to communities as volunteers as they are often in a better position to contribute to the community due to working fewer hours, identify strongly with the local community and having extensive social networks built up through years of residency^{xiii}. This is reflected in above average levels of volunteering in Rockhampton.

Similarly, increased workforce participation rates among older Australians in response to increasing costs of living, insufficient retirement incomes and the desire for social and mental stimulation mean that the traditional views on retirement age are breaking down. Engaging older residents in the workforce can contribute significantly to a community's diversity and vibrancy.

A major area of concern is the apparent leadership capacity deficit in the Region. Data from the Regional Australia Institute indicates that only 25.3% Rockhampton's adult population have the capacity to take on leadership roles in the community. This is almost 40% less than the Australian average (34.9%), suggesting Rockhampton lacks a culture of leadership. Leadership qualities are commonly associated with attributes such as dynamism, entrepreneurship and acceptance of change – critical to driving future economic growth in a globally competitive and integrated world.

Rockhampton also has an above average share of residents that identify as Aboriginal or Torres Strait Islander. The indigenous history and heritage of the Region is an important community asset that must be celebrated and promoted. This can not only improve cultural engagement and interactions, but help to diversify the attractions of the Region to tourists and visitors.

Dreamtime Cultural Centre Case Study

The Dreamtime Cultural Centre was opened 1998 to preserve and celebrate the original occupations of the land on which the Rockhampton Region is based – the Darambal peoples. Located on the northern outskirts of Rockhampton, the centre is set on 12 hectares of land which is divided by Limestone Creek.

The property is attractively landscaped on the northern side of Limestone Creek with native plants, trees and a large waterfall. The waterfall provides a stunning backdrop for any function, whilst the gardens are part of an interpretive walk available to visitors. The choice of this particular piece of land is therefore appropriate as it still contains the traditional “ceremonial rings” of the Darambal Tribe.

To the northern side of Limestone Creek is the Centre’s main building, appropriately named the Nola James Building. Nola was Cultural Director of the centre from 1984 to 1993 until her untimely passing. Nola dedicated her life to the presentation of Aboriginal culture and to the introduction and education of all Australians to Indigenous history. This building contains artefact shop and storage, training and conference facilities. This is supplemented by the Darambal Convention Centre.

North of the main building there is the Ted Mitchell Gallery. This museum depicts a remarkable display of the traditional people of the Central Qld Sandstone Belt and their culture – all presented in 34 metres of reconstructed sandstone caves. Other features include the Torres Strait Islander’s Complex and the Aboriginal Traditional Area

The Rockhampton Region hosts a wide range of community events that add to the dynamism and vibrancy of the community. These events build upon the natural strengths and unique attributes of the Region, celebrating its history, agricultural production and role as the capital of Central Queensland.

Notable events include:

- Rockhampton Show
- Beef Australia
- Rockhampton River Festival
- Capricorn Food and Wine Festival
- Tastes of the World Show.

These events celebrate the Rockhampton Region and add to the dynamism and vibrancy of the community. They also diversify the attraction of Rockhampton and Central Queensland to tourists and visitors, increasing the number of visitors, their length of stay and the level of expenditure in the Region.

Health and Education Access

Access to quality education and training across all sectors is critically important at attracting and retaining people within a regional area. The Rockhampton Region contains a large concentration of education and health providers, although the majority of these services are located within two centres - Rockhampton City and Mount Morgan. Other than these two cities, access to health and education is limited and often some distance away.

The quality of education within Rockhampton is considered to be of a high standard, partly due to the attraction of boarding school students to primary and secondary schools within Rockhampton. This is complemented by a tertiary university and TAFE campus providing a full spectrum of education and training courses.

In terms of health services, Rockhampton is the health centre for Central Queensland, with the Rockhampton Base Hospital and Central Queensland Hospital and Health Service catchment servicing the Capricorn Coast west past Emerald and the Gemfields. Furthermore, Rockhampton contains several private hospitals which act to complement the public Rockhampton Base Hospital and a range of allied health services (including medical and radiation oncology, physiotherapy, psychology and dental) and a network of community and primary health services.

Rockhampton Base Hospital Expansion

The Rockhampton Hospital is the main referral centre for Central Queensland and is building on its services to the region. It offers a full range of specialist services, catering the growing needs of the Rockhampton and Central Queensland communities.

In recent years, the Rockhampton Base Hospital has been the focus of considerable investment and expansion. In 2014, construction of a \$160 million seven-storey ward block was completed. This expansion includes the Central Queensland Regional Integrated Cancer Service which provides which expands on cancer treatment service options that can now be delivered in the Region. A critical care service is expected to be opened in 2015, which will meet the needs of cancer centre patients.

The regional servicing nature of the Hospital has been enhanced through the opening of a new helipad which enables better transport of trauma patients. This has complemented the recent opening of an extended emergency care unit which has improved access for patients who require short-term care, but not admission to a ward bed. This has helped to improve the efficiency and performance of the hospital, maximising its benefit to the community.

Although there has been significant investment and renewal of education and health infrastructure in the Region, attracting and retaining doctors and specialists in is a major challenge for Government and the community. This mainly focuses around the inability of the health sector to attract specialists, especially cardiology and radiation oncology specialists.

Connectivity

Access and connection with global markets is critical to the growth of business, employment, incomes and the broader economy. Trade with other locations within the state, nation and around the world is the most effective way for a region to exploit its comparative advantages and competitiveness to generate prosperity for local residents. Access to markets comprises both physical access, including through efficient transport infrastructure, as well as business relationships and networks including trading partners, clients and labour. Improving access to markets broadens trade, allows competitive industries to grow and can increase the availability of goods and services.

Table 4 Connectivity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Digital Connectivity	Broadband Connections	66.1%	62.5%
	Mobile Coverage	73.0%	80.0%
	Mobile Internet	4.50	
	Internet Connectivity	73.3%	79.0%
Movement of People	Airport RPT Usage (per capita)	8.61	6.3
	Overseas Born Residents	9.4%	30.2%
	International Merchandise Exports (per capita)	7.7km	79.7km
Freight Infrastructure Access & Capacity	Port Access	43.7km	141.6km
	Road Infrastructure	1.4km	19.4km
	Rail Infrastructure	10.6km	35.6km

Digital Connectivity

Telecommunications services for households and businesses in the region are generally of a lower standard than in urban locations in the south east of the state. The mobile phone network coverage within the Rockhampton LGA is of low to medium quality outside of the major towns and centres. Mobile phone coverage is being progressively addressed throughout the Rockhampton Region and Central Queensland.

Universal access to high speed broadband is also lacking in the region. Broadband access is problematic away from the major towns, with slower and less reliable satellite broadband often the only alternative. Improvements to broadband capacity through the rollout of the NBN which is scheduled to commence towards the end of 2015 should assist in stimulating productivity and new enterprise and learning capabilities. Coupled with ongoing improvements to mobile phone coverage and digital telecommunications there is expected to be a dramatic improvement in the function, access and reliability of telecommunications services in the region, which should intern result in the Rockhampton LGA being more attractive for service sector businesses.

Movement of People

The Rockhampton Region is serviced by a major domestic airport located in Rockhampton, which is wholly owned and operated by Rockhampton Regional Council. The main runway at the Rockhampton airport is just over 2.5km long, which has been long enough to accommodate larger twin bodied aircraft such as the Boeing 747s, 777s and Antonov AN-124s. Day to day operations at the airport typically involve single aisle domestic aircraft.

Throughput traffic of the Rockhampton Airport has decreased over the past three financial years, and down off the peak passenger numbers from 5 years ago. Recent decreases in passenger numbers through the Rockhampton Airport can be attributed to the winding down of mining and LNG construction workers, as well as direct flights into Central Queensland bypassing the Rockhampton Airport. Furthermore, due to the decreased coal price, and scaling back and closing of mines throughout Central Queensland, FIFO traffic has been decreasing steadily.

The Rockhampton Airport is in a unique position, given the current size of the runway; it would not need to undergo large scale civil works to lengthen the runway in order to accommodate larger international sized aircraft, for either passengers or freight.

In addition to the airport, Rockhampton is strategically positioned between South East Queensland and North Queensland, with the Bruce Highway running through the middle of Rockhampton. Due to this positioning, Rockhampton has the potential to accommodate overnight travellers from north Queensland travelling south and vice versa. Leveraging the geographical position of Rockhampton, especially with being the first major city travellers pass going north, and the last major city travellers pass heading south, should allow Rockhampton to grow its accommodation sector, and subsequently food services.

Freight and Transport Infrastructure

The Rockhampton Region has a strategic advantage in regards to its positioning. Rockhampton is positioned along the Bruce Highway, approximately half way between Brisbane and Townsville, and just under half way between Brisbane and Cairns. In addition to the Bruce Highway, Rockhampton is also the starting point for the Capricorn Highway, which runs west through Emerald out to Barcaldine before becoming the Landsborough Highway which continues out to Mount Isa, and the Burnett Highway which runs south west through to Miles, Goondiwindi and into Northern New South Wales.

This strategic location and supporting transport connectivity is highly attractive to a range of industries and sectors of the economy. This includes construction, mining, tourism, manufacturing and transport

and logistics sectors, which all rely on strong connections to other parts of Australia to maximise their prosperity. It is also an attractive feature for the Defence sector, providing a central location on the Queensland Coast to which military assets in North and South East Queensland can aggregate, particularly during Exercise Talisman Sabre.

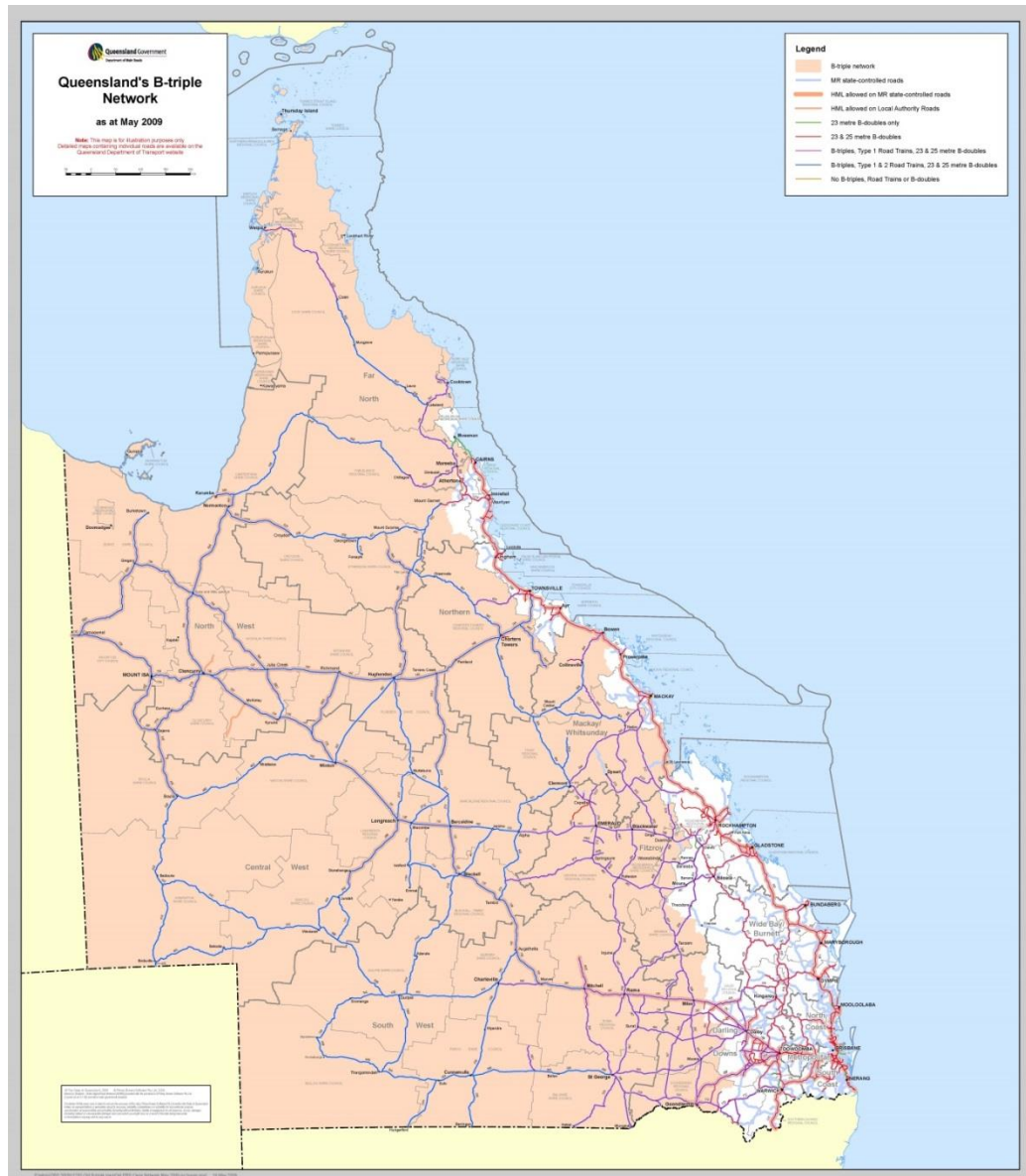


Figure 14 Queensland's Road Freight Network

Competitiveness

Countries, regions, communities and organisations must become more competitive if they are to maintain their economic position and respond to challenges such as perceived productivity gaps, competition for mobile investment, rapid adoption of new technology and electronic commerce.

The OECD defines a competitive region as one that can attract and maintain successful firms and maintain or increase standards of living for the region's inhabitants. This means that skilled labour and investment will gravitate away from uncompetitive regions towards more competitive ones.

Diamond Assessment Model

The competitiveness of a region can be readily assessed through the application of Porter's Diamond Model of Competitive Advantage. Developed by Michael Porter in his book, *The Competitive Advantage of Nations*, the Diamond Model represents a form of economic SWOT analysis. The Diamond Model was originally developed to analyse competitiveness at a national level but has since been widely applied to regions and industry clusters.

Adjustments have been made to this model to reflect the assessment of a region, rather than a nation or organisation. This adjusted model is illustrated in the following diagram.

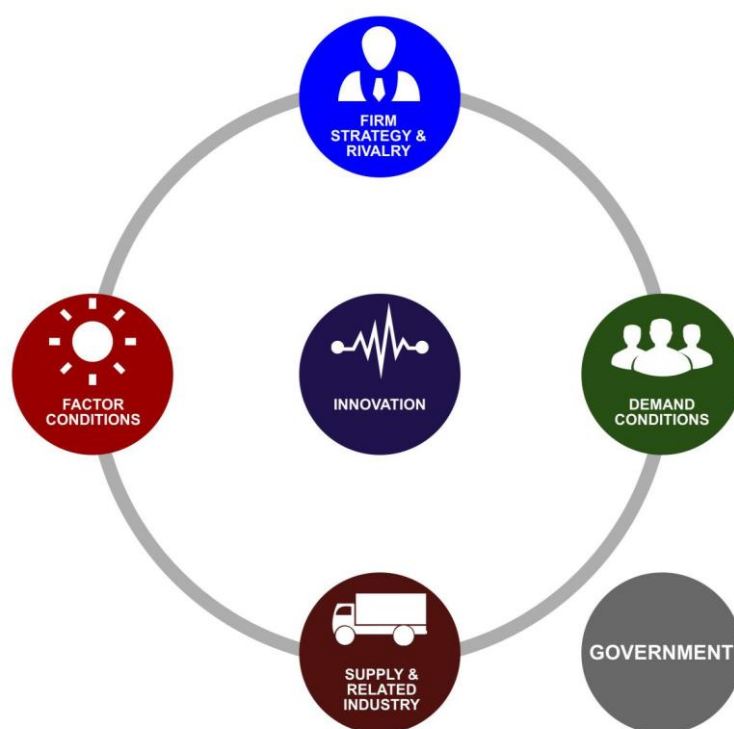


Figure 15 Adjusted Porter's Diamond Model

The adjusted Diamond Model applied in this Economic Development Strategy is comprised of five core, interrelated determinants of regional competitiveness:

- **Factor Conditions** – refers to the factors of production such as land, climate/environment,

resources, labour and infrastructure and their relative quality, accessibility and suitability;

- **Demand Conditions** – refers to the state of the market for the goods and services. Strong markets with sophisticated and quality focused consumers provide businesses with incentive to innovate and grow into exporting firms while access to enabling infrastructure (e.g. ports, airports, roads) provides businesses with access to regional and international markets;
- **Related and Supporting Industries** – refers to the depth and diversity of businesses that input into the supply chain of the principal activity. Can include direct inputs to production as well as activities that enhance business performance and operation (e.g. a high amenity location that supports the attraction and retention of skilled labour);
- **Firm Strategy, Structure and Rivalry** – represents the impact of local competition on propensity of businesses to innovate and the suitability of their strategies and corporate structures to facilitate this innovation; and
- **Innovation** – includes core facilities, technologies, processes and services that support innovation by industry such as proximity to research and development capacity (like a university), access to quality telecommunications technology and the emergence of new business models (such as ecommerce, crowd sourced financing and cloud computing).

Government also plays an important role in supporting and facilitating the economic competitiveness of a region. The results of the competitiveness assessment for Rockhampton are outlined in the following table.

Table 5 Business Competitiveness Summary, Rockhampton

	Advantages	Challenges
Factor Conditions	Central location within regional Queensland Subtropical climate Central position within major agricultural position Secure water supplies Critical mass of skilled labour Strategically located along major north south and west transport and freight infrastructure Affordable cost of living for residents and businesses	Vulnerability to extreme weather events Non-coastal location and associated loss of amenity Location along a large regional flood plain
Demand Conditions	Critical mass of residential population (2014 pop here) Younger age profile Proximity to major mining regions and associated potential supply chain links Critical mass of retail expenditure and service demand Strong supply and demand for tertiary health and education services Major service centre for large regional livestock production Presence of large regional airport providing connectivity	Above average unemployment rate Lack of small businesses and associated local procurement demand.

	Advantages	Challenges
Related & Supporting Industries	<p>Established role as the principal activity centre for Central Queensland</p> <p>Agricultural supply chain established service capacity</p> <p>Strength in transport, logistics and manufacturing/maintenance</p>	<p>Limited and constrained mining supply chain service capacity at present</p> <p>Limited small business participation in major procurement and supply chain projects</p> <p>Significant obstacles to prospective industrial businesses locating within the Region</p> <p>Local planning and approvals frame work that constrains new business investment and expansion</p> <p>Planning framework in industrial areas lacks clarity and consistency which undermines investment by industrial businesses</p> <p>Lack of small business creation and dynamism</p> <p>Poor entrepreneurial culture within the Region</p>
Firm Strategy, Structure & Rivalry	<p>Established foundation industries in health, education and agriculture</p>	<p>Lack of small business creation and dynamism, below average rate of small business creation</p> <p>Lack of business collaboration to secure major procurements</p> <p>Limited business competition in certain sectors undermining customer choice</p> <p>Poor entrepreneurial culture within the Region</p>
Innovation	<p>Presence of large tertiary education provider</p> <p>Presence of large tertiary public and private hospitals providers</p>	<p>Lack of small business support and incubation</p> <p>Poor entrepreneurial culture and lack of support for business innovation and entrepreneurial ship within the community</p> <p>lack of industry and research collaboration</p> <p>Lack of small business establishment and growth that constrains business innovation</p>

Regional Benchmarks

Important lessons can be learnt from exemplary locations around Australia to inform and guide the development and growth of the Rockhampton Region economy. By comparing the characteristics of the Rockhampton Region against these exemplars, critical issues, strengths, opportunities and challenges start to become apparent. This information provides critical evidence to inform the identification of the comparative advantages for the Rockhampton economy and the selection of key Regional Imperatives to which economic development actions and initiatives must be targeted.

Five regions across Australia have been selected for comparison. These regional benchmarks share a number of similar characteristics including:

- Major regional population service centre, servicing a wider regional catchment;
- Non-coastal;
- Direct or indirect exposure to mining activity;
- Direct or indirect exposure to regionally significant agricultural activity;
- Home to tertiary education and/or health services.

The centres chosen vary in size to that of Rockhampton – some are smaller, some are comparable while others are much larger. This provides a spectrum of benchmark locations against which Rockhampton can be compared.

The regional benchmark locations selected are:

- Toowoomba;
- Wagga Wagga;
- Ballarat;
- Kalgoorlie; and
- Geraldton

The results of the benchmark analysis are outlined in the following table. Key findings from the analysis include:

- Rockhampton has a comparable population to Ballarat, and much higher than the regional local government areas of Wagga Wagga, Kalgoorlie and Geraldton. Rockhampton is approximately half the size of Toowoomba.
 - Population growth within Rockhampton has been consistent with the average annual population growth experienced across the benchmarked regions over the past 10 years. Indicates Rockhampton is currently holding its own against other parts of non-coastal regional Australia.
 - Median household income within Rockhampton is comparable to Wagga Wagga, but significantly less than within Kalgoorlie. This is primarily due to Kalgoorlie's exposure to gold mining.
 - Rockhampton had the highest unemployment rate of the benchmark locations examined. Geraldton was the only location with a comparable rate, with all others less than 5.0%.
 - All five of the benchmarked regions contained at least two of Rockhampton's top three employing industries, with Health Care and Social Assistance and Retail Trade figuring in the top three industries for all areas.
 - Rockhampton has a significantly lower number of businesses per 1,000 residents, with major regional service centres such as the Toowoomba LGA and Wagga Wagga LGA containing approximately 50% more.
 - Rockhampton is home a lower proportion of workers with post school qualifications. Although comparable to Kalgoorlie and Geraldton, Rockhampton was significantly less than Toowoomba, Wagga Wagga and Ballarat.
-

Table 6 Rockhampton LGA Benchmarked Against Other Regional Areas^{xiv}

Indicator	Rockhampton	Toowoomba	Wagga Wagga
Population	82,551	160,251	62,149
10 year Average Annual Population Growth	1.4%	1.5%	0.9%
Proportion of Population Aged 65+	13.7%	15.8%	13.6%
Median Household Income 2011	\$1,166	\$1,061	\$1,149
Unemployment Rate	6.7%	4.6%	4.9%
Top 3 Employing Industries	<ul style="list-style-type: none"> Health Care and Social Assistance Retail Trade Education and Training 	<ul style="list-style-type: none"> Health Care and Social Assistance Public Administration and Safety Retail Trade 	<ul style="list-style-type: none"> Health Care and Social Assistance Retail Trade Manufacturing
Businesses per 1,000 residents	60	90	85
Workforce with Post School Qualifications	58.6%	66.9%	67.1%
Indicator	Ballarat	Kalgoorlie	Geraldton
Population	98,684	33,763	40,448
10 year Average Annual Population Growth	1.6%	1.2%	1.6%
Proportion of Population Aged 65+	15.6%	5.7%	12.3%
Median Household Income 2011	\$988	\$1,969	\$1,225
Unemployment Rate	5.0%	4.5%	6.6%
Top 3 Employing Industries	<ul style="list-style-type: none"> Health Care and Social Assistance Retail Trade Education and Training 	<ul style="list-style-type: none"> Retail Trade Health Care and Social Assistance Education and Training 	<ul style="list-style-type: none"> Mining Retail Trade Health Care and Social Assistance
Businesses per 1,000 residents	76	65	75
Workforce with Post School Qualifications	71.6%	56.2%	59.3%

Summary of Challenges and Advantages

The future growth and development of Rockhampton will need to leverage the region's comparative advantages in human capital and community capacity, existing or nascent connections to national and global economies and its business and industry competitiveness. At the same time, challenges that constrain and impede this development need to be identified and effective and targeted strategies implemented to ensure Rockhampton reaches its full potential.

Key Challenges

Based on the evidence within this Strategy, three key challenges to the future economic development of Rockhampton have been identified:

- **UNEMPLOYMENT RATES AND EMPLOYMENT GENERATION – TO REINFORCE ROCKHAMPTON'S PRIMACY IN THE CENTRAL QUEENSLAND ECONOMY AND PROMOTE THE REGION AS A RESIDENTIAL DESTINATION OF CHOICE, STRONG EMPLOYMENT GROWTH IS REQUIRED. THE REGION ALREADY POSSESSES A HIGH LABOUR FORCE PARTICIPATION RATE, BUT UNEMPLOYMENT LEVELS ARE HIGH AND EMPLOYMENT GROWTH HAS BEEN STRONGEST IN PUBLIC SECTOR INDUSTRIES SUCH AS HEALTH AND EDUCATION OR IN CONSTRUCTION ACTIVITY LINKED TO MINING.**
- **SMALL BUSINESS CREATION AND DEVELOPMENT – THE SMALL BUSINESS COMMUNITY IN THE ROCKHAMPTON REGION IS TOO SMALL, PARTICULARLY GIVEN THE POTENTIAL OF THE ECONOMY. ROCKHAMPTON RANKS POORLY IN TERMS OF THE NUMBER OF BUSINESSES PER 1000 RESIDENTS AGAINST BENCHMARK REGIONS, WHILE BUSINESS NUMBERS HAVE BEEN GROWING AT A THIRD OF THE RATE OF POPULATION GROWTH IN RECENT YEARS.**
- **POST SCHOOL QUALIFICATIONS AND LABOUR FORCE SKILLS – SECONDARY SCHOOL COMPLETION AND POST-SCHOOL QUALIFICATION RATES IN THE ROCKHAMPTON REGION ARE BELOW NATIONAL AND BENCHMARK REGION AVERAGES.**
- **COMMUNITY LEADERSHIP AND CULTURE – THE CULTURE OF ROCKHAMPTON NEEDS TO BE MORE SUPPORTIVE OF NEW BUSINESS ESTABLISHMENT, INNOVATION AND INDUSTRY DEVELOPMENT TO DRIVE . THIS IS REFLECTED IN A LOW LEVELS OF COMMUNITY LEADERSHIP ON THE DEVELOPMENT OF THE ROCKHAMPTON ECONOMY.**

These challenges are highly interrelated. The small business sector is recognised nationally as the primary driver of employment growth so addressing business challenges in Rockhampton will help to address the need for accelerated jobs growth. Similarly, the ability of businesses to establish and grow in the Rockhampton is contingent on access to a large, diverse and highly skilled workforce that can help to drive innovation and productivity.

Comparative Advantages

Rockhampton's comparative advantages are determined by the region's location, natural resource endowment, settlement pattern and industrial advances. Based on the findings of the evidence within this Strategy, five comparative advantages for Rockhampton have been identified.



Figure 16 Rockhampton Comparative Advantages

Agriculture and Value Adding

Agriculture value add is the process of taking the primary produced good, including live cattle, fruits and vegetables and processing these goods. The Central Queensland Region contains large tracks of agricultural land, with agriculture being one of the main exporting industries for several of the local government areas adjacent to Rockhampton. The association between Rockhampton and the beef cattle industry in establish is widely recognised around Australian and the world and food production has long been the foundation industry of the Region.

Agricultural production requires several key supply chain industries, including transportation and manufacturing. Given the Rockhampton's relative accessibility to major agricultural markets in the south and international export ports, affords Rockhampton a comparative advantage in agricultural transportation, processing and manufacturing.

Population Critical Mass

Having a critical mass of population is essential for the sustainability of regional centres. The failure of regional and rural communities across Australia, because of a lack of population critical mass, provides lessons to policy makers and the community on ensuring regional centres possess a sustainable, diverse and prosperous residential base.

A critical mass of population results in a greater diversity and depth of skills within the labour force compared and enhances the viability and availability of tertiary services (including health care, tertiary education and large retail centres), which increases amenity of the centre for local residents and people who are looking at moving to the Region. This also helps to diversify the economy, by supporting the establishment and growth of large population serving and professional services sectors. These sectors can help to build upon, value add and diversify core foundation industries, like agriculture and mining and reduce the local economy's vulnerability to external shocks

Central Location

The Region's location's key to future growth opportunities. Rockhampton is strategically positioned within Central Queensland, approximately 600km north of Brisbane along the Bruce Highway. There are very few regional centres of the size of Rockhampton situated in a position similar to Rockhampton throughout Australia in part due to the relative decentralisation of the Queensland population.

Rockhampton has direct access to three different highways, rail lines, and port facilities all within, or in close proximity, to the city. These attributes are not only attractive to sectors such as agriculture, mining, tourism, defence and manufacturing sectors, but will also help to support the growth of a transport and logistics hub in Rockhampton.

Tertiary Services Sector

The Rockhampton has a large and extensive services sector, including tertiary health and education. Few centres of the size of Rockhampton in regional Australia possess the level and quality of hospital and university education available to local residents. This is why these services attract customers/users from across Central and regional Queensland, offering a quality of education/care comparable to that of South East Queensland.

At present, one in four people employed within the Rockhampton LGA are employed in either the health care and social services or education and training industries highlighting the importance of this sector to Rockhampton's current and future employment growth. With growth and ageing of Central Queensland's population over the next 20 years, Rockhampton's tertiary service sector will become even more important and critical to the community in the future.

Proximity to Mining Activity

Rockhampton is located within close proximity to the Bowen and Galilee Basins within Central Queensland. Over the past decade, these coal and natural gas basins have been the focus of considerable investment and resource development, driving employment and incomes in a number of regional centres. Up to this time, Rockhampton's exposure to this activity has been minimal, with Central Highlands and there has been a decrease in mining activity throughout Queensland; however this show down in mining activity is primarily due to a shift from the construction phase to the operational phase of many new mines within the Region. The construction phase normally entails a large short increase in demand for mining services to develop the mines, whereas the operational phase of the mines typically lasts for 30 years.

Given the location of the Rockhampton LGA to the Bowen and Galilee Basins relative to other major cities within Queensland and Brisbane, Rockhampton has a large advantage in being situated where it is and servicing the mining activity within Central Queensland.

A Vision for the Rockhampton Economy

Vision Statement

The future of the Rockhampton economy will be determined by the interplay between current and emerging global megatrends and the region's drivers, characteristics and capacity for growth. Based on this the vision for the Rockhampton economy is:

“Rockhampton is recognised globally as the economic heart of Central Queensland. It is home to a critical mass of residents, high quality services and facilities and a dynamic and prosperous economy driven by entrepreneurial and innovative businesses, strategic investment and international exports.”

This Vision is comprised of a series of discrete elements:

- **ROCKHAMPTON IS RECOGNISED GLOBALLY AS THE ECONOMIC HEART OF CENTRAL QUEENSLAND** ROCKHAMPTON IS RECOGNISED ACROSS AUSTRALIA AND AROUND THE WORLD AS THE PRINCIPAL HUB OF ECONOMIC ACTIVITY IN CENTRAL QUEENSLAND. IT IS THE DESTINATION OF CHOICE FOR NEW BUSINESSES AND INVESTMENT CHARACTERISED DUE TO ITS A ROBUST ECONOMY AND DIVERSE ECONOMIC AND COMMERCIAL OPPORTUNITIES..
- **.... IT IS HOME TO A CRITICAL MASS OF RESIDENTS** THE POPULATION OF ROCKHAMPTON IS LARGE AND DIVERSE. THE SIZE OF THE POPULATION BASE PROVIDES BUSINESSES WITH A LARGE SKILLED LABOUR FORCE AND A PROSPEROUS CUSTOMER BASE. IT SUPPORTS THE VIABILITY OF HIGHER ORDER COMMUNITY SERVICES AND FACILITIES AND IS CHARACTERISED BY GROWING NUMBER OF NEW RESIDENTS FROM AROUND THE WORLD WHO CALL ROCKHAMPTON HOME.
- **.... HIGH QUALITY SERVICES AND FACILITIES ...** ROCKHAMPTON CONTINUES TO BE HOME TO A DIVERSE SERVICE SECTOR SUPPORTED BY MAJOR TERTIARY EDUCATION, HEALTH, GOVERNMENT AND COMMUNITIES FACILITIES THAT SERVICE ROCKHAMPTON REGION AND BROADER CENTRAL QUEENSLAND.
- **....PROSPEROUS ECONOMY....** THE ROCKHAMPTON ECONOMY GENERATES PROSPERITY FOR BUSINESSES AND COMMUNITY. IT IS CHARACTERISED BY STRONG EMPLOYMENT GENERATION, PROFITABLE BUSINESSES AND INDUSTRY, HIGH AND RISING INCOMES
- **....DRIVEN BY ENTREPRENEURIAL AND INNOVATIVE BUSINESSES....** THE ECONOMIC SUCCESS OF ROCKHAMPTON IS FOUNDED IN ITS DYNAMIC BUSINESSES WHICH ARE CHARACTERISED BY A CULTURE OF ENTREPRENEURISM, INNOVATION, RESEARCH AND DEVELOPMENT AND A GENERAL WILLINGNESS TO PURSUE NEW IDEAS AND OPPORTUNITIES.
- **....STRATEGIC INVESTMENT AND INTERNATIONAL EXPORTS....** THE DEVELOPMENT OF BUSINESS AND INDUSTRY IS FACILITATED BY STRATEGIC INVESTMENT IN CRITICAL INFRASTRUCTURE, PROJECTS AND FACILITIES WHICH ALLOW THE COMPARATIVE ADVANTAGES OF THE ROCKHAMPTON REGION TO BE REALISED. THIS INCLUDES GREATER ENGAGEMENT BY ROCKHAMPTON BUSINESSES WITH NATIONAL AND INTERNATIONAL MARKETS, PRODUCING HIGH QUALITY GOODS AND SERVICES TO TRADE WITH THE REST OF THE WORLD.

Achieving each element of this vision is critical to ensuring the economic, social and environmental potential of the Rockhampton region is realised and appropriate investment, from both public and private sectors is attracted.

Aspirational Population Target

Benefits and Challenges of Growth

The Rockhampton Region is characterised by a critical mass of residents. Such a critical mass is essential to realising the economic, social and environmental potential of the Region. However, just as population growth drives the growth of the economy through increased expenditure and demand for population services, so to can the economy drive the need for more residents. For example, Economic growth generates jobs and with this comes the need for a larger and more diverse a labour force.

Population growth, like economic growth, should never be pursued simply for the sake of growth itself. A Region can experience perverse impacts and outcomes from rapid population growth if it is not pursued in a strategic and effective manner. These impacts can include rising cost of living, reduced amenity and quality of life, poor access to essential services and facilities and declining population retention and attraction.

Instead, a balance must be continually struck between economic, social and environmental sustainability if the quality of living and prosperity of residents and businesses is to be maintained and enhanced.

Aspirational but Achievable

Current State Government population projections indicate that the population of Rockhampton will continue to grow in line with historical averages to 2036, average a growth rate of 1.5% to reach around 118,000. However, if the Rockhampton economy is to reach its full potential, a larger population, customer base and labour force will be required.

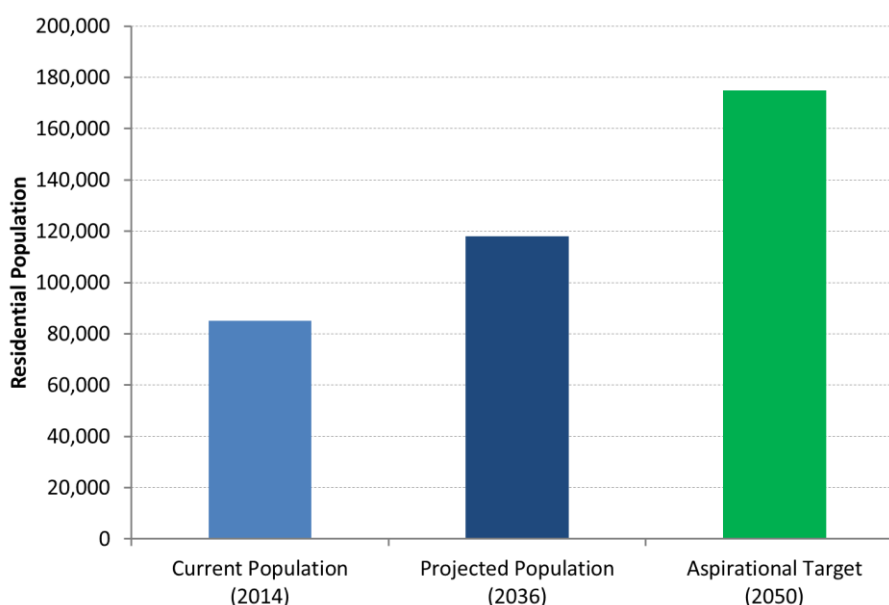


Figure 17 Population Projections and Targets for Rockhampton

Assuming only a moderate acceleration in growth to 2.0% per annum, Rockhampton's population could reach 130,000 by 2036 and 175,000 by 2050. This growth rate is aspirational but achievable, with Rockhampton recording higher growth rates several times over the next decade, most recently in 2012. Such growth would further enhance the viability of major community services, infrastructure and facilities, help to driver the demand for a wider and higher quality range of retail offering, improve the efficiencies of Government administration and services and the capacity for local businesses to establish and expand.

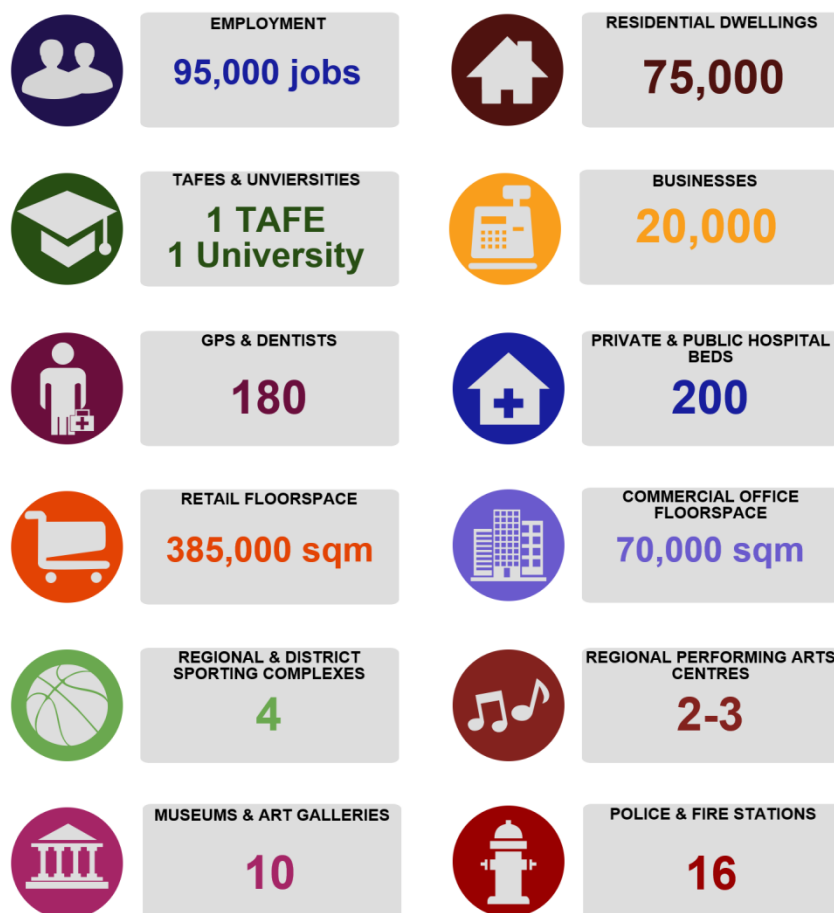


Figure 18 What Does 175,000 Residents Mean for Rockhampton?

Reaching the population target will drive demand a wide range of services and facilities in the Region. This will include dwellings, education, community, health, retail commercial and sport and recreation facilities. However, it is important to recognise that Rockhampton's role as the "economic heart" of Central Queensland will mean the Region will require an even greater level and diversity of facilities and services, to meet the need of the wider service population.

Economic Development Framework

Different Approaches to Economic Development

Growing and developing the Rockhampton economy into the future to achieve the vision and aspirational population target, requires a comprehensive, consolidated and integrated approach to the growth and development of the region.

There are a range of ways to foster and promote the growth of a regional economy and community. Different initiatives generally fall into three broad categories:

- **ENABLING INITIATIVES – INVESTMENT IN ACTIVITIES, INFRASTRUCTURE, FACILITIES AND SERVICES THAT CATALYSE AND ENABLE THE PRIVATE SECTOR AND THE COMMUNITY TO GROW AND PROSPER IN A REGION;**
- **VALUE ADDING – BUILDING UPON AND ADDING VALUE TO THE STRENGTHS OF THE FOUNDATIONAL INDUSTRY TO DEEPEN REGIONAL ECONOMIC ACTIVITY. THIS CAN INCLUDE PHYSICAL VALUE ADDING TO RAW MATERIALS, INCREASED CAPTURE OF UPSTREAM SUPPLY CHAINS EXPENDITURE IN THE REGION OR INNOVATIVE USE OF EXISTING INFRASTRUCTURE AND ECONOMIC CAPACITY.**
- **DIVERSIFICATION – BROADENING OF THE ECONOMIC BASE OF A REGION THROUGH THE PROMOTION, FOSTERING AND GROWTH OF NEW INDUSTRIES AND BUSINESSES. THESE BUSINESSES ARE GENERALLY SEPARATE FROM THE VALUE ADDING ACTIVITIES ASSOCIATED WITH THE FOUNDATIONAL INDUSTRIES, DRAWING UPON THE REGION'S COMPETITIVE ADVANTAGES, INNOVATION, RESEARCH AND ENTREPRENEURSHIP TO DRIVE NEW BUSINESS AND INDUSTRY GROWTH.**

These three approaches to growth and development require different levels of intervention from government and stakeholders, but also provide different scales of benefits and impacts. Enabling investments are the most passive of the approaches. They are critical to de-constrain business investment and community development, but do not necessarily directly generate substantial new activity and benefits. In contrast, diversification actions have the largest impact, supporting the creation and development of new industries and sectors. However, such actions require significant up-front investment and intervention to foster.



Figure 19 Spectrum of Approaches to Regional Growth and Development

These approaches can be pursued individually but are most effective when implemented in concert. By pursuing enabling, value adding and diversifying activities and investments, the challenges facing the Rockhampton economy realising its potential in the long-term can be addressed, leveraging the Region's comparative advantages to capture new economic and commercial opportunities.

Collaborative Economic Development

The Rockhampton Region Economic Development Strategy is not simply a strategy for Government; it is a holistic economic development strategy that requires buy-in and investment by all aspects of the Rockhampton community.

All members of the Rockhampton Region community have an important role to play to implement this Strategy. This will be achieved through collective and coordinated actions and investment in a broad range of projects that will stimulate, incentivise and facilitate the growth and development of the Rockhampton economy, for the benefit of local residents and businesses.

A diverse range of stakeholders have been identified as having the potential to positively contribute to the realisation of the economic Vision for the Rockhampton Region and the implementation and delivery of a diverse range of innovative and transformational projects. These include:

- **FEDERAL GOVERNMENT**
- **REGIONAL DEVELOPMENT AUSTRALIA FITZROY AND CENTRAL WEST**
- **STATE GOVERNMENT**
- **ROCKHAMPTON REGIONAL COUNCIL**
- **RESOURCE INDUSTRY GROUP**
- **LOCAL BUSINESSES**
- **CAPRICORN ENTERPRISE**
- **CAPRICORNIA CHAMBER OF COMMERCE AND INDUSTRY**
- **OTHER INDUSTRY GROUPS AND ASSOCIATIONS**
- **DOMESTIC AND INTERNATIONAL INVESTORS**
- **NOT-FOR-PROFIT AND COMMUNITY GROUPS**
- **RESIDENTS AND THE GENERAL COMMUNITY**

A Framework for Economic Development

The implementation of this Strategy requires a Framework to achieve of the Vision for the Rockhampton economy. The following Framework seeks to establish the areas of focus to guide to identification, profiling the implementation of actions and investments by stakeholders over the next 3 to 5 years. The Framework is comprised of a series of ***Economic Development Programs*** that seek to respond to the unique challenges and advantages of the Rockhampton economy. This is supported by a range of ***Potential Opportunities*** examined in **Appendix 3**.

Rockhampton Regional Council, in partnership with RPS, undertook extensive consultation with a wide range of Government, industry and community stakeholders as part of the development of this Strategy. This included direct interviews and a public workshop. This consultation yielded a diverse set of Potential Opportunities which were subsequently reviewed and refined by Council and RPS.

Additionally, further opportunities have been identified through research of best practice responses around Australia and the world to the challenges and opportunities facing Rockhampton's economic future. This included identification of strategies and initiatives implemented by national benchmark locations as well as successful and proven initiatives relating to small business development, urban rejuvenation and workforce skills development.

Each Potential Opportunities is profiled in detail in Appendix 3 and includes the following information.

- Relevant Economic Development Program;

- Name of the Opportunity;
- Brief description of the Opportunity;
- Best Practice Examples of the Opportunity;
- Relevant Challenge or Advantage the Opportunity relates to;
- Opportunity proponents and stakeholders;
- The level of Priority of the Opportunity, based on its potential impact or benefit; and
- An Indicative Cost Level of addressing the Opportunity based on its capital intensiveness.

Economic Development Programs

The Potential Opportunity identified are broken down into six distinct Economic Development Programs. These Programs represent the broad areas of focus for the economic development activities and investment of the community. The profiles of each Economic Development Program for the Rockhampton Region are outlined below.

AGRICULTURE AND FOOD INDUSTRY GROWTH AND DIVERSIFICATION	
Program Purpose	This Program covers actions designed to grow, diversify and develop food production in the Rockhampton Region. It seeks to enhance Rockhampton's profile as a good producing region of national and global significance and the source of quality food products and supporting services and industries.
Program Scope	<ul style="list-style-type: none"> ▪ improvements to regional infrastructure supporting agricultural operations and connectivity ▪ value adding and investment attraction initiatives ▪ regional food branding and agriculture industry coordination
Relevant Challenges and Advantages	This Program seeks to build upon the role of Agriculture as a foundational industry and sector of the Rockhampton economy by increasing value adding, product diversity and exports. This will help to generate employment opportunities for Rockhampton residents, generate new business opportunities and leverage Rockhampton's strategic position in Central Queensland.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Regional Power Distribution Infrastructure Upgrades ▪ Agriculture Value Adding Initiatives ▪ Fitzroy River Basin Agriculture Diversification Program ▪ Fitzroy River Food Precincts ▪ Regional Food Brand & Council ▪ Regional Telecommunication System Upgrades
Key Stakeholders	<ul style="list-style-type: none"> ▪ Ergon Energy ▪ Department of Agriculture ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Capricornia CCI ▪ Council ▪ Telstra ▪ NBN Co ▪ Federal Government

BRANDING AND MARKETING	
Program Purpose	This Program seeks to enhance the profile of the Rockhampton Region as a location of choice for people to "live, work and play" and for business to establish and grow. It promotes and encourages the growth of Rockhampton profile and greater awareness of its comparative advantages and investment and economic

BRANDING AND MARKETING	
	development opportunities.
Program Scope	<ul style="list-style-type: none"> Marketing and branding material development Online tools and systems for capturing and communicating opportunities Formal community and industry groups for collaboration, advocacy and promotion
Relevant Challenges and Advantages	<p>This Program recognises that Rockhampton's profile outside of the Region, particularly in global markets, is limited to its links to beef production and export. Diversifying and growing the Rockhampton economy, and generating new employment and business opportunities, will require greater investment in emerging and established sectors such as transport and logistics, horticulture, health care, defence and tourism.</p>
Potential Opportunities	<ul style="list-style-type: none"> Ageing in Rockhampton Industry Group Austrade Engagement and Support Business Convention and Conference Attraction Business Interest and Investment Opportunity Tracker Central Queensland Defence Working Group Indigenous Tourism Asset Plan Industry-Specific Economic Profiles/Investment Prospectuses Rockhampton e-Portal Rockhampton Events Calendar and Growth Strategy Youth Attraction & Retention Plan
Key Stakeholders	<ul style="list-style-type: none"> Queensland Health Mater Aged Care Providers Capricornia CCI Council Austrade Tourism Queensland Capricorn Enterprise Rockhampton Airport Local Hotel Operators Dreamtime Cultural Centre Department of State Development CQU Local Abattoirs Gracemere Industrial Area Local Business Leaders

EDUCATION AND SKILLS	
Program Purpose	This Program seeks to improve the skills base of the Rockhampton population to improve the attractiveness of the regional workforce to new and emerging sectors while providing socio-economic, prosperity and quality of life benefits to residents from improved educational outcomes.
Program Scope	<ul style="list-style-type: none"> ▪ Investigation and promotion of non-traditional education and qualification pathways, particularly for adult workers (including life long learning initiatives) ▪ Establishment of multi-faceted education brand for Rockhampton ▪ Increasing industry and education institution integration and collaboration ▪ Leveraging opportunities arising from integration of tertiary health and education offerings ▪ Increasing the interstate and international character of Rockhampton's student population
Relevant Challenges and Advantages	This Program recognises that the future strength of the Rockhampton economy will depend on the skills of its residents and workers. Rockhampton current has a below average skills base with a high share of unskilled workers. This raises serious concerns regarding the sustainability of prosperity for these workers and for the economy as a whole. Greater diversity and depth of skills is also required to support the establishment of new businesses and sectors. This will require new technologies and innovative processes to be leveraged.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Applied Medical Research and Training Opportunities ▪ "Education Rockhampton" Brand ▪ Integrated medical school at CQU ▪ International Student Scholarship ▪ Online Learning Portals ▪ Recognition of Prior Learning ▪ Student Industry and Business Placement Program
Key Stakeholders	<ul style="list-style-type: none"> ▪ CQUniversity ▪ Queensland Health ▪ Mater ▪ Federal Government ▪ Local and Regional Primary and Secondary Schools ▪ Education Queensland ▪ Council ▪ Austrade ▪ Capricornia CCI ▪ Department of Education and Training ▪ Registered Training Organisations ▪ Major Local and Regional Employers

SMALL BUSINESS DEVELOPMENT	
Program Purpose	This Program will drive the establishment, growth and development of small businesses in the Rockhampton Region. It recognises the importance of a dynamic and entrepreneurial small business sector in driving income growth and job creation in the Region. The Small Business Development Program seeks to promote collaboration, innovation, technology adoption, growth acceleration and major project supply chain integration.
Program Scope	<ul style="list-style-type: none"> ▪ Investigating potential major redevelopment locations and precincts in Rockhampton ▪ Promoting greater business collaboration ▪ Encouraging new and innovative ways of working and doing business ▪ Facilitating take up and use of new technologies and systems ▪ Encourage accelerated business growth and development through access to early finance and capital, business mentoring and ▪ Promoting a culture in Rockhampton that acknowledges and rewards business excellence ▪ Promoting integration of small businesses into major project and industry supply chains.
Relevant Challenges and Advantages	<p>Small business development is fundamental to the growth of the Rockhampton economy. Small businesses are the primary employment generator in Australia and operate across all industries and sectors of the economy. Supporting the establishment and nurturing the growth of small businesses is key to realising the potential of Rockhampton's strategic economic assets and comparative advantages and driving a change in the culture of the Rockhampton community to one that embraces and celebrates innovation and entrepreneurship.</p> <p>Small business development in Rockhampton is mediocre, with rates of business creation and operation well below State and national averages. As major employment generators, the growth of Rockhampton's small business sector is key to improving the access of Rockhampton workers to quality jobs.</p>
Potential Opportunities	<ul style="list-style-type: none"> ▪ Co-Working Space ▪ Mount Morgan Heritage Tourism Strategy ▪ NBN Rollout and Utilisation Plan ▪ Online Business Capability Register ▪ Rockhampton Business Angels ▪ Small Business Accelerator Program ▪ Small Business Awards ▪ Small Business Incubator ▪ Small Business Micro-Grants ▪ Small Business Networking Events Series
Key Stakeholders	<ul style="list-style-type: none"> ▪ Major Private Developers ▪ Council ▪ CBD Landholders ▪ Major CBD Tenants ▪ Capricornia CCI ▪ Local and Regional Small Business Community ▪ Tourism Queensland ▪ Rockhampton Heritage Village ▪ Mount Morgan Guided Tours ▪ Federal Government ▪ Resource Industry Group ▪ Major Retailers and Shopping Centre Owners ▪ Major Rockhampton Business Owners

SMALL BUSINESS DEVELOPMENT

- Australian Association of Angel Investors
- Department of State Development
- iLab
- Small Business Solutions Queensland
- Federal Government
- Industry Associations and Group

URBAN REJUVENATION**Program Purpose**

This Program will seek to increase the amenity, accessibility and competitiveness of the Rockhampton Urban Area. The program focuses on the redevelopment and modernisation of the City, making the central business district a more attractive urban environment for both residents and businesses.

Program Scope

- Enhancing the quality of Rockhampton's built form and urban environment to maximise its attractiveness to skilled workers
- Increase the emphasis placed on Rockhampton's urban environment, and enhance the existing offerings
- Redevelopment of existing earmarked sites
- Developing the CBD into an area where families and visitors of Rockhampton want to visit

Relevant Challenges and Advantages

Urban Rejuvenation and creating an attractive urban environment is essential for regional cities to assist in the attraction of residents from outside of the area. The first impressions of the urban infrastructure within Rockhampton, especially the CBD are of a tired and slightly run down city. Some shop fronts and areas have been modernised, however a significant proportion are old and in need of repair. Rockhampton has the potential to develop into the main hub within Central Queensland; the positioning of the Fitzroy River through the centre of Rockhampton provides the opportunity to open up the foreshore area. Redevelopment of the CBD is essential in attracting employment to the region, developing a modern CBD in turn attracts more companies to the area. Building on this, redeveloping one area tends to have a flow on impact to the surrounding areas, which would see owners and developers seeking to mimic the redevelopment and rejuvenation.

Potential Opportunities

- AURIZON Rail Yard Urban Redevelopment
- Botanical and Kershaw Gardens Redevelopment Master Plans
- CBD Redevelopment Master Plan
- Fitzroy River Foreshore Development
- Streetscape Beautification

Key Stakeholders

- Major Private Developers
- Council
- CBD Landholders
- Major CBD Tenants
- Major Private Landholders and Developers

TRANSPORT, LOGISTICS AND MANUFACTURING PROMOTION	
Program Purpose	This Program seeks to establish Rockhampton as the principal transport and logistics hub in regional Queensland; leveraging its strategic location relative to major Queensland centres as well as agricultural, tourism and mining regions. It seeks to optimise the performance and accelerate the growth of key industrial precincts, integrate businesses into mining and major project supply chains and be a location of choice for growing defence activity.
Program Scope	<ul style="list-style-type: none"> Improving recognition (through signage and branding) of major industrial areas and precincts to passing travellers and the broader market. Enhancing the responsiveness and flexibility of planning and zoning regulations on industrial development Identifying and capturing supply chain opportunities for major industries and infrastructure Investigating and promoting opportunities to increase defence and military equipment and personnel presence in Rockhampton Promoting investment in critical transport assets and infrastructure, including freight transport infrastructure and the Rockhampton Airport
Relevant Challenges and Advantages	Transport, logistics and manufacturing sectors are underrepresented in the Rockhampton economy, despite the comparative advantage of the region in these sectors. Similarly, the Rockhampton economy currently has limited exposure to the mining sector, despite the proximity of Rockhampton to major resource development activities in the Bowen Basin and Central Queensland generally. However, Rockhampton already has exposure to Australian and US Defence operations given its proximity to Shoalwater Bay Military training Area. The development of all of these sectors is critical to driving the growth and diversification of the Rockhampton economy and generation of new job opportunities for local residents and workers.
Potential Opportunities	<ul style="list-style-type: none"> Armoured Cavalry Regiment Relocation Government Lazy Lands Audit Gracemere Industrial Area Planning and Approvals Implication Review Gracemere Industrial Area Signage Plan Made in Rockhampton Campaign Major Project Supply Chain Mapping Military Equipment and Supply Storage Capacity National Transport and Logistics Business Hub Resources Industry Group Rockhampton Airport Expansion Feasibility Assessment Rockhampton Airport Military Precinct Strategic Freight Transport Network Upgrades
Key Stakeholders	<ul style="list-style-type: none"> Australian Defence Force Federal Department of Defence Defence Industries Queensland Federal Government Council Department of State Development Gracemere Industrial Area Department of Transport and Main Roads Capricornia CCI Resources Industry Group Major Mining Companies Local and Regional Businesses Rockhampton Airport Major Airlines Tourist Accommodation Operators

Economic Development Organisations

The delivery and implementation of economic development initiatives, actions and projects in the local community has traditionally been the responsibility of Local Government. Previous reviews of local and regional economic development in Australia have revealed that responsibility for economic development has primarily vested with teams within Local Governments, with State Government regional development organisations and regional council groupings also common.

However, an approach to economic development that relies solely on Local Government to drive and transform regional economies is no longer sustainable. The increased complexity and diversity of local and regional economies, coupled with the increased trend of fiscal consolidation and constraints, means Government at all levels is taking on a more traditional facilitation and enabling role in economic development.

Instead, collaborative industry and community based governance and implementation models are becoming the norm. This approach recognises that its business, rather than Government, which will drive the growth of regional economies in the future, through investment, entrepreneurship, exports and job creation. Additionally, more corporate governance and implementation structures have greater flexibility in terms of delivering economic development initiatives, through membership-based organisational structures, commercially-focused branding and marketing and the ability to secure funding from a wide range of sources.

The Rockhampton Region economy needs a ***dedicated and targeted Economic Development Organisation focused exclusively and solely on supporting economic and business development and growth, attracting investment and providing advocacy on behalf of the Rockhampton Region.***

The organisation should be structured as a wholly owned corporation of Rockhampton Regional Council with its own management team and appropriately skilled personnel. This reflects best practice approach in Australia and around the world, examples including:

- Brisbane Marketing (wholly owned, independently managed subsidiary of Brisbane City Council);
- Mildura Development Corporation (originally established by Mildura Regional Council, now an independent body funded by a specific Council differential rate); and
- Hunter Development Corporation (formed by the NSW Government, vested with a number of key State Government landholdings for management and development).

The funding of an economic development organisation can vary significantly and include:

- Direct council funding;
- through a Council administered economic development levy or special differential rate;
- membership fees and contributions;
- grants and other funding from State and Federal Governments;
- for-fee services; and
- revenue from vested Government assets.

The scope of economic development organisations can also vary. Some are targeted, driving small business or tourism sector development or regional marketing and branding, while other have broader scopes covering all aspects of economic development.

Rockhampton Regional Council will work with industry groups and the community to identify and implement the optimal structure, scope and funding mechanism for the economic development organisation for the Rockhampton Region.

Process for Reviewing and Updating the Strategy

A successful Economic Development Strategy is one that is subject to ongoing review and renewal. Just as the world changes, so to must the Strategy to maintain its relevance and currency. A responsive, evidence-based review and renewal process is proposed for tracking the growth and development of the Rockhampton economy, informing the ongoing amendment and update of the Strategy.

The steps in this process are summarised below.

- **TRACK MEASURES OF SUCCESS – TRACKING THE PERFORMANCE OF THE STRATEGY REQUIRES MONITORING OF A SERIES OF KEY INDICATORS OR MEASURES.**
- **ANALYSE PERFORMANCE - THE RESULTS OF THESE MEASURES WILL BE TRACKED ANNUALLY BY ROCKHAMPTON REGIONAL COUNCIL, AS PART OF AN ECONOMIC DEVELOPMENT STRATEGY SCORECARD. THIS WILL COMPARE THE DEVELOPMENT AND GROWTH OF THE ROCKHAMPTON REGION AGAINST THE MEASURES OF SUCCESS.**
- **IDENTIFY AREAS FOR IMPROVEMENT – THE RESULTS OF THE STRATEGY SCORECARD WILL ALLOW THE ROCKHAMPTON REGIONAL COUNCIL TO IDENTIFY AREAS WHERE IMPROVEMENT IS REQUIRED. STRATEGIES WILL BE DEVELOPED, IN PARTNERSHIP WITH RELEVANT STAKEHOLDERS, TO DETERMINE THE REASON FOR THE CURRENT PERFORMANCE AND ACTIONS REQUIRED TO IMPROVE PERFORMANCE.**
- **SUMMARISE CHANGES IN THE ENVIRONMENT – SUMMARISE CHANGES IN THE LOCAL, NATIONAL AND GLOBAL ENVIRONMENT THAT HAVE THE POTENTIAL TO IMPACT THE ACHIEVEMENT OF THE MEASURES OF SUCCESS AND CONTINUED RELEVANCE OF THE CHALLENGES AND ADVANTAGES IDENTIFIED IN THE STRATEGY.**
- **AMEND THE STRATEGY – BASED ON THE IDENTIFICATION OF AREAS FOR IMPROVEMENT AND CHANGES IN THE ENVIRONMENT, AMENDMENTS WILL BE MADE ON A REGULAR, 4 YEARLY, BASIS TO THE ROCKHAMPTON REGION ECONOMIC DEVELOPMENT. THESE CHANGES WILL ENSURE THE DOCUMENT REMAINS CURRENT, LIVE AND RELEVANT TO STAKEHOLDERS AND THE ROCKHAMPTON COMMUNITY AND REFLECTS THE GOALS, ASPIRATIONS AND DESIRES FOR THE REGION TO 2050.**

This process is illustrated in the figure below.

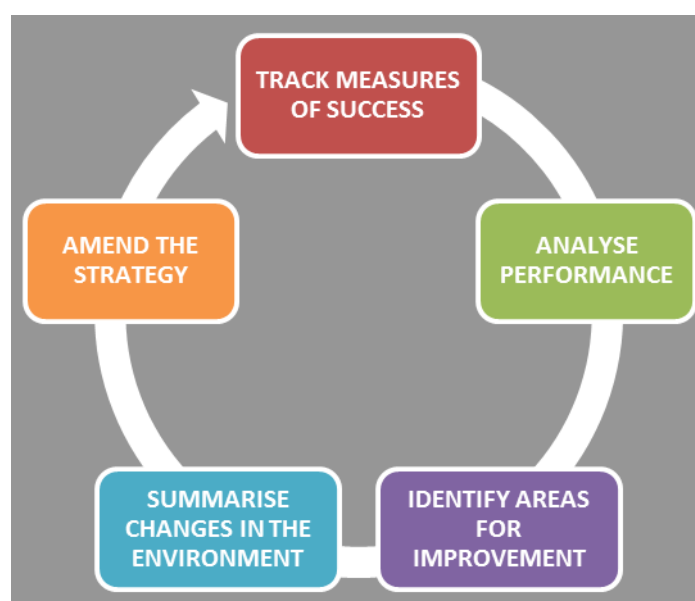


Figure 20 Ongoing Monitoring and Review Process

Tracking and Measuring Success

Measures of Success

The following Measures of Success have been identified for tracking the implementation of the Economic Development Strategy.

The Rockhampton Region will have the following characteristics in 2050:

- **A RESIDENTIAL POPULATION OF 175,000**
- **NET POSITIVE YOUTH RETENTION RATES**
- **UNEMPLOYMENT RATES BELOW THAT OF THE STATE AVERAGE**
- **MEDIAN HOUSEHOLD INCOME 10% HIGHER THAN THE NATIONAL AVERAGE**
- **SECONDARY SCHOOL COMPLETION RATES ABOVE STATE AND NATIONAL AVERAGES**
- **POST-SCHOOL TERTIARY QUALIFICATION LEVELS ABOVE NATIONAL AVERAGE**
- **120 LOCALLY REGISTERED BUSINESSES PER 1,000 RESIDENTS**
- **ESTABLISHMENT OF A PERMANENT US AND/OR AUSTRALIAN DEFENCE BASE**
- **\$500 MILLION IN OVERSEAS INVESTMENT IN ROCKHAMPTON AGRICULTURE, HORTICULTURE AND/OR FOOD PROCESSING**
- **GLOBAL RECOGNITION (THROUGH MEDIA COVERAGE) OF ROCKHAMPTON FOOD BRANDS;**
- **TRIPLING OF ATTENDANCE AT ROCKHAMPTON EVENTS**
- **DOUBLING OF PASSENGER THROUGHPUT THROUGH THE ROCKHAMPTON REGIONAL AIRPORT**
- **ABOVE AVERAGE SHARES OF TERTIARY STUDENTS COMING FROM INTERSTATE OR INTERNATIONAL LOCATIONS**
- **GROSS REGIONAL PRODUCT PER CAPITAL EQUAL TO AUSTRALIAN AVERAGE**
- **COMMUNITY LEADERSHIP CAPACITY ABOVE AUSTRALIAN AVERAGES**

These Measures of Success will be tracked annually by the Rockhampton Regional Council and will form the critical input into the Rockhampton Region Economic Development Strategy Scorecard.

Economic Development Strategy Scorecard

To track the measures of success of the Strategy and analyse the results, a Scorecard is required. This Scorecard is designed to capture and present the evidence of the growth, development and transformation of the Rockhampton Region and the progress made towards achieving the Vision of the Strategy.

Key data and indicators from publicly available data sources and information collated by the Rockhampton Regional Council will be captured, with the current performance of the Region against the Measures of Success analysed.

The Scorecard will outline the most recent measure/data captured for each of the Measures of Success, as well as the targets for 2050 established in this Strategy.

The performance of the Region, and of the implementation of the Strategy will be assessed in three ways:

1. Traffic Light based assessment of the progress made to date to the achievement of the 2050 Target;

2. Direction analysis, showing whether the indicator has improved or worsened
3. Comments explaining the factors that have influenced the region's performance to date and its direction.

The Scorecard will be completed annually as part of Council's Strategy review process and form a core output for tracking the progress of the Strategy's implementation and success.

Need for an Implementation Plan

This Strategy provides the evidence-base, vision and framework for the successful development of a dynamic, prosperous and diversified Rockhampton economy into the future. However, achieving the vision will require a coordinated investment and effort by all stakeholders in the community.

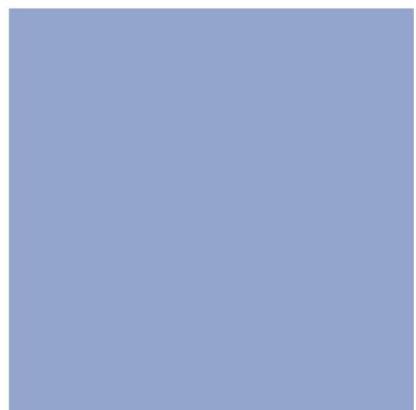
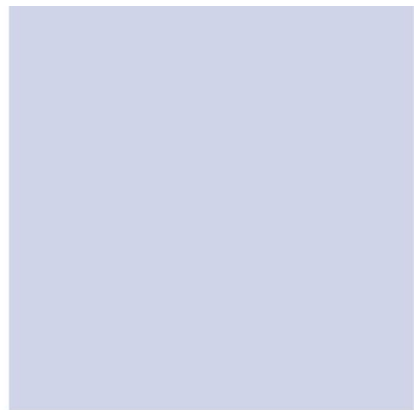
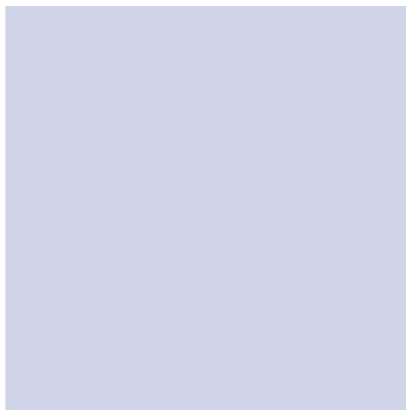
A practical and applied Implementation Plan is needed to identify specific actions and investments required to achieve the goals and objectives of the Economic Development Strategy. This Plan, developed by Council, will build upon and expand the Economic Development Programs and Potential Opportunities outlined in this Strategy, focusing on defining and profiling specific and targeted projects for delivery by Council and other critical stakeholders.

A key focus of the Implementation Plan will be making potential economic development initiatives "investment ready" – whether that be investment by Government or by the private sector. This will include the preparation of investment prospectuses and business cases for securing capital funding as well as identifying potential in-kind support and contributions.

The Rockhampton Economic Development Strategy Implementation Plan will become a core input into Council decision making, guide the investment decisions of other stakeholders and establish the practical elements of the collaborative, innovative and dynamic Rockhampton economy envisaged in this Strategy.

Appendix I

Global Megatrends



Asian Century

Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050^{xv}. Most of Asia's population, in fact the world's populations, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%), although India is expected to surpass China's population by then. This is illustrated in the following figure.

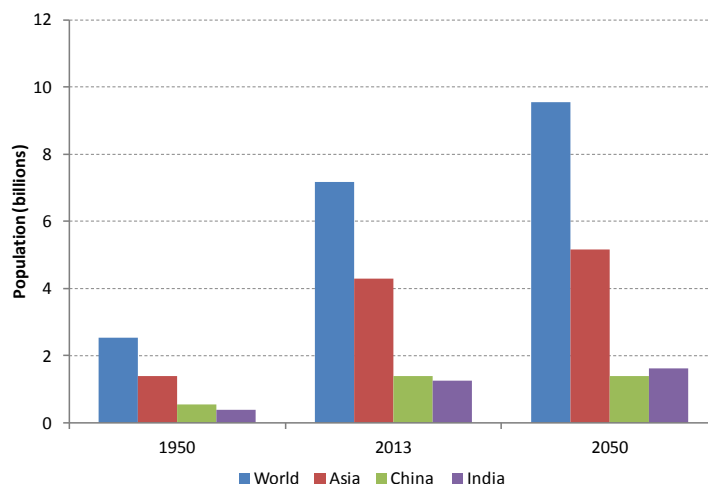


Figure 21 World Population, 1950 to 2050

This increase in population will influence growth in globalisation resulting in increasing trade activity between Australia (i.e. exports) and Asia, which will increase the need for industrial space within Australia. The industrialisation of Developing Economies in Asia is also driving up incomes and creating an emerging middle class. Key areas expected to benefit from this newly empowered market segment include automotive components, clean energy, food and beverages, health and medical, education and infrastructure and building materials.

Global Food Consumption

Global food production will need to increase by 60% by 2050 to meet projected demand levels^{xvi}. Demand is already outpacing supply in international markets, with food price volatility increasing dramatically since 2006 and prices trending upwards from 2000 lows, after decades of real food price declines resulting from increased productivity^{xvii}. This is illustrated in the following figure.



Figure 22 Food Price Index, Real, 1990 to 2015

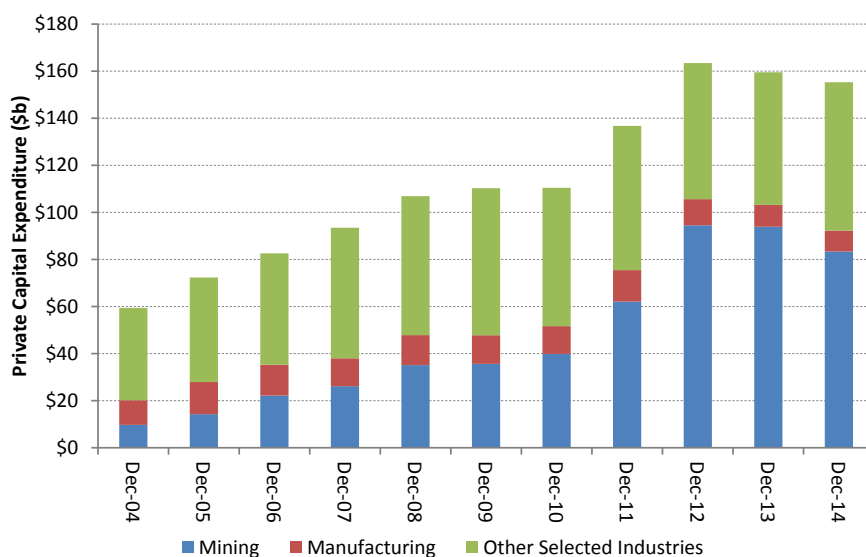
Australia's coastal regions are well recognised for their diverse range of seafood, which is exported globally to markets such as the USA, Japan, South Korea and China. The coastal environment has also been known as a highly attractive environment for fish farming and other forms of intensive aquaculture. Fish and seafood is a major component of global food consumption and is particularly favoured in many emerging Asian economies. The increased need for protein in developing countries, driven by increases in both population and income levels, has underpinned this growth and is expected to support a 15% growth in seafood consumption over the next 10 years^{xviii}.

However, Australia also produces a wide mixture of other products including broad acre grains, animal husbandry (including horses, sheep and cattle all on pasture), fruit crops and horticulture. Currently, broad acre grains are experiencing considerable price growth on international markets due to seasonal volatility in major producers (such as the USA and Australia) and continued declines in stock-to-use ratios^{xix}. This is expected to continue in the medium term, despite the emergence of new production regions in Russia, Ukraine and other central Asian countries.

Mineral Resource and Energy Investment

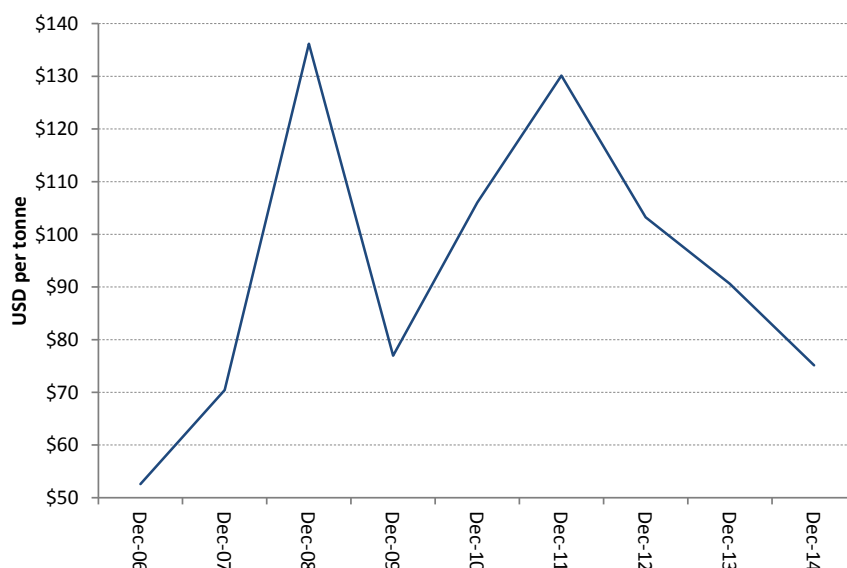
Growth in mining private capital expenditure increased sharply in recent years, jumping from \$39.9 billion in December 2010 to \$94.5 billion in December 2012 - more than doubling within a two-year timeframe. Current mining expenditure is only slightly below its historical peak, recording \$83.4 billion in 2013/14. This expenditure growth reflects the commencement of major LNG projects as well as considerable investment in coal and other mining projects within Queensland during this time.

Since peaking in December 2012, expenditure levels have been following a downward trend, but remain above the long-term average. Resource capital expenditure has underpinned the growth in overall private capital expenditure during this time, with the value of capital expenditure in manufacturing and other selected industries remaining broadly constant throughout the assessment period.



Private New Capital Expenditure by Commodity, Australia, December 2004 to December 2014^{xx}

Queensland is the largest seaborne coal exporter in the world and is directly influenced by major changes in prevailing global coal market conditions. Since 2011/12, coal (both thermal and coking) have experienced structural declines in spot prices. Thermal coal in particular has declined significantly from its December 2011 peak, following continued softness in global economic activity and a move by countries to cleaner sources of energy amid environmental and health concerns.



Smoothed Average Monthly Thermal Coal Prices, Australia, December 2006 to December 2014^{xxi}

This reduction in the spot and export price for both thermal and coking coal in recent years also reflects the impact of long-term changes in global energy mix and increased concern regarding environment impacts. China for example, has recently imposed restrictions on the quality of imported coal, with a combination of local industry protection and public outcry over poor environmental conditions in major mainland Chinese cities underpinning this decision.

Nationally, the effects of China's pollution policy and regulation are likely to be softened by the China-Australia Free Trade Agreement (ChAFTA). On a State-scale, Queensland is relatively protected from the impact of pollution regulations as black coal derived from the Bowen Basin is generally freer of impurities (like NOXs and SOXs). Nevertheless, China's slowing demand for coal is expected to further exacerbate the decline in State and National mining and energy exports.

Fortunately, Queensland's resource exports have begun to diversify in recent years liquefied Natural Gas (LNG), in the form of Coal Seam Gas, is expected to play an increasingly pivotal role in supporting Queensland's growth in exports and GSP in the medium term. Queensland is currently home to three major LNG projects:

- Queensland Curtis LNG, commencing operation in December 2014^{xxii} with a production capacity of 1.91 million tonnes of LNG;
- Gladstone LNG, commencing production in March 2015, with a production capacity of 1.76 million tonnes; and
- Australia Pacific LNG, commencing production in June 2015, with a production capacity of 2.07 million tonnes.

These three projects represent a total capacity of 5.7 million tonnes of LNG production per annum when all three reach full production capacity by September 2017. This ramp up in production is expected to result in substantial growth in exports and GSP during the 2015/16 financial year.

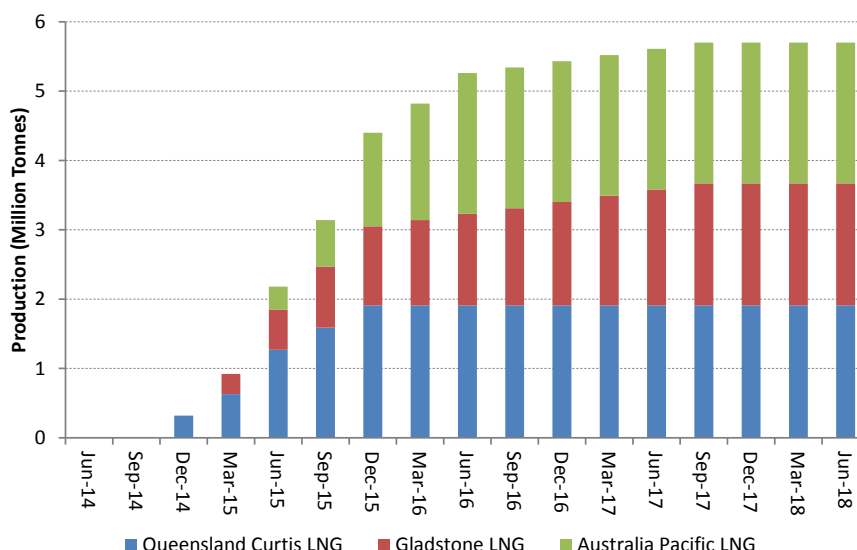


Figure 23 Liquefied Natural Gas Projections, Queensland, 2014 to 2018

However, the slowing in the coal sectors, coupled with the investment phase of major LNG projects reaching completion, is expected to impact the employment generation of the mining sector. Mining employment has already begun to fall as coal production is reduced and LNG projects shift to the operational phase (which generates far less employment).

Despite the current position of the coal and LNG sectors in economic and investment cycles, energy and resource demand from China, India and other parts of Asia and the world is expected to continue to grow in the medium term. The proximity of Rockhampton to major resource operations suggests that an increased exposure to mining activity – particularly in terms of local business participation in construction and operational supply chains – should be progressed in a measured and considered way.

Climate Change

The average global surface temperature has risen around 0.8°C since 1850 and may continue to rise further in the coming decades as a result of global carbon emissions^{xxiii}. For Australia, global temperature increases will likely to involve significant environmental change and variability, with both natural and agricultural production systems impacted by the combined effects of higher temperatures and inconsistent and irregular rainfall patterns.

These environmental changes also increase the risks from bushfires, floods and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions^{xxiv} (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3%^{xxv}. This is illustrated in the following figure.

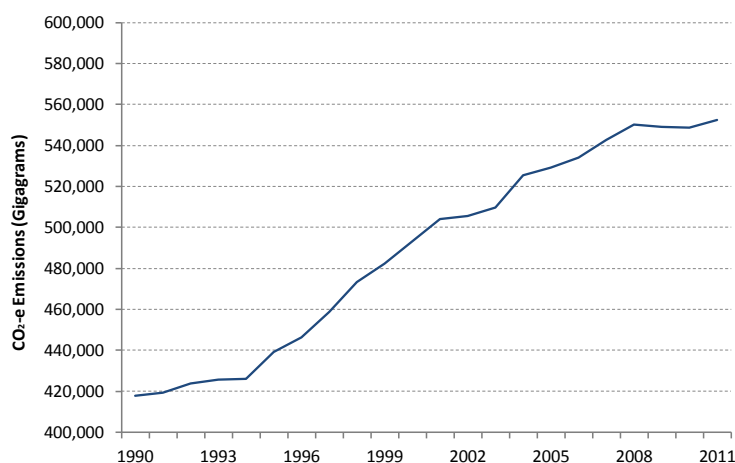


Figure 24 Emissions, Australia, 1990 to 2011

In response to climate change, as well as energy security, renewable energy production has been increasing globally. While per capita energy production in OECD countries has declined in recent years, due to depressed economic activity and enhancements in energy efficiency, this has been more than offset by rapid increases in energy usage in developing regions including the Middle East, China, South East Asia, Central Europe and Latin America^{xxvi}. Like Australia, global energy consumption is dominated by fossil fuels, with a market share in 2011 of 87%. This includes both base load power and transport fuel energy use. In contrast, renewable energy contribution is at 2%, or some 194.8 of 12,274.4 million tonnes of oil equivalent. This is illustrated in the following figure.

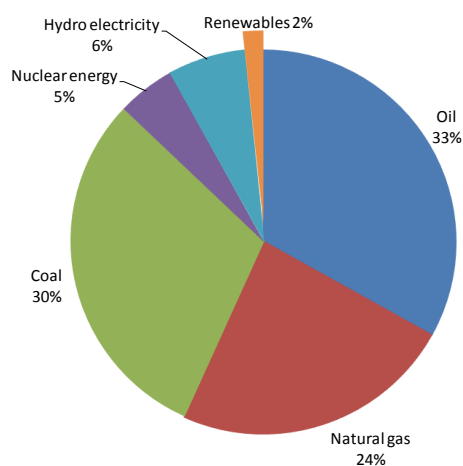


Figure 25 Global Energy Use Mix, 2011

Affordability and Cost of Living

Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities has been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly^{xxvii}. This is illustrated in the following figure.

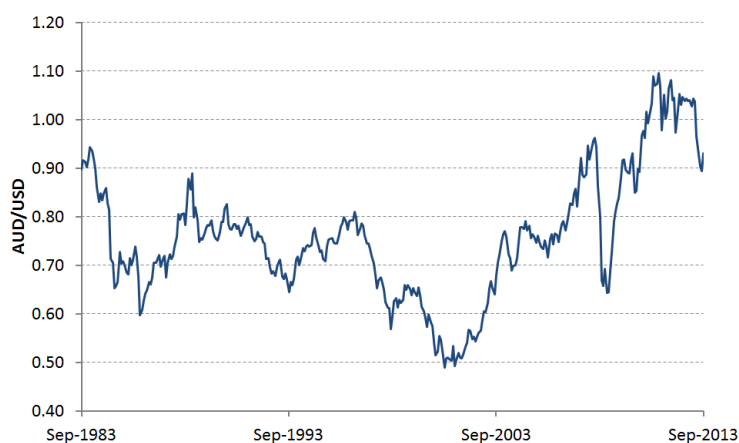


Figure 26 Australian Dollar, 1983 to 2013

Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities^{xxviii}. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8)^{xxix}. However, health was the highest (109.8) followed by Education (108.8). This is illustrated in the following figure.

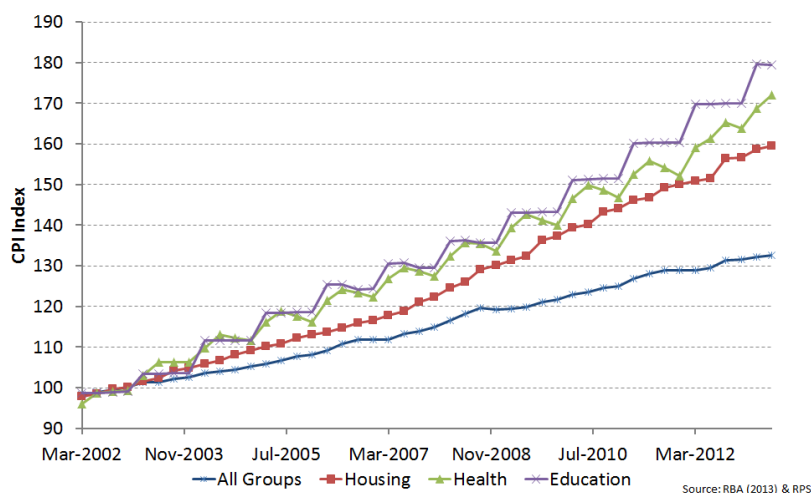


Figure 27 Consumer Price Index, Australia, 2002 to 2013

Population Ageing

The population of Australia is ageing. Approximately 3 million people in Australia were aged 65 years and over in 2011 representing over one in eight Australians^{xxx}. This was an increase of 27.6% over the last decade with an annual average growth rate of 2.5%. Looking forward, the number of people aged 65 years and over is projected to increase by 83.6% over the next two decades with an annual average growth rate of 3.1%^{xxxi/xxxii}. This is significantly faster than historical growth rates, representing acceleration in the ageing of Australia's population. By 2050, the number of people aged 65 and over is expected to reach one in five people, representing one of the greatest challenges for policy makers, industry and the community. This is illustrated in the following figure.

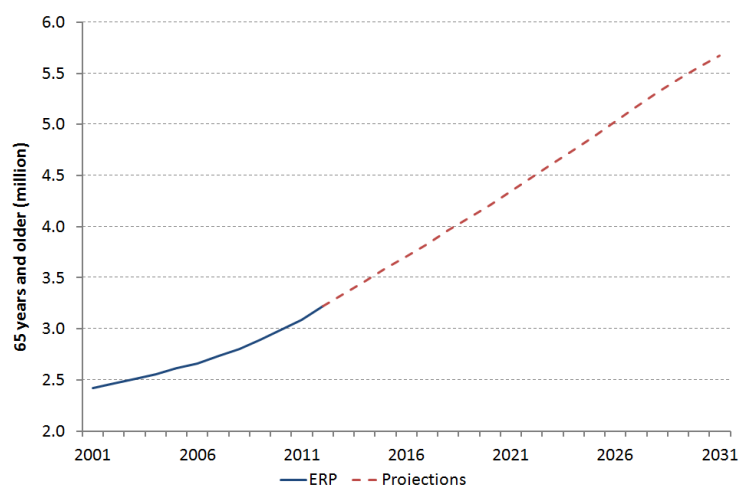


Figure 28 Historical and Projected Population, 65 Years and Over, Australia, 2001 to 2031

Broadband and the Digital Age

Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders. These trends have profound life and business changing. The future evolution of the internet including increased speeds, cloud based computing and applications will result in these benefits being more widely felt in regional locations, through improved connectivity and the establishment of new, knowledge intensive industries.

The share of Australian businesses using the internet has increased as a result of the digital age as e-commerce/banking gains momentum. Between 2007-08 and 2011-12, the proportion of businesses using the internet increased from 86.8% to 91.9%, while the share of Australian businesses with a web presence has increased from 36.3% in 2007-08 to 44.6% in 2011-12. This is illustrated in the following figure.

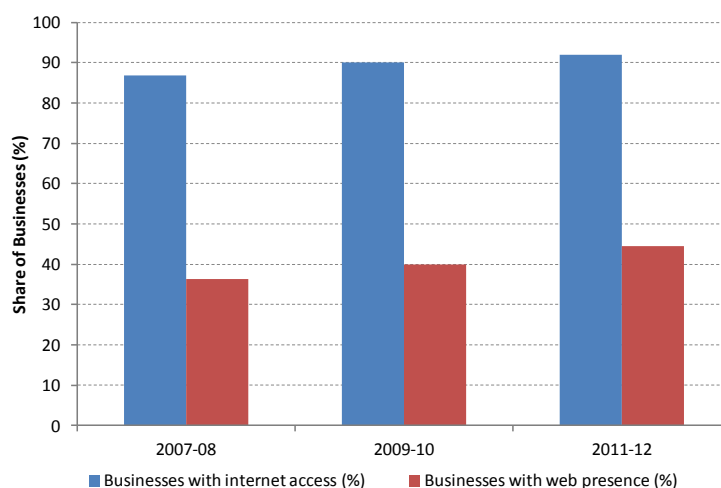


Figure 29 Business Use of Information Technology, 2007-08 to 2011-12^{xxxiii}

This increase in the use of technology has not been limited to only businesses as Australian households have also been increasing their use of the internet, for a range of reasons, from reviewing and purchasing goods and services to online learning. In the last five years, the share of households using the internet has increased by almost 20%, from 2005-06 to 2010-11.

The development and implementation of the National Broadband Network (NBN) is expected to have a transformative effect on the connectivity and accessibility of regional residents to the rest of the country and world. This presents significant opportunities for regional centres such as Rockhampton to

provide residents and businesses access to services otherwise unavailable, cost prohibitive or inefficient.

These include:

- More reliable base telecommunications;
- Online retail and shopping;
- Virtual education;
- Online entertainment, music and movies;
- Telehealth;
- Telecommuting and virtual work opportunities; and
- E-commerce and web-based business activity.

Defence and Security

An increasingly globalised and interconnected world does raise issues regarding national security. Recent Defence White Papers have identified a number of interrelated factors that may influence Australia's strategic security outlook in the coming decades. These include:

- the importance of the Indo-Pacific in global security – global population and economic activity is increasingly concentrated in countries that either border the Indian and Pacific Oceans or are dependent on trade routes through these Oceans. This is having the effect of repositioning global security focus. Current security architecture in the Indo-Pacific is currently focused on a series of sub-regional arrangements with not unifying framework. The development and establishment of this framework in coming decades will significant influences Australia defence posture.
- The critical nature of enhanced regionalism and cooperation in South East Asia – with South East Asia the primary pivot of the Indo-Pacific region, interactions and engagements among and between South East Asian nations can have significant global ramifications. Promotion and support of enhanced regional associations (such as ASEAN and the East Asia Summit) are viewed as highly beneficial to regional and global security.
- The relationship between the United States of America and China – this relationship represents the defining feature of global security over the next several decades. Defined in the White Paper as “collaborative competitiveness”, the relationship between China and United States is characterised by strong economic interconnectedness and reliance which is not currently matched by political and security cooperation. The US is currently implementing a ‘rebalancing’ of their defence posture to afford greater attention to the Indo-Pacific region and Asia in particular. This has caused some tension in the US-China relationship; though it remains Australia's stated position that we are not required to choose between the US as our military alliance partner and the China as our primary economic partner.
- potential conflict hotspots in North and South East Asia – while broader US and China relationships are expected to be restrained by economic interdependence, individual hotspots are regarded as more serious a threat. These hotspots including Taiwan Straits, the Korean Peninsula, the East China Sea and South China Sea.
- Regional military modernisation - Regional military modernisation is largely a consequence of rising national wealth, enabling many states to modernise their defence forces with more advanced capabilities. This presents significant new opportunities for partnering with other nations' defence and military organisations. But it also raises the levels of capability required by the ADF to maintain the edge that has historically underpinned the defence of our continent with a comparatively small population.
- Terrorism – while enhanced counter-terrorism capabilities, the death of Osama bin Laden and sustained international cooperation and effort have altered the nature of global terrorism, the threat of terrorism and its potential impacts remain real and significant.

- Climate change impacts and resource security – Global energy, food and water resources are under pressure from population growth, rising affluence and climate change. Robust demand for commodities is underpinned by rapidly emerging economies such as China and India. Demand for key commodities is expected to remain robust over the long-term.
- Cyber warfare – the Defence White Papers acknowledge that national security could be compromised by cyber-attacks on defence, government or commercial information networks. Cyber security continues to be a serious and pressing national security challenge^{xxxiv}.

Of particular note in the Defence White Papers is the fact that the economic importance of northern Australia and offshore resources has increased and this must be considered in defence planning. These Papers and associated Posture reviews have reinforced the need for Australia's northern approaches to be appropriately defended with the capacity for high tempo projections of power into the region.

Defence establishments and operations can provide significant economic stimulus to a region. Townsville and Darwin, both of which have extensive Australia Defence personnel and facilities have benefits significantly from this presence, in terms of population growth, expenditure, economic stability and infrastructure delivery and capacity.

Appendix 2

Key Regional Indicators

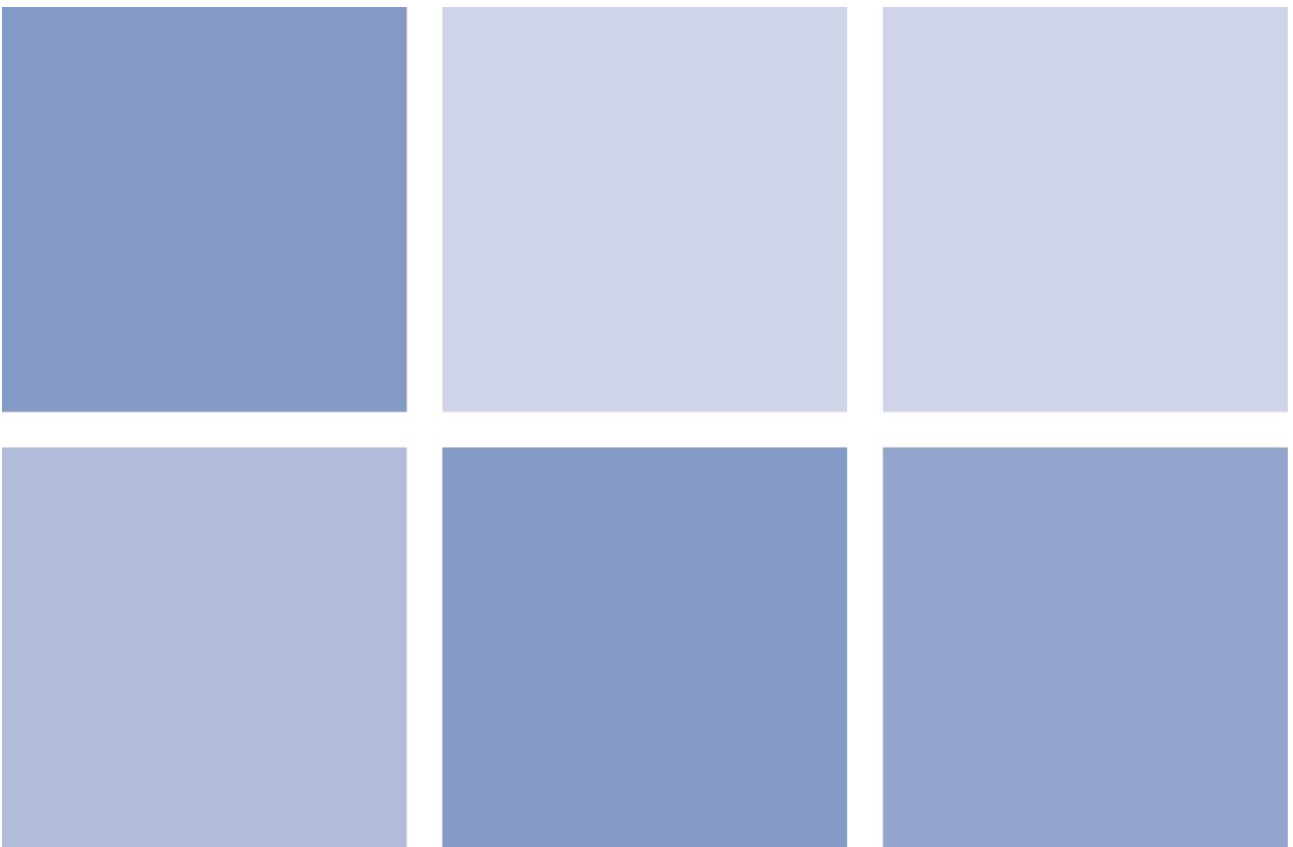
Area of Focus	Indicator	Rockhampton	Nation	Source
Workforce Participation	Adult Participation Rate	66.8%	65.60%	Percentage of population (15+) in the workforce (ABS Census)
	Adult Female Participation Rate	60.5%	59.20%	Percentage of female population (15+) in the workforce (ABS Census)
	Aboriginal Adult Participation Rate	58.3%	53.30%	Percentage of Aboriginal population (15+) in the workforce (ABS Census)
Skills	Year 12 Qualified	42.2%	46.10%	Percentage of adult population that did not complete year 12 (ABS Census)
	University Qualified	13.9%	22.80%	Percentage of working age population with university qualifications (ABS Census)
	Technical Qualified	30.6%	31.60%	Percentage of working age population with certificate or diploma qualifications (ABS Census)
	English Proficiency	98.9%	92.00%	Percentage of population with English as a first language, or if second language, speaks English well (ABS Census)
Education and Training Outcomes	Year 12 Completions	70.7%	75.30%	Proportion of young adults (20-24) with year 12 certificate (ABS Census)
	Learning or Earning	89.8%	80.10%	Proportions of 15-19 year olds engaged in school, work or further education/ training
Economic Sustainability	Businesses	60	89.9	Businesses per 1000 residents (ABS 8165.0)
	Unemployment	6.7%	5.20%	Proportion of labour force unemployed
	Economic Diversification	0.87	0.56	Hachman Index of Diversification - higher score indicates more diversity (Regional Australia Institute)
	Welfare Dependent Families	14.5%	9.80%	Proportion of welfare dependent families with children (PHIDU Social Health Atlas)
Community Vibrancy and Diversity	Leadership Capacity	25.3%	34.90%	Percentage of the potential community leaders, measuring both the quality of human capital and the availability of resources suitable for leadership roles (Regional Australia Institute)
	Volunteer Activity	19.7%	17.70%	Percentage of residents (15+) who participate in volunteer activity (ABS Census)
	Aged Residents (65+)	13.7%	14.20%	Proportion of residents aged 65+
	Family Households	62.9%	71.5%	Number of family households in the community (ABS Census)
Health and Educational Access	Access to Hospital Services (per capita)	0.03	0.11	Number of people employed in hospitals per resident (ABS Census)
	Access to GP Services (per 100,000)	88.90	112.4	Number of GP services per 100,000 (PHIDU Social Health Atlas)
	Adult Health	5.6%	4.70%	Adults with at least one of four of the health risk factors of smoking, harmful use of alcohol, physical inactivity and obesity

Area of Focus	Indicator	Rockhampton	Nation	Source
				(PHIDU Social Health Atlas)
	Access to Allied Health Services	12.1%	11.00%	Percentage of workforce employed in health services excluding hospitals
	Child Development Vulnerability	31.4%	23.60%	Percentage of developmentally vulnerable children (PHIDU Social Health Atlas)
	Distance to Medical Facility	5.1km	38.9km	Average distance for residents to medical facilities (Regional Australia Institute)
	Distance to Primary Education Services	3.6km	24km	Average distance for residents to a primary school (My Schools, Australian Government)
	Distance to Secondary Education Services	3.9km	23.3km	Average distance for residents to a high school (My Schools, Australian Government)
Digital Connectivity	Broadband Connections	66.1%	62.5%	Percentage of households and businesses with broadband internet (ABS Census)
	Mobile Coverage	73.0%	80.0%	Percentage area with 3G coverage (Telstra)
	Internet Connectivity	73.3%	79.0%	Percentage of households with internet connection (ABS Census)
Movement of People	Airport RPT Usage (per capita)	8.61	6.3	RPT passenger numbers per resident (Department of Infrastructure and Regional Development)
	Overseas Born Residents	9.4%	30.2%	Percentage of residents born overseas (ABS Census)
	Population Inflows	10.8%	NA	People that moved to the region 2006-11 as a percentage of the total population in 2006 (ABS Census)
	Population Outflows	14.6%	NA	People that moved from the region 2006-11 as a percentage of the total population in 2006 (ABS Census)
	Airport Access	7.7km	79.7km	Average distance for residents and businesses to a commercial airport (Regional Australia Institute)
	Port Access	43.7km	141.6km	Average distance for business to a port (Regional Australia Institute)
Freight Infrastructure	Road Infrastructure	1.4km	19.4km	Distance to major (class 1 or 2) road (Regional Australia Institute)
	Rail Infrastructure	10.6km	35.6km	Distance for residents and businesses to nearest rail station (Regional Australia Institute)
	Research and Development Professionals	0.10%	0.10%	Percentage employed as research and development managers (ABS Census)
Innovation	Professional, Scientific and Technical Businesses	4.2%	8.5%	Proportion of workforce employed in technology and related businesses (ABS Census)
	New business start-ups	2.9%	13.5%	New businesses since 2009 as a proportion of all businesses (ABS 8165.0)

Area of Focus	Indicator	Rockhampton	Nation	Source
Entrepreneurship	Non-employing micro businesses	35.0	38.9	Non-employing businesses per 1000 residents (ABS 8165.0)
	Income Source Own Business	\$14,475	\$23,458	Average own unincorporated business income (ABS 6524.055, 2011-12)
	Small businesses	15.5	24.4	Small businesses (less than 5 employees) per 1000 residents (ABS 8165.0)
	Labour Costs	\$982	\$1,019	Average wage and salary income (Regional Australia Institute)
Cost of Doing Business	Access to Local Finance	1.22%	4.7%	Percentage of people employed in financial roles (ABS Census)
	Regional Index of Retail prices	99.1%	100%	Index of Retail Prices in Queensland Regional Centres (Queensland Government Statistician's Office, 2013)
Natural Resources	Agriculture	1.3%	2.3%	Percentage of people employed in agriculture (ABS Census)
	Mineral and Energy Resources	4.1%	1.7%	Percentage of people employed in minerals and energy industries (ABS Census)
	Commercial Fishing and Aquaculture	0.01%	0.1%	Percentage of people employed in fishing and aquaculture industries (ABS Census)
	Coastal Access	4.9km	109.0km	Average distance of residents to the coast (Regional Australia Institute)
	National parks	122.7km	46.2km	Average distance of residents to the National Parks or nature reserves (Regional Australia Institute)

Appendix 3

Potential Opportunities



Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
AGRICULTURE AND FOOD GROWTH AND DIVERSIFICATION	Regional Power Distribution Infrastructure Upgrades	Advocate to Ergon Energy and the State Government upgrades to the power distribution systems in rural areas of the Rockhampton region, particularly north west of Rockhampton City.	NA	<ul style="list-style-type: none"> Agriculture Production & Value Adding Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Ergon Energy State Government Council 	Medium	High
	Agriculture Value Adding Initiatives	Identify and assess the viability of a range of agricultural value adding initiatives. Includes both physical (manufacturing and processing) and qualitative value adding (marketing, branding, promotions). If viable, prepare an investment prospectus for the opportunity and promote to national and international investors.	Greater Dandenong Food Strategy 2014 (www.greaterdandenong.com/document/27240/food-strategy-2014)	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding 	<ul style="list-style-type: none"> Department of Agriculture RDA Local Abattoirs Local and Regional Farmers Domestic and International Investors Council 	Medium	Medium
	Fitzroy River Basin Agriculture Diversification Program	Establish a program in partnership with Federal and State Governments to promote the diversification of agricultural production in the Fitzroy River basin.	Ord River Scheme	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding 	<ul style="list-style-type: none"> Department of Agriculture RDA Local Abattoirs Local and Regional Farmers Domestic and International Investors Council 	High	High
	Fitzroy River Food Precincts	Identification, profiling and promotion of potential intensive animal production and horticulture precincts located within 5km of Fitzroy River. Utilise water from the newly constructed Rookwood Weir. Target major overseas investors	Gascoyne River Horticultural Precinct	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding 	<ul style="list-style-type: none"> Department of Agriculture RDA Local Abattoirs Local and Regional Farmers Domestic and International Investors Council 	High	High
	Regional Food Brand & Council	Establishment of a regional food brand, administered by an	Southern Forest Food Council	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation 	<ul style="list-style-type: none"> Department of Agriculture 	Medium	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		industry led food council, for promoting an integrated and consistent brand to overseas and domestic markets. Include cattle production as well as other offerings (e.g. eggs)	(http://www.sffic.com.au/)	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding 	<ul style="list-style-type: none"> Local Abattoirs Local and Regional Farmers Capricornia CCI Council 		
	Regional Telecommunication System Upgrades	Advocate to Telstra and the State/Federal Government to upgrade telecommunication systems in rural areas of the Rockhampton Region, particularly north west of Rockhampton.	NA	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Telstra NBN Co State Government Federal Government Council 	Medium	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
BRANDING AND MARKETING	Ageing in Rockhampton Industry Group	Establishment of an industry group in Rockhampton to focus on identifying commercial opportunities to increase the diversity and breadth of health and assistance services targeting older age groups. Include the development of investment attraction materials and promote joint ventures and other collaborative enterprises between major health providers.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Queensland Health Private Hospitals Aged Care Providers Council Capricornia CCI 	Medium	Low
	Austrade Engagement and Support	Directly engage with Austrade, Trade and Investment Queensland and other trade promotions and facilitation bodies to encourage promotion of Rockhampton Region as a	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development 	<ul style="list-style-type: none"> RDA Council Austrade 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		potential investment destination and export producer. Generate marketing and promotional materials, including industry and site specific investment prospectuses for use by trade organisations.		<ul style="list-style-type: none"> Agriculture Production & Value Adding Tertiary Services Sector Proximity to Mining Activity 			
	Business Convention and Conference Attraction	Attraction of secondary conventions and conferences to Rockhampton. Focus on business, industry, and employment-related events attraction, reflecting the strengths of Rockhampton as an economic destination.	Geelong, Victoria;	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Tourism Queensland Capricornia CCI Rockhampton Airport Local Hotel Operators Dreamtime Cultural Centre Council 	Low	Medium
	Business Interest and Investment Opportunity Tracker	Establishment of a database of business interest and investment opportunities identified by Council. Focus particularly on capturing opportunities communicated to Council through approaches to Planning officers.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Capricornia CCI Department of State Development Council 	Medium	Low
	Central Queensland Defence Working Group	Expand and formalise current advocacy efforts to attract permanent defence force personnel establishments and facilities in the Rockhampton	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills 	<ul style="list-style-type: none"> Council 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		Region, through the establishment of a formal working group. Leverage Shoalwater Bay Military Training Area, strategic location on transport network and regular presence of US and Singapore forces.		<ul style="list-style-type: none"> Population Critical Mass Central Location Tertiary Services Sector 			
	Indigenous Tourism Asset Plan	Encourage local Aboriginal groups to promote and facilitate sustainable visitation to major Indigenous tourism assets in the Rockhampton Region. Supporting sustainable funding and business initiatives for Aboriginal communities to benefit from the tourism assets in the form of jobs and incomes.	Destination NSW Aboriginal Tourism Action Plan 2012 to 2016 (http://www.destinationnsw.com.au/about-us/strategies-and-plans/aboriginal-tourism-action-plan)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location 	<ul style="list-style-type: none"> Dreamtime Cultural Centre Tourism Queensland Council 	Low	Low
	Industry-Specific Economic Profiles/Investment Prospectuses	Development of stylised, four page investment prospectuses on a range of industry and economic opportunities in the region. For use in investment attraction activities.	Cairns Invest (http://www.cairnsinvestment.com.au/invest-here/regional-investment-prospectus) Gascoyne Development Commission Investment Profiles (http://www.gdc.wa.gov.au/contents/publications/investment-profiles.htm?id=214)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Capricornia CCI Council 	High	Low
	Rockhampton e-Portal	Establishment of a community	More Gold	<ul style="list-style-type: none"> Unemployment Rates 	<ul style="list-style-type: none"> CQU 	High	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		led e-portal for all aspects of Rockhampton Region. Include information on events, activities, investment and business opportunities, education opportunities.	Coast (http://www.mor.gov.au)	<ul style="list-style-type: none"> and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Private Hospitals Queensland Health Local Abattoirs Gracemere Industrial Area Local Business Leaders Tourism Queensland Capricornia CCI Other Major Private and Community Stakeholders Council 		
	Rockhampton Events Calendar and Growth Strategy	Establishment of a calendar of existing events and promote these events online. Development of an Events Growth Strategy focusing on attracting business, industry, agriculture and sporting events to leverage Rockhampton's comparative advantages.	Events in Brisbane (http://www.brisbane.qld.gov.au/whats-on/featured/events-in-brisbane)	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location 	<ul style="list-style-type: none"> Tourism Queensland Council 	Low	Low
	Youth Attraction & Retention Plan	Preparation of a plan identifying activities, facilities and events for youth in the region. Focus on providing a positive youth experience for residents to promote attraction, retention and repatriation.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council Capricornia CCI CQU Local High Schools 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
EDUCATION AND SKILLS	Applied Medical Research and Training Opportunities	Explore and capture opportunities to leverage Rockhampton's strengths in tertiary health and education to establish applied medical research and training capacity in Rockhampton. Position Rockhampton as a regional centre of excellence for medical training, research and education.	Regional Medical Training Networks concept (http://www.gt.com.au/news/national-system-of-regional-training/2374200/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Queensland Health Private Hospitals Federal Government 	Low	High
	"Education Rockhampton" Brand	Establish and promote Rockhampton as the premier regional hub of education excellence in regional Australia. Focus on secondary and tertiary education and training strengths as well as promotion of Recognition of Prior Learning, linkages with industry and tertiary health and online learning portals.	Education City (Springfield, Qld) Education City (Qatar)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Local and Regional Primary and Secondary Schools Education Queensland Council 	Medium	Low
	Integrated health school at CQU	Investigate partnership opportunities between Queensland Health and CQU to establish an integrated medical school at CQU to promote and encourage regional tertiary health skills development.	James Cook University, School of Medicine – Townsville Clinical School campus in the Townsville Hospital and Mater Private Hospital Townsville (http://www.jcu.edu.au/smd/medicine/workgroups/TownsvilleClinicalSchool/index.htm)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CQU Queensland Health Private Hospitals 	Medium	High
	International Student Scholarship	Semester or year scholarships to international students to	Australia Awards	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation 	<ul style="list-style-type: none"> CQU Local and Regional 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		attend CQU and live in the community.	University of Wollongong (http://www.studyinaustralia.gov.au/usa/australian-education/more-study-options/short-term-study-abroad)	<ul style="list-style-type: none"> Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Primary and Secondary Schools Austrade Education Queensland Council 		
	Online Learning Portals	Promote and encourage participation by workers and residents (particularly those without post school qualifications) in online learning portals. Focus should be on improving technological, business and creative knowledge and literacy.	Lynda.com	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Capricornia CCI Council 	Medium	Low
	Recognition of Prior Learning	Encourage unskilled and non-tertiary qualified workers in Rockhampton to undergo self-evaluation and formal Recognition of Prior Learning processes,	Recognition of Prior Learning Self-Evaluation Tool (http://training.qld.gov.au/training-careers/recognition-existing-skills/rpl.html)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Department of Education and Training CQU Capricornia CCI Registered Training Organisations Major Local and Regional Employers 	High	Low
	Student Industry and Business Placement Program	Program for students in Rockhampton schools to be placed in work experience with local businesses and industry.	Schools Industry Partnership – Work Placement (http://www.school)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation 	<ul style="list-style-type: none"> Department of Education and Training 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		To encourage greater integration between education providers and industry and expose students to the importance of post-school training and education as part of their career developments.	industry.com.au/work-placement/	<ul style="list-style-type: none"> and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> CQU Local and Regional Secondary Schools Capricornia CCI Major Local and Regional Employers Council 		

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
SMALL BUSINESS DEVELOPMENT	Co-Working Space	Establishment of a small co-working space for local micro-businesses. Include open plan layout, modern IT, conference room facilities.	SpaceCubed Perth (http://spacecubed.com/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location 	<ul style="list-style-type: none"> Capricornia CCI Local and Regional Small Business Community Council 	Medium	Medium
	Mount Morgan & Rockhampton Heritage Tourism Strategy	Develop a heritage tourism strategy for Mount Morgan and the Rockhampton CBD, including identification of latent tourism assets	Victoria Regional Tourism Strategy 2013-2016 (http://www.tourism.vic.gov.au/about/strategies-and-publications/regional-plans.html)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Central Location Proximity to Mining Activity Activation of heritage buildings and precincts 	<ul style="list-style-type: none"> Mount Morgan Promotion and Development, Inc. Rockhampton Heritage Village Rockhampton Historical Society Mount Morgan Guided Tours Council 	Low	Low
	NBN Rollout and Utilisation Plan	Develop plan, in collaboration with NBN Co and the Federal Government, to optimise the rollout of the NBN in Rockhampton Region and promote and encourage community and business take up and utilisation.	Hume Region Digital Economy Strategy (http://www.rdv.vic.gov.au/regional-development-australia/committees/hume/ict/ict-strategy-development)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> NBN Federal Government Capricornia CCI Council 	High	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Online Business Capability Register	Development of an online capability register for businesses operating within the region. Targeted at capturing supply-chain opportunities in mining, construction and major projects sector.	Epilbara.com.au	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Resource Industry Group Capricornia CCI Council 	High	Low
	Rockhampton Business Angels	Support the establishment of a Business Angels group to encourage local seed capital funding of emerging business ideas.	Australian Association of Angel Investors (http://aaai.net.au/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Major Rockhampton Business Owners Australian Association of Angel Investors Department of State Development Capricornia CCI 	Medium	Low
	Small Business Accelerator Program	Establishment of an integrated program of training, marketing and business management support for select small business to encourage rapid and accelerated growth.	Business Gold Coast Growth Accelerator Program (http://www.mor.gov.au/business-gold-coast/growth-business/growth-accelerator-program/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> iLab Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	Medium
	Small Business Awards	Annual awards to promote and recognise small business exemplars in the community.	Western Australian Regional Small Business Awards (http://www.smallbusiness.wa.gov.au/business-in-wa/succeeding-in-business/regional-small-	<ul style="list-style-type: none"> Small Business Creation and Development Agriculture Production & Value Adding Tertiary Services Sector 	<ul style="list-style-type: none"> Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
			business-awards-2/)				
	Small Business Incubator	Establishment of a small business incubator/hub in the Rockhampton CBD. Potentially located as part of renovated and revitalised retail tenancies, the incubator should provide discounted floorspace to successful candidate businesses.		<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Tertiary Services Sector 	<ul style="list-style-type: none"> iLab Capricornia CCI Department of State Development Small Business Solutions Queensland Council 	Medium	High
	Small Business Micro-Loans and Grants	A fund issuing small loans and grants (up to \$5k) to small businesses assist with branding, marketing and training and other actions designed to support growth.	US Small Business Administration Micro-Loan Program (http://www.smallbusiness.wa.gov.au/business-in-wa/succeeding-in-business/region-al-small-business-awards-2/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Major Local and Regional Businesses State Government Federal Government 	Low	Low
	Small Business Networking Events Series	Delivery and promotion of a series of network events for small businesses in the region. Include focus on industrial, small business, development and agricultural sectors.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Capricornia CCI Industry Associations and Groups Council 	Medium	Low

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
URBAN REJUVENATION	AURIZON Rail Yard Urban Redevelopment	Redevelopment of Aurizon's rail yard as part of an integrated, mixed use urban redevelopment.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Aurizon Major Private Developers Council 	Medium	High
	Botanical and Kershaw Gardens Redevelopment Master Plans	Preparation of a master plan/s for the Botanical and Kershaw Gardens after Cyclone Marcia. Include focus on long-term rehabilitation as well as opportunities to enhance the visitation and economic value of the environment assets.	Bendigo Botanic Gardens Master Plan (http://www.bendigobotanicgardens.com.au/Explore/Master_Plan)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council 	High	Medium
	CBD Redevelopment Master Plan	Preparation of a master plan to guide and encourage the redevelopment of the Rockhampton CBD. Consideration should be given to the mix of uses, the density and diversity of activity and the economic functionality of individual precincts.	Townsville CBD Development Incentives (http://www.townsville.qld.gov.au/business/planning/Documents/CBD%20Development%20Incentives.pdf)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> CBD Landholders Major CBD Tenants Council 	High	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
	Fitzroy River Foreshore Development	Master plan identifying community and commercial development opportunities on the Fitzroy River Foreshore. Focus on generating employment opportunities and enhancing regional amenity.	<p>Busselton Foreshore Redevelopment (http://www.busselton.wa.gov.au/Developing-Busselton/Major-Projects/Busselton-Foreshore-Redevelopment)</p> <p>Lake Hamilton Regional All Abilities Playground and Foreshore Redevelopment (http://www.rdv.vic.gov.au/regional-development-australia/committees/barwon-south-west/regional-development-australia-fund)</p>	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Council CBD riverfront property owners 	High	High
	Pop-Up Retail and Cafes	Promote and encourage establishment of pop-up cafes through the establishment of suitable locations/tenancies at strategic locations within Rockhampton such as the CBD and Botanical Gardens.	Pop-Up Retail Trends (http://www.smh.com.au/business/property/pop-up-stores-on-the-increase-across-australia-20140126-31gpx.html)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Tertiary Services Sector 	<ul style="list-style-type: none"> Council 	Medium	Low
	Streetscape Beautification	Investment in the beautification of the streetscapes of key economic precincts in Rockhampton City, with a focus	Brisbane City Council Streetscape Improvement	<ul style="list-style-type: none"> Small Business Creation and Development Population Critical Mass 	<ul style="list-style-type: none"> Major Private Landholders and Developers 	Low	Medium

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		on maximising pedestrian and worker amenity in the sub-tropical climate.	Program (SciPs)	<ul style="list-style-type: none"> Tertiary Services Sector 	<ul style="list-style-type: none"> Council 		

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
TRANSPORT, LOGISTICS AND MANUFACTURING PROMOTION	Armoured Cavalry Regiment Relocation	Advocate for the relocation of a squadron of the Armoured Cavalry Regiment to Parkhurst, North Rockhampton.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Australian Defence Force Department of Defence Defence Industries Queensland Federal Government Council 	Medium	Medium
	Government Lazy Lands Audit	Audit of land holdings of State and Local Governments in Rockhampton and identification of potential development opportunities for social, residential and commercial assets.	Pilbara Development Commission Lazy Lands Audit (http://www.pdc.wa.gov.au/pilbara-cities/lazy-lands/)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Department of State Development Council 	Low	Low
	Gracemere Industrial Area Planning and Approvals Implication Review	Review planning and approvals processes for Gracemere Industrial Area with a focus on simplifying use changes within broader industrial activities. Designed to improve responsiveness of the Area to changing economic conditions and	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Council 	High	Low
	Gracemere Industrial Area Signage Plan	Advocate the establishment of a flexible and dynamic plan to enhance signage along Capricorn Highway to maximise exposure of Gracemere	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development 	<ul style="list-style-type: none"> Gracemere Industrial Area Department of Transport and Main Roads 	High	Low

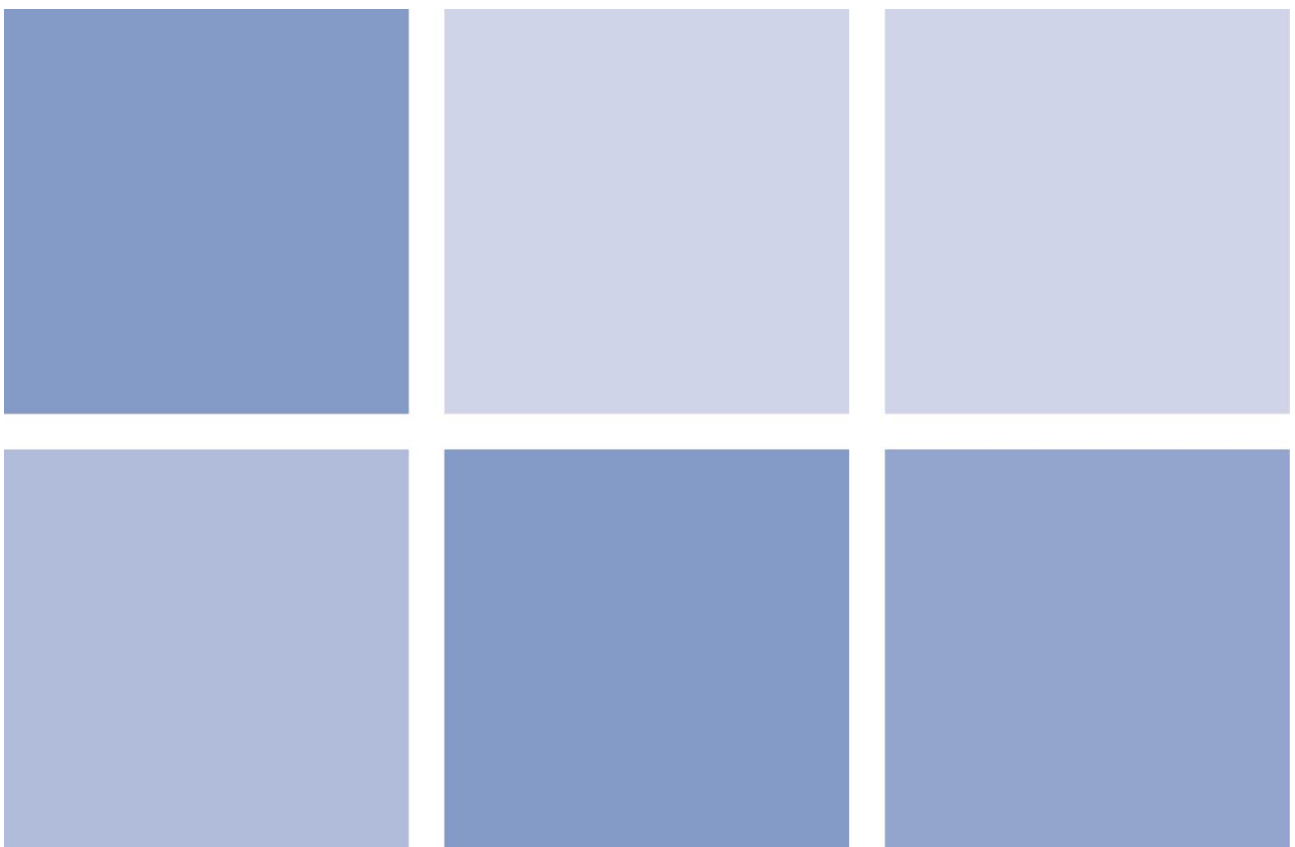
Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		Industrial Area to passing traffic. Include improved access directions.		<ul style="list-style-type: none"> Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Council 		
	Made in Rockhampton Campaign	Campaign to promote the goods and products manufactured in Rockhampton and promotion of opportunities to increase merchandise exports.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Council 	Low	Medium
	Major Project Supply Chain Mapping	Undertake research to map supply chain opportunities in Central Queensland and the capabilities of Rockhampton Business to meet these opportunities.	Local SME Participation in the Supply Chains of Australn Mining, Oil and Gas Companies (http://www.scla.com.au/Portals/0/2012/National/SME's/Supply%20Chain%20Interim%20Report_final%20091203.pdf)	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Resources Industry Group Capricornia CCI Council 	Medium	Low
	Military Equipment and Supply Storage Capacity	Leverage Shoalwater Bay Training Area operations to promote and advocate regional storage of military equipment and supplies. Supported in the medium term by local maintenance activities and functions.	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Central Location Tertiary Services Sector 	<ul style="list-style-type: none"> Australian Defence Force Federal Department of Defence Defence Industries Queensland Council 	Medium	Medium
	National Transport and Logistics Business Hub	Approach and advocate the location of operations of large national transport and logistics businesses in the Rockhampton	Parks National Logistics Hub	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Department of 	High	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		Region.	Nexus Albury Bomen Intermodal Hub Charlton Wellcamp Gippsland Logistics Precinct	<ul style="list-style-type: none"> Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Transport and Main Roads Council 		
	Resources Industry Group	Support continued engagement with major mining companies and operations through the Resources Industry Group. Focus on identification of supply chain opportunities and addressing barriers to regional procurement.	Already established.	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Post School Qualifications and Workforce Skills Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Resource Industry Group Major Mining Companies Local and Regional Businesses Council 	High	Low
	Rockhampton Airport Expansion Feasibility Assessment	Improving and upgrading the capacity of the Airport to capture market opportunities and resolve associated logistics. Includes assessment of access to the airport, storage, complementary land uses and flood-proofing.	Busselton Regional Airport Expansion Feasibility Assessment	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Tertiary Services Sector Proximity to Mining Activity 	<ul style="list-style-type: none"> Rockhampton Airport Major Airlines Major Mining Companies Tourist Accommodation Operators Council 	Medium	Low
	Rockhampton Airport Military Precinct	Advocate for the establishment of a dedicated military precinct at	Newcastle (Williamtown)	<ul style="list-style-type: none"> Population Critical Mass Central Location 	<ul style="list-style-type: none"> Australian Defence Force 	Medium	High

Program	Opportunity	Description	Examples	Relevant Challenge/ Advantage	Principal Stakeholders	Priority	Indicative Cost Level
		Rockhampton Airport.	Airport Carnarvon (Learmonth) Airport)	<ul style="list-style-type: none"> Tertiary Services Sector 	<ul style="list-style-type: none"> Federal Department of Defence Defence Industries Queensland Council 		
	Strategic Freight Transport Network Upgrades	Upgrade road network west of Ridgeland and North of Capricorn Highway to enhance the freight transport and logistics infrastructure network of the Region	NA	<ul style="list-style-type: none"> Unemployment Rates and Jobs Generation Small Business Creation and Development Agriculture Production & Value Adding Population Critical Mass Central Location Proximity to Mining Activity 	<ul style="list-style-type: none"> Gracemere Industrial Area Capricornia CCI Department of Transport and Main Roads RDA Council 	Medium	High

Appendix 4

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ECONOMIC DEVELOPMENT STRATEGY

Summary of Economic Development Strategy

Meeting Date: 27 October 2015

Attachment No: 2



Rockhampton Region Economic Development Strategy Summary Report

**Prepared for ROCKHAMPTON REGIONAL
COUNCIL**

Prepared by:

RPS AUSTRALIA EAST PTY LTD

743 Ann Street
Fortitude Valley, QLD, 4006

T: +61 7 3237 8899
F: +61 7 3237 8833
E: mark.wallace@rpsgroup.com.au

Client Manager: Mark Wallace
Report Number: PR125724-1
Version / Date: Draft v3.0

Prepared for:

ROCKHAMPTON REGIONAL COUNCIL

PO Box 1860
Rockhampton, QLD, 4700

T: 07 4931 5408
E: rick.palmer@rrc.qld.gov.au
W: www.rockhamptonregion.qld.gov.au

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Foreword

Introduction

The Rockhampton Region has a resilient and stable economy, generating quality employment and business opportunities. It is recognised nationally as the beef capital of Australia, supporting wider agricultural production in Central Queensland. It is also home to a critical mass of residents attracted to the Region by high quality secondary and tertiary education, public and private tertiary hospitals, and allied health.

The Rockhampton Region is blessed with an incomparable range of economic opportunities. The central location of Rockhampton on major intra- and interstate freight and transport infrastructure, its proximity to major mining and resource development activity and its large customer base and labour force all have the potential to drive the growth and prosperity of Rockhampton's business and residential community.

However, the Rockhampton Region's economic potential is currently not being realised. The Region is characterised by:

- a high unemployment rate;
- a workforce has a below average skills profile; it has an economy dominated by public sectors (like health, education and public administration);
- below average and slowing economic activity per resident; and
- a community leadership deficit despite high levels of community engagement and volunteering.

Most importantly, Rockhampton lacks a large, dynamic and entrepreneurial business community, with below average numbers of local businesses and slow business formation and growth rates. Rockhampton's position as the capital of Central Queensland is premised on its economic strength and to maintain this role, the Region must facilitate and drive robust growth in private investment, business establishment and jobs creation.

Rockhampton's Need for an Economic Development Strategy

The economic development of a region is critical for maintaining and enhancing prosperity and quality of life of residents. Rising costs of living and increased competition and economic, social and environment pressures drive the need for regional economies to grow, expand and diversify.

The continued prosperity and quality life of residents in Rockhampton is contingent on the implementation of effective actions and initiatives to help guide and management the development of the regional economy in the long-term. This requires the establishment of a practical and evidence-based framework to inform and guide investment activities by public, private and community sectors and stakeholders. This framework is traditionally enshrined in an Economic Development Strategy.

The primary purpose of Rockhampton Region Economic Development Strategy is help guide the actions, initiatives, policies and investment by the Rockhampton community over the next 5 years. This Strategy looks beyond Council and is designed to help inform all public and private sector stakeholders, as well as potential new residents, business and investments, on the future potential and direction of the Rockhampton Region.

Rockhampton Vision

The future of the Rockhampton economy will be determined by the interplay between current and emerging global megatrends and the region's drivers, characteristics and capacity for growth. Based on this the vision for the Rockhampton economy is:

“Rockhampton is recognised globally as the economic heart of Central Queensland. It is home to a critical mass of residents, high quality services and facilities and a dynamic and prosperous economy driven by entrepreneurial and innovative businesses, strategic investment and international exports.”

This Vision is comprised of a series of discrete elements:

- **ROCKHAMPTON IS RECOGNISED GLOBALLY AS THE ECONOMIC HEART OF CENTRAL QUEENSLAND** – ROCKHAMPTON IS RECOGNISED ACROSS AUSTRALIA AND AROUND THE WORLD AS THE PRINCIPAL HUB OF ECONOMIC ACTIVITY IN CENTRAL QUEENSLAND. IT IS THE DESTINATION OF CHOICE FOR NEW BUSINESSES AND INVESTMENT CHARACTERISED DUE TO ITS A ROBUST ECONOMY AND DIVERSE ECONOMIC AND COMMERCIAL OPPORTUNITIES.
- **.... IT IS HOME TO A CRITICAL MASS OF RESIDENTS** – THE POPULATION OF ROCKHAMPTON IS LARGE AND DIVERSE. THE SIZE OF THE POPULATION BASE PROVIDES BUSINESSES WITH A LARGE SKILLED LABOUR FORCE AND A PROSPEROUS CUSTOMER BASE. IT SUPPORTS THE VIABILITY OF HIGHER ORDER COMMUNITY SERVICES AND FACILITIES AND IS CHARACTERISED BY GROWING NUMBER OF NEW RESIDENTS FROM AROUND THE WORLD WHO CALL ROCKHAMPTON HOME.
- **.... HIGH QUALITY SERVICES AND FACILITIES ...** – ROCKHAMPTON CONTINUES TO BE HOME TO A DIVERSE SERVICE SECTOR SUPPORTED BY MAJOR TERTIARY EDUCATION, HEALTH, GOVERNMENT AND COMMUNITIES FACILITIES THAT SERVICE ROCKHAMPTON REGION AND BROADER CENTRAL QUEENSLAND.
- **....PROSPEROUS ECONOMY....** – THE ROCKHAMPTON ECONOMY GENERATES PROSPERITY FOR BUSINESSES AND COMMUNITY. IT IS CHARACTERISED BY STRONG EMPLOYMENT GENERATION, PROFITABLE BUSINESSES AND INDUSTRY, HIGH AND RISING INCOMES
- **....DRIVEN BY ENTREPRENEURIAL AND INNOVATIVE BUSINESSES....** – THE ECONOMIC SUCCESS OF ROCKHAMPTON IS FOUNDED IN ITS DYNAMIC BUSINESSES WHICH ARE CHARACTERISED BY A CULTURE OF ENTREPRENEURISM, INNOVATION, RESEARCH AND DEVELOPMENT AND A GENERAL WILLINGNESS TO PURSUE NEW IDEAS AND OPPORTUNITIES.
- **....STRATEGIC INVESTMENT AND INTERNATIONAL EXPORTS....** – THE DEVELOPMENT OF BUSINESS AND INDUSTRY IS FACILITATED BY STRATEGIC INVESTMENT IN CRITICAL INFRASTRUCTURE, PROJECTS AND FACILITIES WHICH ALLOW THE COMPARATIVE ADVANTAGES OF THE ROCKHAMPTON REGION TO BE REALISED. THIS INCLUDES GREATER ENGAGEMENT BY ROCKHAMPTON BUSINESSES WITH NATIONAL AND INTERNATIONAL MARKETS, PRODUCING HIGH QUALITY GOODS AND SERVICES TO TRADE WITH THE REST OF THE WORLD.

Achieving each element of this vision is critical to ensuring the economic, social and environmental potential of the Rockhampton region is realised and appropriate investment, from both public and private sectors is attracted.

Aspirational Population Targets

The Rockhampton Region is characterised by a critical mass of residents. Such a critical mass is essential to realising the economic, social and environmental potential of the Region. Current State Government population projections indicate that the population of Rockhampton will continue to grow in line with historical averages to 2036, to reach around 118,000. However, if the Rockhampton economy is to reach its full potential, a larger population, customer base and labour force will be required. ***Assuming only a moderate acceleration in growth, Rockhampton's population could reach 130,000 by 2036 and 175,000 by 2050.***

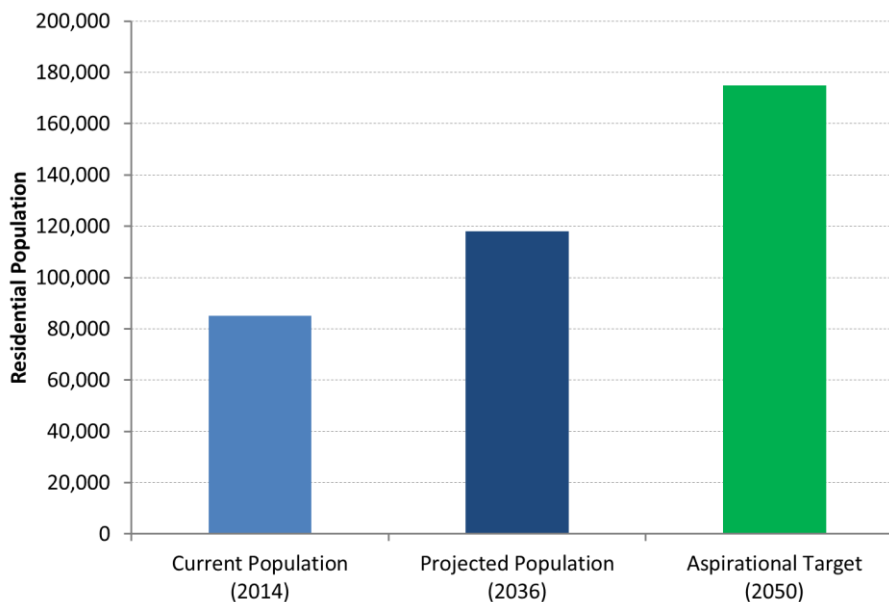


Figure 1 Population Projections and Targets for Rockhampton

Reaching the population target will drive demand a wide range of services and facilities in the Region. This will include dwellings, education, community, health, retail commercial, sport and recreation facilities. However, it is important to recognise that Rockhampton's role as the "economic heart" of Central Queensland will mean the Region will require an even greater level and diversity of facilities and services, to meet the need of the wider service population.

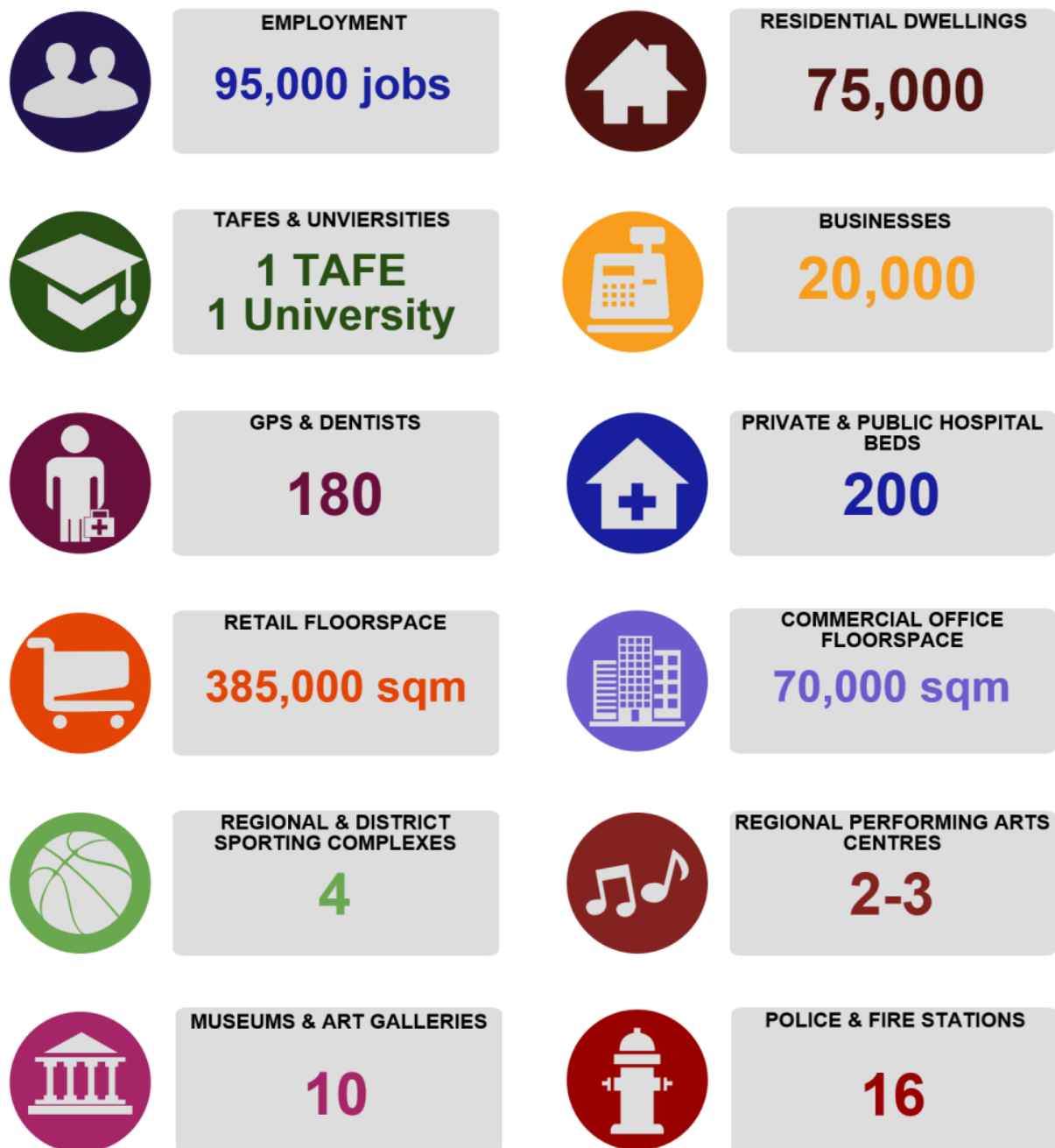


Figure 2 What Does 175,000 Residents Mean for Rockhampton?

Regional Overview

Geography and History

The Rockhampton Region – defined as the Rockhampton Regional Local Government Area - is located on the Tropic of Capricorn in Central Queensland, approximately 600 kilometres north of Brisbane. Covering an area of 6,560 square kilometres, the Rockhampton Region is characterised by a subtropical climate with warm, wet summer months and moderate winters.

The Rockhampton Regional Local Government Area was established through the amalgamation the City of Rockhampton, Shire of Fitzroy and Shire of Mount Morgan in 2008. The Shire of Livingstone was also amalgamated into the Rockhampton Local Government Area, however residents opted for de-amalgamation in 2013 and it was restored as an independent council in 2014.

Rockhampton and Central Queensland

Rockhampton is the capital of the Central Queensland Region. As such, the economic success and prosperity of Rockhampton is invariably linked to the growth and development of Central Queensland. The Central Queensland Region covers over 117,500 square kilometres in area, or almost 7.0% of Queensland's total land area. The Central Queensland Region was home to 233,747 people as of June 2014. The Rockhampton LGA contained the largest proportion of residents within Central Queensland, with 35.7% of the total population. This was followed by the Gladstone LGA with 28.3% of the population and the Central Highlands LGA with 15.6%.

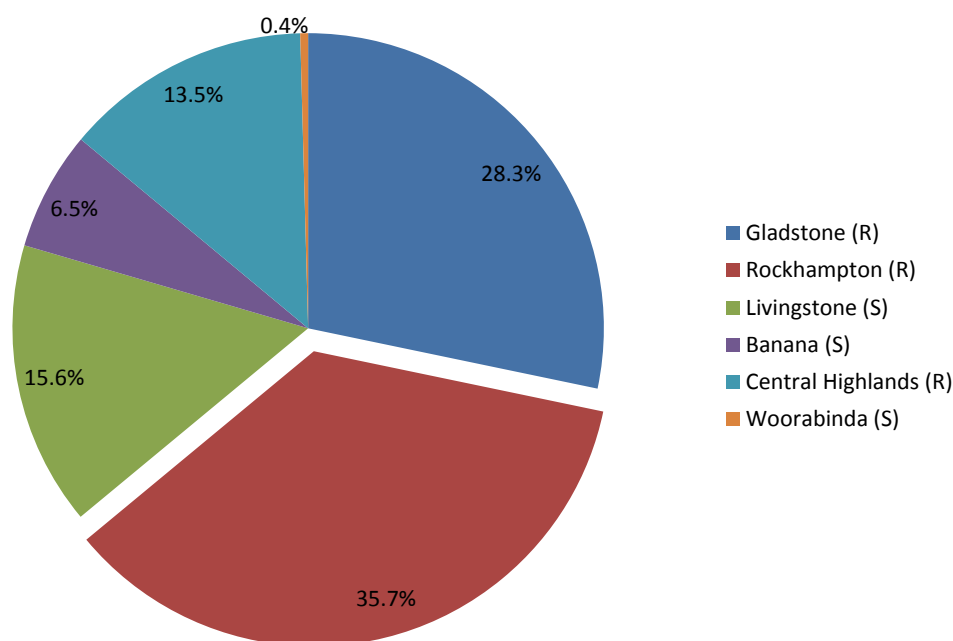


Figure 3 Central Queensland Population Distribution by Local Government Area, 2014^{xxxv}

This regional economic diversity of Central Queensland presents considerable opportunities for Rockhampton as the primary service centre. It not only provides residents with a wide range of employment opportunities across a variety of industries and sectors, but also presents opportunities for local businesses to value add to Central Queensland's primary drivers – agricultural and mining and energy production.

Community

Rockhampton was home to 83,439 residents in 2014. Population growth rates have been moderate over the past decade, in line with national averages. This population is projected to reach 86,624

residents in 2016, growing to over 100,000 residents by 2026 and 118,000 residents in 2036. This will represent an additional 33,000 residents calling Rockhampton home by 2036.

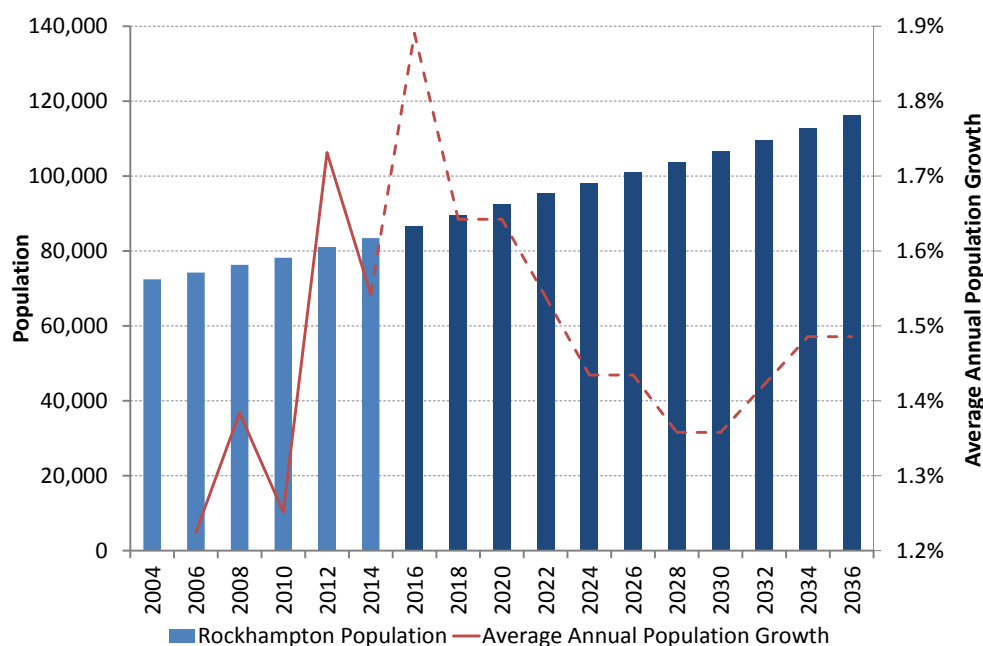


Figure 4 Historic and Projected Population, Rockhampton^{xxxvi}

The Rockhampton Region is comprised of a number of major settlements and townships. Rockhampton City is the largest and most prominent. It is not only the principal service centre in the Local Government Area but also in Central Queensland, providing the highest concentration and most diverse range of retail, health, education and Government services.

Gracemere is a residential and industrial satellite community to the south east of Rockhampton City. Located on the Capricorn Highway, Gracemere has been the focus of considerable new residential development in recent years, with supporting retail and commercial floor space. The location also offers strong road infrastructure access and is home to a growing transport and logistics cluster.

Mount Morgan is another notable settlement in the Rockhampton Region. The historic township founded in 1882 with the discovery of gold is currently home to about 2,500 residents. The Mount Morgan Mine operated for a century, producing vast quantities of gold, silver and copper that was exported through Rockhampton. After finally closing in 1981, Mount Morgan's economy has undergone a transition and now leverages its extensive heritage and historical assets to offer a unique tourism experience to visitors to Central Queensland.

Mount Morgan Mine

Established in 1882, the Mount Morgan Mine was developed by a syndicate of notable individuals in Queensland and world history, who drew upon the wealth of the mine to help establish British Petroleum through Middle East oil discoveries and establish the Walter and Eliza Hall Institute of Medical Research (Walter Hall was a syndicate member).

The syndicate became the Mount Morgan Gold Mining Company in 1886 and operated as an underground mine. The Company established extensive infrastructure and facilities to accompany the mine, including laboratories, brickworks (and supporting clay excavations), foundry, power house, and workshops. The Company operated until 1927 when fire forced the Company into liquidation. By this time however, Mount Morgan Mine had become one of the most productive gold mines in the world.

In the following year, Mount Morgan Limited was formed and shifted production to open cut methods. This was accompanied by significant modernisation of facilities and infrastructure. The mine continued

to operate until 1981, when its ore body was exhausted, though it continued to process tailings from previous mining activity as well as output from other mines until 1990. Over the course of its life, Mount Morgan Mine produced approximately 262 tonnes of gold, 37 tonnes of silver and 387,000 tonnes of copper.

Now, the Mount Morgan Mine is the principal tourist attraction of the town. Structures such as the Main Stack, Gold Stores and General Office remain. Additionally, the excavation of clay to support the brickworks of the Mine revealed fossilised dinosaur footprints inside the cavern. The Fireclay Cavern contains over 300 footprints of the plesiosaur and is incorporated as part of the tours of the mine site.

Economy

Rockhampton's unemployment rate is above that of Queensland, as it has for some time. This structurally higher unemployment rate reflects Rockhampton's role as a major service centre in Central Queensland. The availability of a range of Government social services, as well as supporting public tertiary health services, means Rockhampton is home to a higher proportion of people who are unemployed.

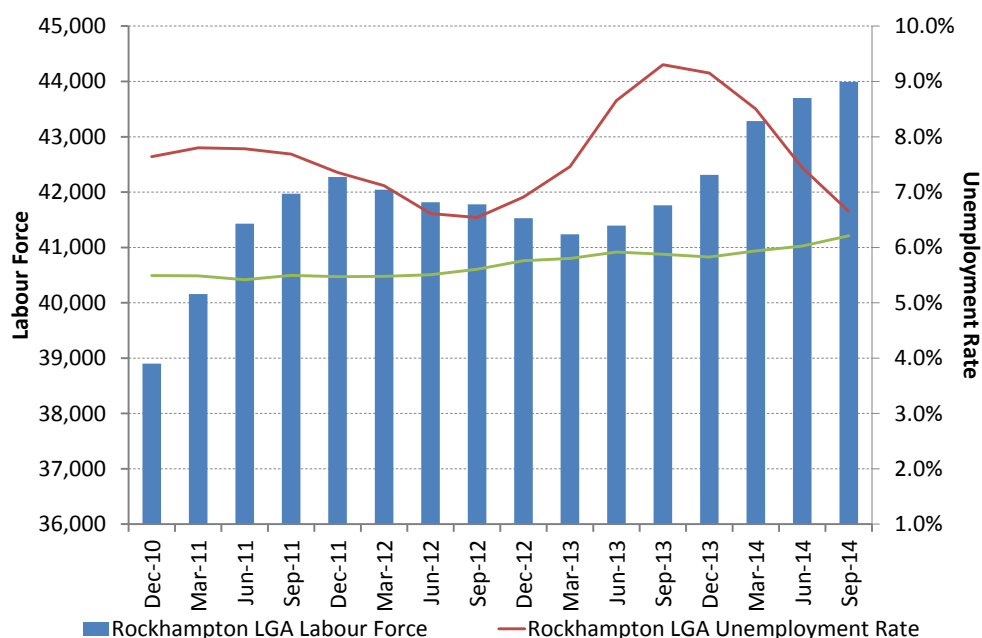


Figure 5 Labour Force and Unemployment Rate, Rockhampton LGA, 2010 to 2014

There were almost 33,400 jobs in Rockhampton in 2011. The largest employing industry is Healthcare and Social Assistance, followed by Retail Trade and Education and Training. These three industries are population-serving sectors, highlighting Rockhampton's role servicing not only local and regional residents but communities across Central Queensland.

Furthermore, the Public Administration and Safety, Manufacturing and Transport, Postal and Warehousing industries each support a strong employment within Rockhampton. This indicates a moderate degree of economic diversification. In contrast, the Mining, Information, Media and Telecommunications and Arts and Recreation Service industries were the lowest employing sectors within Rockhampton.

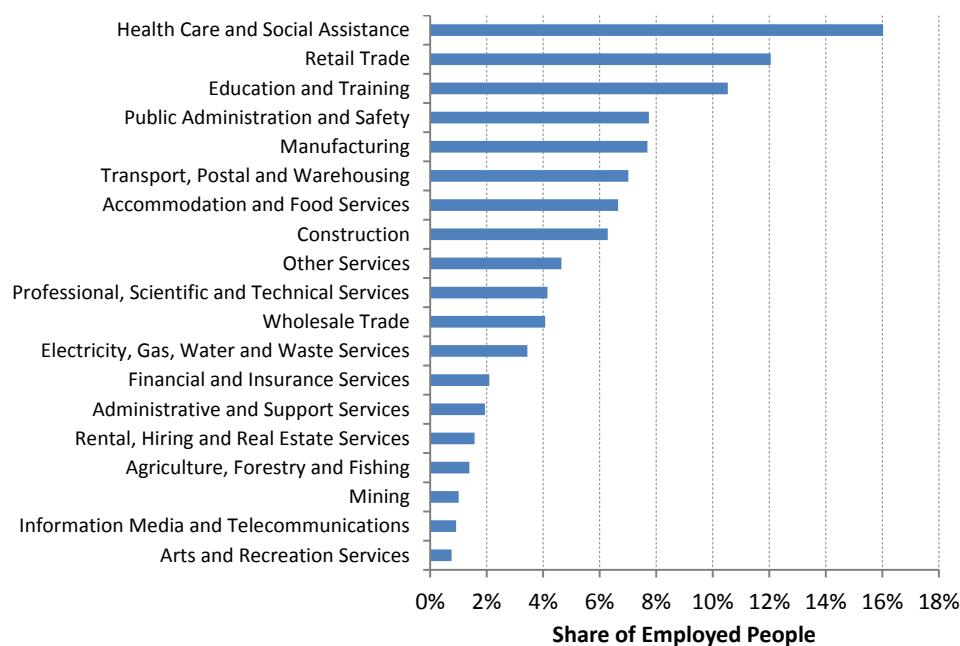


Figure 6 Employment by Industry by Place of Work, Rockhampton LGA, 2011^{xxxvii}

As at 30 June 2014, the Rockhampton economy had a Gross Regional Product of \$4.85 billion^{xxxviii}. This represents the total wealth generated by businesses, organisations and individuals working in the Rockhampton Region. The Rockhampton Region economy experienced strong and steady growth between 2003 and 2009. However, the onset of the Global Financial Crisis saw GRP decline marginally in 2010 and 2011, before recovering strongly in 2012. More recently, Rockhampton's economic growth has been broadly flat, with growth in 2013 offset by a decline in 2014.

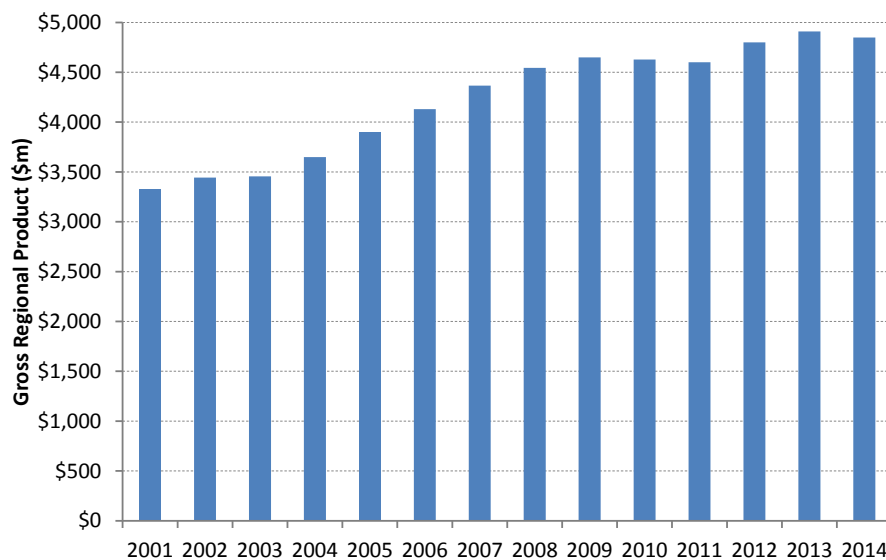


Figure 7 Gross Regional Product, Rockhampton Region, 2001 to 2014

The Rockhampton economy has diverged from Australia's broader growth profile over the past 15 years. A review of gross product per person reveals that while Australia has seen an almost doubling in the size of the economy per resident since 2001, Rockhampton has experienced only 15% growth. This slower economic growth profile in Rockhampton during this period partly reflects the lack of exposure in the Rockhampton economy to mining-related economic growth in Australia over the past decade, coupled with comparatively strong population growth. This raises serious concerns regarding the sustainability of the quality of living of Rockhampton residents and future generations if Rockhampton continues to fall further and further behind the rest of the country.

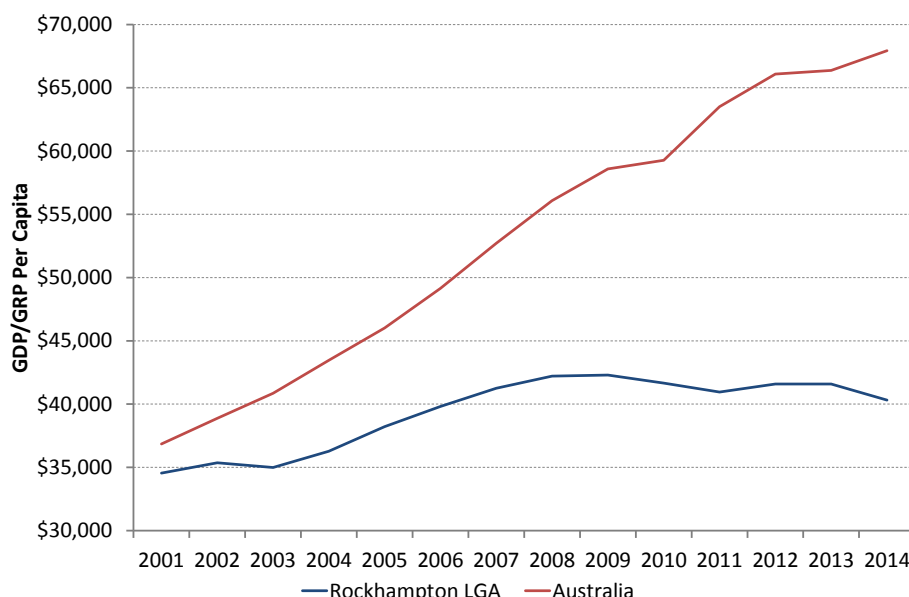


Figure 8 Gross Product per capital, Rockhampton Region and Australia, 2001 to 2014

Coal and LNG in Central Queensland

Queensland's position as the largest seaborne exporter of black coal in the world, and an emerging LNG exporter, is primarily due to extensive mineral and energy resources in Central Queensland. Coal was discovered in the region as early as 1845 and the region has since gone on to produce 40% of the State's coal production. The Bowen Basin is the region's and State's primary coal mining region, with production transported by rail to the Port of Gladstone, Hay Point and Abbot Point Ports for export. Japan, China and other East Asian markets represent the primary destination for the region's coal exports.

More recently, energy production has shifted in the region to include Liquid Natural Gas (LNG) extracted from coal seams across the region. This LNG (also commonly referred to as Coal Seam Gas or CSG) has been the focus of considerable investment in recent years, with major production and export facilities under construction in Gladstone (primarily on Curtis Island). This includes plant and terminals for Australia Pacific LNG, Gladstone LNG and Queensland Curtis LNG projects as well as many thousand kilometres of pipelines across the region, connecting gas wells with liquefaction and export facilities. These projects are expected to reach the end of the construction phase progressively in 2014 and 2015 and will commence full production.

Late 2014 and early 2015 saw global market conditions for both coal and LNG change. Reduced demand from China for both thermal and metallurgical, a sharp decline in oil prices (to which LNG spot prices are closely linked) and the growth of US shale oil and gas production has spot prices for these commodities fall in recent quarters. However, the size and scale of energy reserves in Central Queensland and the existing critical mass of coal and LNG production suggests that these sectors are expected continue to generate supply chain opportunities for regional communities in the medium term.

Business

While the public sector plays a particularly important role in employment generation in Rockhampton, the majority of jobs growth in Australia is created by private sector businesses. Business growth and development has been flat in recent years. In 2013, approximately 58% of businesses were non-employing businesses.

The industries with the largest number of businesses within Rockhampton are Construction and Agriculture. Transport, Postal and Warehouse sector features more prominently in terms of business registrations than employment, reflecting a higher proportion of non-employing and micro-businesses.

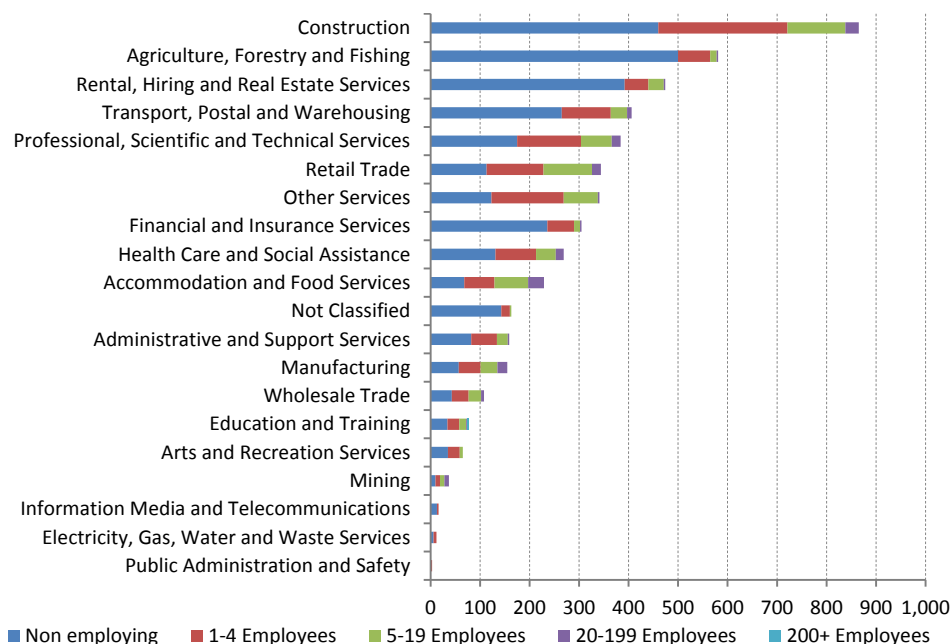


Figure 9 Businesses by Industry Classification, Rockhampton, 2013^{xxxix}

An area of concern is the particular concern to the Rockhampton economy is its low business intensity. This is measured as the ratio of the number of locally registered businesses per 1,000 residents. In 2013, this ratio was well below State and national averages. Considering the importance of Rockhampton in the Central Queensland economy, its critical mass of workers and consumers and strategic economic assets, the size of the Region's business community is far below its potential.

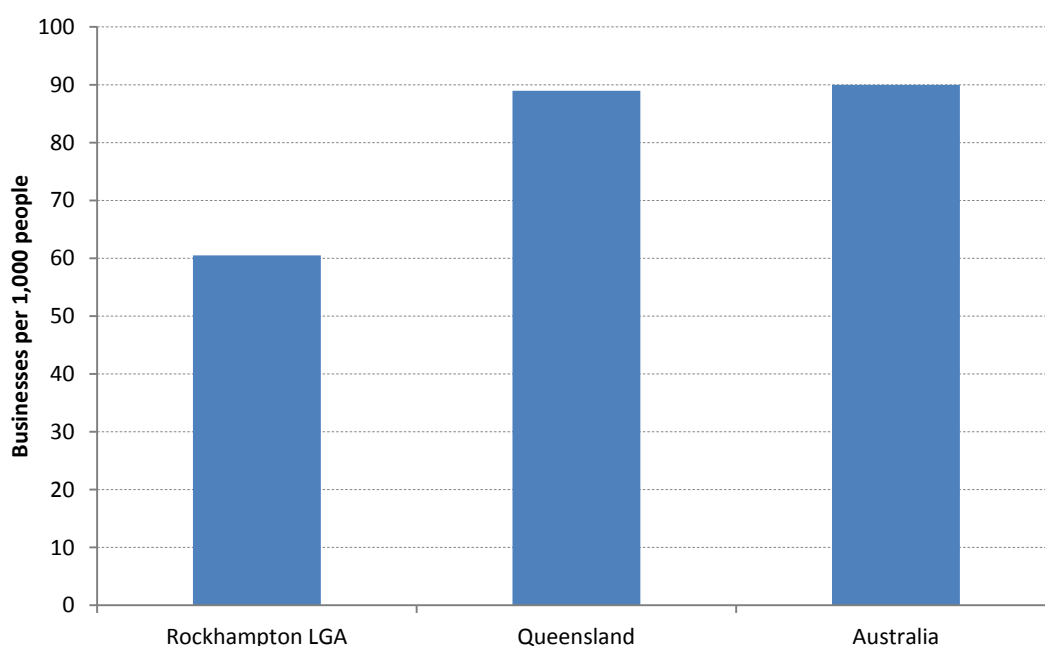


Figure 10 Businesses per 1,000 residents, Rockhampton, Queensland and Australia, 2013

Agriculture Production in the Rockhampton Region

Rockhampton is the beef capital in Australia. It is the major service and processing centre within the Fitzroy National Resource Management (NRM) region, which is home to one of the largest concentrations of beef capital in the country. In 2012/13, there were almost 3 million head of cattle in the NRM region, or some 23.4% of the national herd. Rockhampton's role is in processing and supply chain support to regional beef producers, and includes significant local abattoir capacity run by JBS Australia and Teys Australia. Beef products produced in Rockhampton are exported across the world.

Outside of livestock production and processing, the Rockhampton Region has a number of significant emerging agricultural opportunities. The potential to increase local coarse grain production for use in regional feedlots is significant, with previous analysis identifying the potential need for over ten (10) 15,000 herd feedlots to accommodate Central Queensland growing livestock production capacity.

Similarly, the strategic location of the Fitzroy River, as well as other major water bodies and rivers in Central Queensland, underpins the potential for more intensive horticultural production. Horticulture is viewed as the fastest growing segment in food production globally, owing to rapidly growing populations in India and China and impacts on water security and availability in those countries. Common horticultural crops include market vegetables, citrus fruits and tropical orchard fruits (such as lychees, guava, mangoes and avocados) and plantation fruits (such as bananas, kiwi fruit, passionfruit and pineapples).

Regional and Global Influences

The world is changing. Global shifts in demographics, resources, the environment, movement and communication are transforming the way we live, work and interact with one another. Established economic systems, governance models and business processes need to evolve and adapt to this changing global environment to ensure future growth and prosperity.

These global shifts or “megatrends” are relevant to all communities and regions in Australia, including Rockhampton. The Rockhampton Region is exposed to the global economy, through food and mineral exports, while the impacts of climate change will present challenges but also opportunities for the region.

Global megatrends that will influence the trajectory of the Rockhampton economy over the next thirty years have been analysed in this Economic Development Strategy, including:

- Asian Population Growth;
- Global Food Consumption;
- Mineral Resource and Energy Investment;
- Climate Change;
- Affordability and Cost Living;
- Population Ageing;
- Broadband and the Digital Age; and
- Defence and Security.

These trends and their relevance to the Rockhampton economy are summarised.

Table 1 Regional and Global Influences which Influence the Rockhampton Economy

Driver	Driver Description	Relevance to Rockhampton
Asian Population Growth	<p>Estimates from the United Nations are for a rapid increase in the size of the middle class in Asia over the coming decades, with population in Asia expected to grow from around 4.3 billion people in 2013, to over 5.1 billion by 2050. Most of Asia's population, in fact the world's populations, is shared amongst the world's two most populous countries, China and India. In 2013, both China and India account for 61.4% of Asia's population and this is projected to remain relatively stable until 2050 (58.2%).</p> <p>Queensland's population is also expected to experience rapid growth (by Australian standards) over the next 20 years, reaching 7.1 million people by 2036, an increase of over 50% compared to current population levels.</p> <p>Although a lot of this growth is expected to occur within south east Queensland, the current push to decentralise Queensland's population away from the south east corner of the State and into regional areas should see an increase in regional centres such as Townsville, Cairns, Mackay and Rockhampton.</p>	High
Global Food Demand	<p>Global food production will need to increase by 60% by 2050 to meet projected demand levels. At the same time, global food production is projected to grow at only 1.7% per annum over the next 10 years, as a combination of increased resource competition from biofuel sectors and increased environmental protections constrain production. Demand is already outpacing supply in international markets, with food price volatility increasing dramatically since 2006 and prices trending upwards from 2000 lows, after decades of real food price declines resulting from increased productivity.</p> <p>This increase in food demand will also be characterised by an increasing shift to high protein foods. This includes both aquatic and terrestrial protein-based food commodities such as livestock production and export. Recent and near term Free Trade Agreements with countries such as South Korea and China are also expected to drive demand for livestock. This will build upon existing major markets for Australia, including Indonesia and Japan.</p>	High
Mineral Resource and Energy Investment	<p>The industrialisation of Developing Countries, particularly in Asia is expected to drive a structural increase in demand for a range of resources. This includes iron ore and other minerals as well as energy commodities such as coal and LNG. Queensland has a globally significant resource endowment, particularly in energy commodities. These resources have been the focus of consideration investment and development over the past two decades, with major coal deposits being developed in Bowen and Surat Basins and major coal seam gas-based LNG projects commencing export in 2015/16.</p> <p>Rockhampton is strategically located in close proximity to Queensland major mining and resource regions and operations. This provides the opportunity for local businesses to integrate into resource supply chains, both in construction and operational phases. However, current exposure by Rockhampton to the mining sector is limited. The most recent resource investment cycle has entered a decline, following the completion of construction of a large pipeline of major resource projects as well as low spot prices across a wide range of commodities (including coal, iron ore and oil). This decrease in resource construction opens up the longer term operational phase for many of these developments within Central Queensland.</p>	High
Climate Change	<p>The average global surface temperature has risen around 0.8°C since 1850 and will rise further in the coming decades as a result of emissions that have already occurred. For Australia, this is likely to involve substantial environmental change, where both natural and agricultural production systems face significant change due to the combined effects of higher temperatures and a general reduction in rainfall across much of the nation. These environmental changes also increase the risks from bushfires and other extreme weather, particularly in coastal and rural regions. Since 1990 to 2011, Australia's net emissions (carbon dioxide equivalent) increased by 32.2%, growing annually at a rate of 1.3%.</p>	Moderate

Driver	Driver Description	Relevance to Rockhampton
Affordability and Cost of Living	Asian and Australian cities continue to move up the cost of living scale over the last few years which have been offsetting traditionally more costly European locations. In particular, the cost of living in Australian cities have been rising very quickly up the rankings as economic growth has supported inflation and currency swings to make them more costly. Currently, two of Australia's cities (Sydney and Melbourne) are ranked in the top five most expensive cities to live, where ten years ago there were no Australian cities among the 50 most expensive cities. In June 2013, the Consumer Price Index for housing was one of the highest in Australia (106.0), higher than that for all groups (102.8).	Moderate
Ageing Population	The population of Australia is ageing. Approximately 3 million people in Australia were aged 65 years and over in 2011 representing over one in eight Australians. This was an increase of 27.6% over the last decade with an annual average growth rate of 2.5%. Looking forward, the number of people aged 65 years and over is projected to increase by 83.6% over the next two decades with an annual average growth rate of 3.1%.	High
Broadband and the Digital Age	Technology has played a central role in enabling the globalisation of markets mainly by increasing the reach and speed of communication while also assisting to reduce costs, which have eased the flow of goods, capital, people and information across borders. These macro trends have profound life and business changing effects as they are able to transform businesses to better tailor their products and services to meet their customers' needs (i.e. increasing mass customisation). This has made Australian businesses become more responsive to change, have faster speeds of transactions (i.e. maturity of Australian financial markets), cheaper and more convenient as well as making better use of scarce resources in the process.	High
Defence and Security	<p>An increasingly globalised and interconnected world does raise issues regarding national security. Recent Defence White Papers have identified a number of interrelated factors that may influence Australia's strategic security outlook in the coming decades. These include:</p> <ul style="list-style-type: none"> ▪ the importance of the Indo-Pacific in global security ▪ enhanced regionalism and cooperation in South East ▪ The relationship between the United States of America and China ▪ potential conflict hotspots in North and South East Asia ▪ Regional military modernisation ▪ Terrorism ▪ Climate change impacts and resource security ▪ Cyber warfare <p>Of particular note in the Defence White Papers is the fact that the economic importance of northern Australia and offshore resources has increased and this must be considered in defence planning.</p>	High

Regional Capacity for Growth

The growth and development of the Rockhampton economy in the long-term will depend on its capacity use its unique attributes and characteristics to leverage emerging global megatrends. It is therefore important to investigate the prospects for Rockhampton through the prism of its economic, social and physical attributes and performance within a regional and global context.

An assessment of Rockhampton's capacity for growth has been undertaken using the "Four Cs Assessment" approach for regional economic development. The four "Cs" approach provides the critical analysis required to identify and understand the strength and direction of each region's economy. The four "Cs" are:

- **Capital** – human capital, particularly skills and education;
- **Communities** – economically, environmentally and socially sustainable communities and population growth;
- **Connections** – access to international, national and regional markets; and
- **Competitiveness** – business competitiveness.

Human Capital

Human capital refers to the skill, knowledge and experience possessed by an individual or population and is viewed in terms of the value people contribute to the development and growth of communities and organisations. It is a fundamental input to economic activity and crucial to regional competitiveness and resilience. The availability of a highly skilled and educated workforce enables businesses and organisations to respond to changing environments, address challenges and pursue commercial opportunities. Conversely, a lack of access to appropriate human capital can constrain the growth of local enterprises and discourage new business creation.

Table 2 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Workforce Participation	Adult Participation Rate	66.8%	65.6%
	Adult Female Participation Rate	60.5%	59.2%
	Aboriginal Adult Participation Rate	58.3%	53.3%
Skills	Year 12 Qualified	42.2%	46.1%
	University Qualified	13.9%	22.8%
	Technical Qualified	30.6%	31.6%
	English Proficiency	98.9%	92.0%
Education and Training Outcomes	Year 12 Completions	70.7%	75.3%
	Learning or Earning	89.8%	80.1%

Key issues include:

- Strong adult, female and indigenous workforce participation;
- Below average Year 12 completion and post school qualification levels;
- High "learning or earning" rates among young adults, suggesting young people are bypassing post-school education and training for unskilled jobs;

CQUniversity

Rockhampton is home to the main campus of Central Queensland University or CQUniversity. First established as Queensland Institute of Technology (Capricornia) in 1967, the passing of legislation in 1971 gave the institution full autonomy from the Department of Education. After operating as the Capricornia Institute of Advanced Technology for two decades, CQUniversity gained full university status in 1992.

Since then CQUniversity has expanded and now has campuses in Bundaberg, Emerald, Gladstone City, Gladstone Marina, Mackay Ooralea, Mackay City and Noosa, as well as delivery sites in other region Queensland and Western Australia locations. Along with four international campuses in Brisbane, Gold Coast, Melbourne and Sydney, CQUniversity has one of the most expansive geographical spreads of any tertiary education institution in Australia.

CQU has had many claims to fame over its fifty plus year history. It was the first university to introduce a Bachelor of Science externally in 1974, pioneering remote and distance university education models that now feature prominently in Australia. This has continued with CQUniversity becoming the first to offer a fully online Bachelor of Laws in 2011. It was also the first university to have a female Vice-Chancellor.

CQUniversity hosts a range of research institutes including the Appleton Institute for Behavioural Science, Learning and Teaching Education Research Centre, Institute for Health and Social Science Research and the Institute for Resource Industries and Sustainability. Much of the research undertaken by these institutes and other research centres focus on improving the quality of life and prosperity of residents and industry in Central Queensland.

In 2010, CQUniversity announced its intention to become Queensland's first "dual sector" university with the merger with Central Queensland Institute of TAFE. As at July 2014, the merger was complete and CQUniversity now presents the most diverse and comprehensive tertiary education and training offering in Queensland.

Sustainable Communities

Sustainability is the capacity to endure. A sustainable community is one that has diversity and resilience. It does not rely on one industry alone but leverages from the economy's mix of industries, human capital quality, its natural assets and comparative advantage to become competitive and buoyant. Sustainable communities are inclusive, accessible, healthy and safe with access to a range of employment, housing, cultural, educational and recreational opportunities. In essence, a sustainable community is a place where people want to live and work, now and into the future. The objectives of sustainable communities can be grouped under three key areas:

- Economic sustainability;
- Community vibrancy and diversity; and
- Health and educational access.

Table 3 Human Capacity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Economic Sustainability	Businesses (per 1000 residents)	60	90
	Unemployment	6.7%	5.2%
	Economic Diversification	0.87	0.57
	Welfare Dependent Families	14.5%	9.8%
	Regional Index of Retail Prices	99.1%	100.0*
Community Vibrancy	Leadership Capacity	25.3%	34.9%

Area of Focus	Indicator	Rockhampton	Nation
and Diversity	Volunteer Activity	19.7%	17.7%
	Aged Residents (65+)	13.7%	14.2%
	Family Households	62.9%	71.5%
Health and Educational Access	Access to Hospital Services (per capita)	0.03	0.11
	Access to GP Services (per capita)	88.9	112.4
	Adult Health	5.6%	4.7%
	Access to Allied Health Services	12.1%	11.0%
	Child Development Vulnerability	31.4%	23.6%
	Distance to Medical Facility	5.1km	38.9km
	Distance to Primary Education Services	3.6km	24km
	Distance to Secondary Education Services	30.9km	23.3km

Key issues include:

- Very low numbers of businesses per 1,000 residents, particularly for a major regional economic centre;
- Above average unemployment rate
- High levels of welfare dependency
- Cost of living comparable with national averages;
- Significant community leadership deficit;
- Active culture of volunteering;
- Balanced age profile; and
- Strong access to tertiary health facilities and services.

Rockhampton Base Hospital Expansion

The Rockhampton Hospital is the main referral centre for Central Queensland and is building on its services to the region. It offers a full range of specialist services, catering the growing needs of the Rockhampton and Central Queensland communities.

In recent years, the Rockhampton Base Hospital has been the focus of considerable investment and expansion. In 2014, construction of a \$160 million seven-storey ward block was completed. This expansion includes the Central Queensland Regional Integrated Cancer Service which provides which expands on cancer treatment service options that can now be delivered in the Region. A critical care service is expected to be opened in 2015, which will meet the needs of cancer centre patients.

The regional servicing nature of the Hospital has been enhanced through the opening of a new helipad which enables better transport of trauma patients. This has complemented the recent opening of an extended emergency care unit which has improved access for patients who require short-term care, but not admission to a ward bed. This has helped to improve the efficiency and performance of the hospital, maximising its benefit to the community.

Connectivity

Access and connection with global markets is critical to the growth of business, employment, incomes and the broader economy. Trade with other locations within the state, nation and around the world is the most effective way for a region to exploit its comparative advantages and competitiveness to generate prosperity for local residents. Access to markets comprises both physical access, including through efficient transport infrastructure, as well as business relationships and networks including

trading partners, clients and labour. Improving access to markets broadens trade, allows competitive industries to grow and can increase the availability of goods and services.

Table 4 Connectivity Indicators, Rockhampton

Area of Focus	Indicator	Rockhampton	Nation
Digital Connectivity	Broadband Connections	66.1%	62.5%
	Mobile Coverage	73.0%	80.0%
	Mobile Internet	4.50	
	Internet Connectivity	73.3%	79.0%
Movement of People	Airport RPT Usage (per capita)	8.61	6.3
	Overseas Born Residents	9.4%	30.2%
Freight Infrastructure Access & Capacity	Port Access	43.7km	141.6km
	Road Infrastructure	1.4km	19.4km
	Rail Infrastructure	10.6km	35.6km

Key issues include:

- Above average broadband connections but poor mobile coverage and low internet connectivity;
- Low share of residents born overseas;
- Strong airport accessibility and usage; and
- Robust freight infrastructure access and capacity across ports, road and rail assets.

Competitiveness

Countries, regions, communities and organisations must become more competitive if they are to maintain their economic position and respond to challenges such as perceived productivity gaps, competition for mobile investment, rapid adoption of new technology and electronic commerce.

The Organisation for Economic Co-Operation and Development (OECD) defines a competitive region as one that can attract and maintain successful firms and maintain or increase standards of living for the region's inhabitants. This means that skilled labour and investment will gravitate away from uncompetitive regions towards more competitive ones.

The competitiveness of a region can be readily assessed through the application of Porter's Diamond Model of Competitive Advantage. Developed by Michael Porter in his book, *The Competitive Advantage of Nations*, the Diamond Model represents a form of economic SWOT analysis. The Diamond Model was originally developed to analyse competitiveness at a national level but has since been widely applied to regions and industry clusters.

The results of the competitiveness assessment for Rockhampton are outlined in the following table.

Table 5 Business Competitiveness Summary, Rockhampton

	Advantages	Challenges
Factor Conditions	Central location within regional Queensland Subtropical climate Central position within major agricultural position Secure water supplies Critical mass of skilled labour Strategically located along major north south and west transport and freight infrastructure Affordable cost of living for residents and businesses	Vulnerability to extreme weather events Non-coastal location and associated loss of amenity Location along a large regional flood plain
Demand Conditions	Critical mass of residential population (2014 pop here) Younger age profile Proximity to major mining regions and associated potential supply chain links Critical mass of retail expenditure and service demand Strong supply and demand for tertiary health and education services Major service centre for large regional livestock production Presence of large regional airport providing connectivity	Above average unemployment rate Lack of small businesses and associated local procurement demand.
Related & Supporting Industries	Established role as the principal activity centre for Central Queensland Agricultural supply chain established service capacity Strength in transport, logistics and manufacturing/maintenance	Limited and constrained mining supply chain service capacity at present Limited small business participation in major procurement and supply chain projects Significant obstacles to prospective industrial businesses locating within the Region Local planning and approvals frame work that constrains new business investment and expansion Planning framework in industrial areas lacks clarity and consistency which undermines investment by industrial businesses Lack of small business creation and dynamism Poor entrepreneurial culture within the Region
Firm Strategy, Structure & Rivalry	Established foundation industries in health, education and agriculture	Lack of small business creation and dynamism, below average rate of small business creation Lack of business collaboration to secure major procurements Limited business competition in certain sectors undermining customer choice Poor entrepreneurial culture within the Region
Innovation	Presence of large tertiary education provider Presence of large tertiary public and private hospitals providers	Lack of small business support and incubation Poor entrepreneurial culture and lack of support for business innovation and entrepreneurial ship within the community lack of industry and research collaboration Lack of small business establishment and growth that constrains business innovation

Summary of Challenges and Advantages

The future growth and development of Rockhampton will need to leverage the Region's comparative advantages in human capital and community capacity, existing or nascent connections to national and global economies and its business and industry competitiveness. Based on the evidence within this Strategy, three key challenges and five comparative advantages were identified.

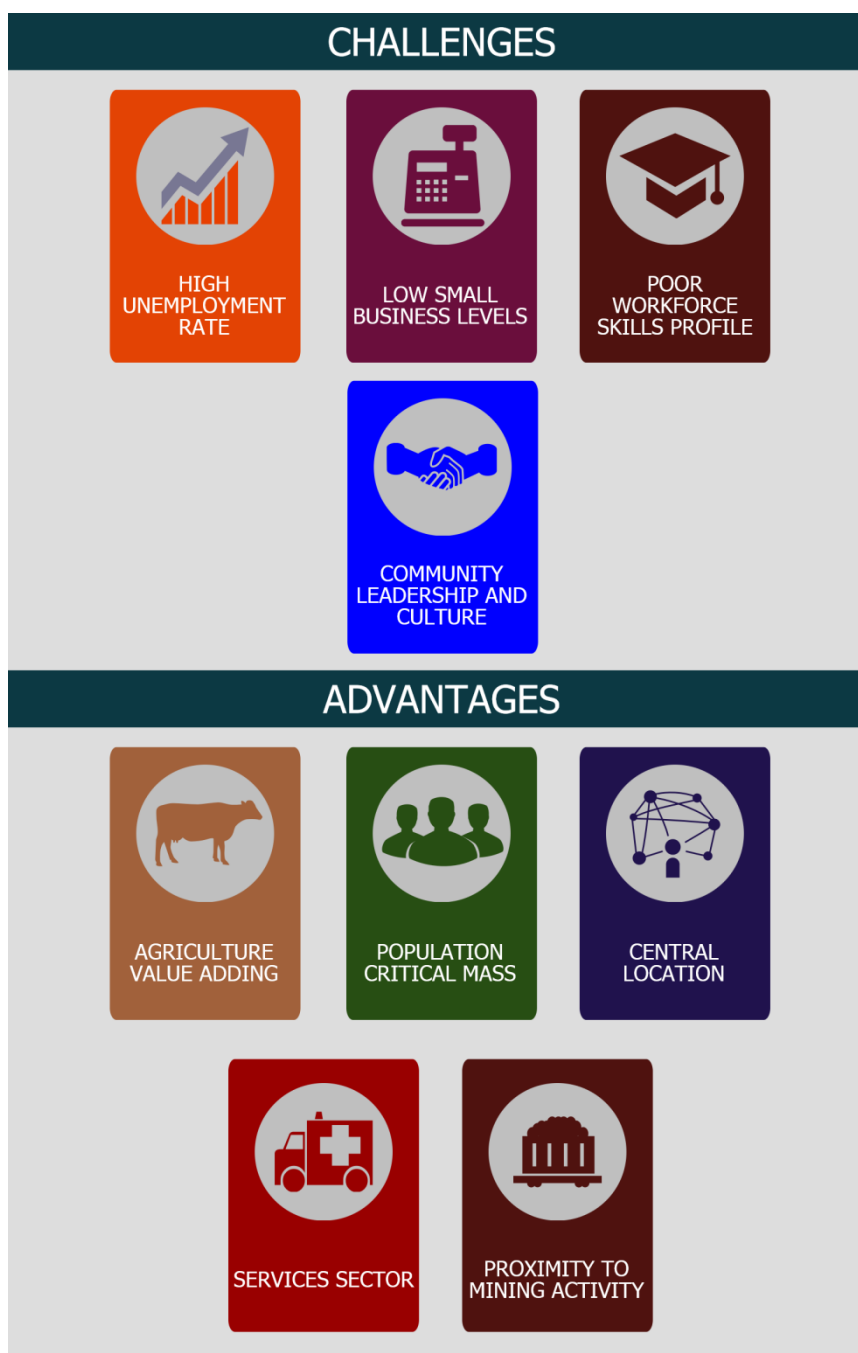


Figure 11 Rockhampton Challenges and Advantages

These challenges and advantages are summarised below:

Challenges

- **UNEMPLOYMENT RATES AND EMPLOYMENT GENERATION** – TO REINFORCE ROCKHAMPTON'S PRIMACY IN THE CENTRAL QUEENSLAND ECONOMY AND PROMOTE THE REGION AS A RESIDENTIAL DESTINATION OF CHOICE, STRONG EMPLOYMENT GROWTH IS REQUIRED. THE REGION ALREADY POSSESSES A HIGH LABOUR FORCE PARTICIPATION RATE, BUT UNEMPLOYMENT LEVELS ARE HIGH AND EMPLOYMENT GROWTH HAS BEEN STRONGEST IN PUBLIC SECTOR INDUSTRIES SUCH AS HEALTH AND EDUCATION OR IN CONSTRUCTION ACTIVITY LINKED TO MINING.
- **SMALL BUSINESS CREATION AND DEVELOPMENT** – THE SMALL BUSINESS COMMUNITY IN THE ROCKHAMPTON REGION IS TOO SMALL, PARTICULARLY GIVEN THE POTENTIAL OF THE ECONOMY. ROCKHAMPTON RANKS POORLY IN TERMS OF THE NUMBER OF BUSINESSES PER 1000 RESIDENTS AGAINST BENCHMARK REGIONS, WHILE BUSINESS NUMBERS HAVE BEEN GROWING AT A THIRD OF THE RATE OF POPULATION GROWTH IN RECENT YEARS.
- **POST SCHOOL QUALIFICATIONS AND LABOUR FORCE SKILLS** – SECONDARY SCHOOL COMPLETION AND POST-SCHOOL QUALIFICATION RATES IN THE ROCKHAMPTON REGION ARE BELOW NATIONAL AND BENCHMARK REGION AVERAGES.
- **COMMUNITY LEADERSHIP AND CULTURE** – THE CULTURE OF ROCKHAMPTON NEEDS TO BE MORE SUPPORTIVE OF NEW BUSINESS ESTABLISHMENT, INNOVATION AND INDUSTRY DEVELOPMENT TO DRIVE. THIS IS REFLECTED IN LOW LEVELS OF COMMUNITY LEADERSHIP ON THE DEVELOPMENT OF THE ROCKHAMPTON ECONOMY.

Comparative Advantages

- **AGRICULTURE AND VALUE ADDING** – AGRICULTURE VALUE ADD IS THE PROCESS OF TAKING THE PRIMARY PRODUCED GOOD, INCLUDING LIVE CATTLE, FRUITS AND VEGETABLES AND PROCESSING THESE GOODS. AGRICULTURAL PRODUCTION REQUIRES SEVERAL KEY SUPPLY CHAIN INDUSTRIES, INCLUDING TRANSPORTATION AND MANUFACTURING. GIVEN THE ROCKHAMPTON'S RELATIVE ACCESSIBILITY TO MAJOR AGRICULTURAL MARKETS IN THE SOUTH AND INTERNATIONAL EXPORT PORTS, AFFORDS ROCKHAMPTON A COMPARATIVE ADVANTAGE IN AGRICULTURAL TRANSPORTATION, PROCESSING AND MANUFACTURING.
- **POPULATION CRITICAL MASS** - HAVING A CRITICAL MASS OF POPULATION IS ESSENTIAL FOR THE SUSTAINABILITY OF REGIONAL. A CRITICAL MASS OF POPULATION RESULTS IN A GREATER DIVERSITY AND DEPTH OF SKILLS WITHIN THE LABOUR FORCE COMPARED AND ENHANCES THE VIABILITY AND AVAILABILITY OF TERTIARY SERVICES (INCLUDING HEALTH CARE, TERTIARY EDUCATION AND LARGE RETAIL CENTRES). THIS ALSO HELPS TO DIVERSIFY THE ECONOMY, BY SUPPORTING THE ESTABLISHMENT AND GROWTH OF LARGE POPULATION SERVING AND PROFESSIONAL SERVICES SECTORS.
- **CENTRAL LOCATION** - THE REGION'S LOCATION'S KEY TO FUTURE GROWTH OPPORTUNITIES. ROCKHAMPTON IS STRATEGICALLY POSITIONED WITHIN CENTRAL QUEENSLAND WITH HAS DIRECT ACCESS TO THREE DIFFERENT HIGHWAYS, RAIL LINES, AND PORT FACILITIES ALL WITHIN, OR IN CLOSE PROXIMITY, TO THE CITY. THESE ATTRIBUTES ARE NOT ONLY ATTRACTIVE TO SECTORS SUCH AS AGRICULTURE, MINING, TOURISM, DEFENCE AND MANUFACTURING SECTORS, BUT WILL ALSO HELP TO SUPPORT THE GROWTH OF A TRANSPORT AND LOGISTICS HUB IN ROCKHAMPTON.
- **TERTIARY SERVICES SECTOR** - ROCKHAMPTON HAS A LARGE AND EXTENSIVE SERVICES SECTOR, INCLUDING TERTIARY HEALTH AND EDUCATION. AT PRESENT, ONE

IN FOUR PEOPLE EMPLOYED WITHIN THE ROCKHAMPTON LGA ARE EMPLOYED IN EITHER THE HEALTH CARE AND SOCIAL SERVICES OR EDUCATION AND TRAINING INDUSTRIES. WITH GROWTH AND AGEING OF CENTRAL QUEENSLAND'S POPULATION OVER THE NEXT 20 YEARS, ROCKHAMPTON'S TERTIARY SERVICE SECTOR WILL BECOME EVEN MORE IMPORTANT AND CRITICAL TO THE COMMUNITY IN THE FUTURE.

- *PROXIMITY TO MINING ACTIVITY* - ROCKHAMPTON IS LOCATED WITHIN CLOSE PROXIMITY TO THE BOWEN AND GALILEE BASINS WITHIN CENTRAL QUEENSLAND. COAL AND NATURAL GAS BASINS HAVE BEEN THE FOCUS OF CONSIDERABLE INVESTMENT AND RESOURCE DEVELOPMENT, DRIVING EMPLOYMENT AND INCOMES IN A NUMBER OF REGIONAL CENTRES. ROCKHAMPTON HAS A SIGNIFICANT ADVANTAGE IN BEING SITUATED WHERE IT IS AND SERVICING THE MINING ACTIVITY WITHIN CENTRAL QUEENSLAND.

Economic Development Framework

Different Approaches to Economic Development

Growing and developing the Rockhampton economy into the future to achieve the vision and aspirational population target, requires a comprehensive, consolidated and integrated approach to the growth and development of the region.

There are a range of ways to foster and promote the growth of a regional economy and community. Different initiatives generally fall into three broad categories:

- **ENABLING INITIATIVES – INVESTMENT IN ACTIVITIES, INFRASTRUCTURE, FACILITIES AND SERVICES THAT CATALYSE AND ENABLE THE PRIVATE SECTOR AND THE COMMUNITY TO GROW AND PROSPER IN A REGION;**
- **VALUE ADDING – BUILDING UPON AND ADDING VALUE TO THE STRENGTHS OF THE FOUNDATIONAL INDUSTRY TO DEEPEN REGIONAL ECONOMIC ACTIVITY. THIS CAN INCLUDE PHYSICAL VALUE ADDING TO RAW MATERIALS, INCREASED CAPTURE OF UPSTREAM SUPPLY CHAINS EXPENDITURE IN THE REGION OR INNOVATIVE USE OF EXISTING INFRASTRUCTURE AND ECONOMIC CAPACITY.**
- **DIVERSIFICATION – BROADENING OF THE ECONOMIC BASE OF A REGION THROUGH THE PROMOTION, FOSTERING AND GROWTH OF NEW INDUSTRIES AND BUSINESSES. THESE BUSINESSES ARE GENERALLY SEPARATE FROM THE VALUE ADDING ACTIVITIES ASSOCIATED WITH THE FOUNDATIONAL INDUSTRIES, DRAWING UPON THE REGION'S COMPETITIVE ADVANTAGES, INNOVATION, RESEARCH AND ENTREPRENEURSHIP TO DRIVE NEW BUSINESS AND INDUSTRY GROWTH.**

These three approaches to growth and development require different levels of intervention from government and stakeholders, but also provide different scales of benefits and impacts. Enabling investments are the most passive of the approaches. They are critical to de-constrain business investment and community development, but do not necessarily directly generate substantial new activity and benefits. In contrast, diversification initiatives have the largest impact, supporting the creation and development of new industries and sectors. However, such initiatives require significant up-front investment and intervention to foster.



Figure 12 Spectrum of Approaches to Regional Growth and Development

These approaches can be pursued individually but are most effective when implemented in concert. By pursuing enabling, value adding and diversifying activities and investments, the challenges facing the Rockhampton economy realising its potential in the long-term can be addressed, leveraging the Region's comparative advantages to capture new economic and commercial opportunities.

Collaborative Economic Development

The Rockhampton Region Economic Development Strategy is not simply a strategy for Government; it is a holistic economic development strategy that requires buy-in and investment by all aspects of the Rockhampton community.

All members of the Rockhampton Region community have an important role to play to implement this Strategy. This will be achieved through collective and coordinated actions and investment in a broad range of projects that will stimulate, incentivise and facilitate the growth and development of the Rockhampton economy, for the benefit of local residents and businesses.

A diverse range of stakeholders have been identified as having the potential to positively contribute to the realisation of the economic Vision for the Rockhampton Region and the implementation and delivery of a diverse range of innovative and transformational projects. These include:

- **FEDERAL GOVERNMENT**
- **REGIONAL DEVELOPMENT AUSTRALIA FITZROY AND CENTRAL WEST**
- **STATE GOVERNMENT**
- **ROCKHAMPTON REGIONAL COUNCIL**
- **RESOURCE INDUSTRY GROUP**
- **LOCAL BUSINESSES**
- **CAPRICORN ENTERPRISE**
- **CAPRICORNIA CHAMBER OF COMMERCE AND INDUSTRY**
- **OTHER INDUSTRY GROUPS AND ASSOCIATIONS**
- **DOMESTIC AND INTERNATIONAL INVESTORS**
- **NOT-FOR-PROFIT AND COMMUNITY GROUPS**
- **RESIDENTS AND THE GENERAL COMMUNITY**

Economic Development Programs

Analysis and evidence in this Strategy has supported the identification of six broad Economic Development Programs required to drive the growth and diversification of the Rockhampton Region. These Programs represent the broad areas of focus for the economic development activities and investment of the community. The profiles of each Economic Development Program for the Rockhampton Region are outlined below.

AGRICULTURE AND FOOD INDUSTRY GROWTH AND DIVERSIFICATION	
Program Purpose	This Program covers actions designed to grow, diversify and develop food production in the Rockhampton Region. It seeks to enhance Rockhampton's profile as a good producing region of national and global significance and the source of quality food products and supporting services and industries.
Program Scope	<ul style="list-style-type: none"> ▪ improvements to regional infrastructure supporting agricultural operations and connectivity ▪ value adding and investment attraction initiatives ▪ regional food branding and agriculture industry coordination
Relevant Challenges and Advantages	This Program seeks to build upon the role of Agriculture as a foundational industry and sector of the Rockhampton economy by increasing value adding, product diversity and exports. This will help to generate employment opportunities for Rockhampton residents, generate new business opportunities and leverage Rockhampton's strategic position in Central Queensland.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Regional Power Distribution Infrastructure Upgrades ▪ Agriculture Value Adding Initiatives ▪ Fitzroy River Basin Agriculture Diversification Program ▪ Fitzroy River Food Precincts ▪ Regional Food Brand & Council ▪ Regional Telecommunication System Upgrades
Key Stakeholders	<ul style="list-style-type: none"> ▪ Ergon Energy ▪ Department of Agriculture ▪ Local Abattoirs ▪ Local and Regional Farmers ▪ Domestic and International Investors ▪ Capricornia CCI ▪ Council ▪ Telstra ▪ NBN Co ▪ Federal Government

BRANDING AND MARKETING	
Program Purpose	This Program seeks to enhance the profile of the Rockhampton Region as a location of choice for people to “live, work and play” and for business to establish and grow. It promotes and encourages the growth of Rockhampton profile and greater awareness of its comparative advantages and investment and economic development opportunities.
Program Scope	<ul style="list-style-type: none"> ▪ Marketing and branding material development ▪ Online tools and systems for capturing and communicating opportunities ▪ Formal community and industry groups for collaboration, advocacy and promotion
Relevant Challenges and Advantages	This Program recognises that Rockhampton’s profile outside of the Region, particularly in global markets, is limited to its links to beef production and export. Diversifying and growing the Rockhampton economy, and generating new employment and business opportunities, will require greater investment in emerging and established sectors such as transport and logistics, horticulture, health care, defence and tourism.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Ageing in Rockhampton Industry Group ▪ Austrade Engagement and Support ▪ Business Convention and Conference Attraction ▪ Business Interest and Investment Opportunity Tracker ▪ Central Queensland Defence Working Group ▪ Indigenous Tourism Asset Plan ▪ Industry-Specific Economic Profiles/Investment Prospectuses ▪ Rockhampton e-Portal ▪ Rockhampton Events Calendar and Growth Strategy ▪ Youth Attraction & Retention Plan
Key Stakeholders	<ul style="list-style-type: none"> ▪ Queensland Health ▪ Mater ▪ Aged Care Providers ▪ Capricornia CCI ▪ Council ▪ Austrade ▪ Tourism Queensland ▪ Capricorn Enterprise ▪ Rockhampton Airport ▪ Local Hotel Operators ▪ Dreamtime Cultural Centre ▪ Department of State Development ▪ CQU ▪ Local Abattoirs ▪ Gracemere Industrial Area ▪ Local Business Leaders

EDUCATION AND SKILLS	
Program Purpose	This Program seeks to improve the skills base of the Rockhampton population to improve the attractiveness of the regional workforce to new and emerging sectors while providing socio-economic, prosperity and quality of life benefits to residents from improved educational outcomes.
Program Scope	<ul style="list-style-type: none"> ▪ Investigation and promotion of non-traditional education and qualification pathways, particularly for adult workers (including life long learning initiatives) ▪ Establishment of multi-faceted education brand for Rockhampton ▪ Increasing industry and education institution integration and collaboration ▪ Leveraging opportunities arising from integration of tertiary health and education offerings ▪ Increasing the interstate and international character of Rockhampton's student population
Relevant Challenges and Advantages	This Program recognises that the future strength of the Rockhampton economy will depend on the skills of its residents and workers. Rockhampton current has a below average skills base with a high share of unskilled workers. This raises serious concerns regarding the sustainability of prosperity for these workers and for the economy as a whole. Greater diversity and depth of skills is also required to support the establishment of new businesses and sectors. This will require new technologies and innovative processes to be leveraged.
Potential Opportunities	<ul style="list-style-type: none"> ▪ Applied Medical Research and Training Opportunities ▪ "Education Rockhampton" Brand ▪ Integrated medical school at CQU ▪ International Student Scholarship ▪ Online Learning Portals ▪ Recognition of Prior Learning ▪ Student Industry and Business Placement Program
Key Stakeholders	<ul style="list-style-type: none"> ▪ CQUniversity ▪ Queensland Health ▪ Mater ▪ Federal Government ▪ Local and Regional Primary and Secondary Schools ▪ Education Queensland ▪ Council ▪ Austrade ▪ Capricornia CCI ▪ Department of Education and Training ▪ Registered Training Organisations ▪ Major Local and Regional Employers

SMALL BUSINESS DEVELOPMENT	
Program Purpose	This Program will drive the establishment, growth and development of small businesses in the Rockhampton Region. It recognises the importance of a dynamic and entrepreneurial small business sector in driving income growth and job creation in the Region. The Small Business Development Program seeks to promote collaboration, innovation, technology adoption, growth acceleration and major project supply chain integration.
Program Scope	<ul style="list-style-type: none"> ▪ Investigating potential major redevelopment locations and precincts in Rockhampton ▪ Promoting greater business collaboration ▪ Encouraging new and innovative ways of working and doing business ▪ Facilitating take up and use of new technologies and systems ▪ Encourage accelerated business growth and development through access to early finance and capital, business mentoring and ▪ Promoting a culture in Rockhampton that acknowledges and rewards business excellence ▪ Promoting integration of small businesses into major project and industry supply chains.
Relevant Challenges and Advantages	<p>Small business development is fundamental to the growth of the Rockhampton economy. Small businesses are the primary employment generator in Australia and operate across all industries and sectors of the economy. Supporting the establishment and nurturing the growth of small businesses is key to realising the potential of Rockhampton's strategic economic assets and comparative advantages and driving a change in the culture of the Rockhampton community to one that embraces and celebrates innovation and entrepreneurship.</p> <p>Small business development in Rockhampton is mediocre, with rates of business creation and operation well below State and national averages. As major employment generators, the growth of Rockhampton's small business sector is key to improving the access of Rockhampton workers to quality jobs.</p>
Potential Opportunities	<ul style="list-style-type: none"> ▪ Co-Working Space ▪ Mount Morgan Heritage Tourism Strategy ▪ NBN Rollout and Utilisation Plan ▪ Online Business Capability Register ▪ Rockhampton Business Angels ▪ Small Business Accelerator Program ▪ Small Business Awards ▪ Small Business Incubator ▪ Small Business Micro-Grants ▪ Small Business Networking Events Series
Key Stakeholders	<ul style="list-style-type: none"> ▪ Major Private Developers ▪ Council ▪ CBD Landholders ▪ Major CBD Tenants ▪ Capricornia CCI ▪ Local and Regional Small Business Community ▪ Tourism Queensland ▪ Rockhampton Heritage Village ▪ Mount Morgan Guided Tours ▪ Federal Government ▪ Resource Industry Group ▪ Major Retailers and Shopping Centre Owners ▪ Major Rockhampton Business Owners

SMALL BUSINESS DEVELOPMENT

- Australian Association of Angel Investors
- Department of State Development
- iLab
- Small Business Solutions Queensland
- Federal Government
- Industry Associations and Group

URBAN REJUVENATION**Program Purpose**

This Program will seek to increase the amenity, accessibility and competitiveness of the Rockhampton Urban Area. The program focuses on the redevelopment and modernisation of the City, making the central business district a more attractive urban environment for both residents and businesses.

Program Scope

- Enhancing the quality of Rockhampton's built form and urban environment to maximise its attractiveness to skilled workers
- Increase the emphasis placed on Rockhampton's urban environment, and enhance the existing offerings
- Redevelopment of existing earmarked sites
- Developing the CBD into an area where families and visitors of Rockhampton want to visit

Relevant Challenges and Advantages

Urban Rejuvenation and creating an attractive urban environment is essential for regional cities to assist in the attraction of residents from outside of the area. The first impressions of the urban infrastructure within Rockhampton, especially the CBD are of a tired and slightly run down city. Some shop fronts and areas have been modernised, however a significant proportion are old and in need of repair. Rockhampton has the potential to develop into the main hub within Central Queensland; the positioning of the Fitzroy River through the centre of Rockhampton provides the opportunity to open up the foreshore area. Redevelopment of the CBD is essential in attracting employment to the region, developing a modern CBD in turn attracts more companies to the area. Building on this, redeveloping one area tends to have a flow on impact to the surrounding areas, which would see owners and developers seeking to mimic the redevelopment and rejuvenation.

Potential Opportunities

- AURIZON Rail Yard Urban Redevelopment
- Botanical and Kershaw Gardens Redevelopment Master Plans
- CBD Redevelopment Master Plan
- Fitzroy River Foreshore Development
- Streetscape Beautification

Key Stakeholders

- Major Private Developers
- Council
- CBD Landholders
- Major CBD Tenants
- Major Private Landholders and Developers

TRANSPORT, LOGISTICS AND MANUFACTURING PROMOTION	
Program Purpose	This Program seeks to establish Rockhampton as the principal transport and logistics hub in regional Queensland; leveraging its strategic location relative to major Queensland centres as well as agricultural, tourism and mining regions. It seeks to optimise the performance and accelerate the growth of key industrial precincts, integrate businesses into mining and major project supply chains and be a location of choice for growing defence activity.
Program Scope	<ul style="list-style-type: none"> Improving recognition (through signage and branding) of major industrial areas and precincts to passing travellers and the broader market. Enhancing the responsiveness and flexibility of planning and zoning regulations on industrial development Identifying and capturing supply chain opportunities for major industries and infrastructure Investigating and promoting opportunities to increase defence and military equipment and personnel presence in Rockhampton Promoting investment in critical transport assets and infrastructure, including freight transport infrastructure and the Rockhampton Airport
Relevant Challenges and Advantages	Transport, logistics and manufacturing sectors are underrepresented in the Rockhampton economy, despite the comparative advantage of the region in these sectors. Similarly, the Rockhampton economy currently has limited exposure to the mining sector, despite the proximity of Rockhampton to major resource development activities in the Bowen Basin and Central Queensland generally. However, Rockhampton already has exposure to Australian and US Defence operations given its proximity to Shoalwater Bay Military training Area. The development of all of these sectors is critical to driving the growth and diversification of the Rockhampton economy and generation of new job opportunities for local residents and workers.
Potential Opportunities	<ul style="list-style-type: none"> Armoured Cavalry Regiment Relocation Government Lazy Lands Audit Gracemere Industrial Area Planning and Approvals Implication Review Gracemere Industrial Area Signage Plan Made in Rockhampton Campaign Major Project Supply Chain Mapping Military Equipment and Supply Storage Capacity National Transport and Logistics Business Hub Resources Industry Group Rockhampton Airport Expansion Feasibility Assessment Rockhampton Airport Military Precinct Strategic Freight Transport Network Upgrades
Key Stakeholders	<ul style="list-style-type: none"> Australian Defence Force Federal Department of Defence Defence Industries Queensland Federal Government Council Department of State Development Gracemere Industrial Area Department of Transport and Main Roads Capricornia CCI Resources Industry Group Major Mining Companies Local and Regional Businesses Rockhampton Airport Major Airlines Tourist Accommodation Operators

Measures of Success

The following Measures of Success have been identified for tracking the implementation of the Economic Development Strategy.

The Rockhampton Region will have the following characteristics in 2050:

- **A RESIDENTIAL POPULATION OF 175,000**
- **NET POSITIVE YOUTH RETENTION RATES**
- **UNEMPLOYMENT RATES BELOW THAT OF THE STATE AVERAGE**
- **MEDIAN HOUSEHOLD INCOME 10% HIGHER THAN THE NATIONAL AVERAGE**
- **SECONDARY SCHOOL COMPLETION RATES ABOVE STATE AND NATIONAL AVERAGES**
- **POST-SCHOOL TERTIARY QUALIFICATION LEVELS ABOVE NATIONAL AVERAGE**
- **120 LOCALLY REGISTERED BUSINESSES PER 1,000 RESIDENTS**
- **ESTABLISHMENT OF A PERMANENT US AND/OR AUSTRALIAN DEFENCE BASE**
- **\$500 MILLION IN OVERSEAS INVESTMENT IN ROCKHAMPTON AGRICULTURE, HORTICULTURE AND/OR FOOD PROCESSING**
- **GLOBAL RECOGNITION (THROUGH MEDIA COVERAGE) OF ROCKHAMPTON FOOD BRANDS;**
- **TRIPLING OF ATTENDANCE AT ROCKHAMPTON EVENTS**
- **DOUBLING OF PASSENGER THROUGHPUT THROUGH THE ROCKHAMPTON REGIONAL AIRPORT**
- **ABOVE AVERAGE SHARES OF TERTIARY STUDENTS COMING FROM INTERSTATE OR INTERNATIONAL LOCATIONS**
- **GROSS REGIONAL PRODUCT PER CAPITAL EQUAL TO AUSTRALIAN AVERAGE**
- **COMMUNITY LEADERSHIP CAPACITY ABOVE AUSTRALIAN AVERAGES**

These Measures of Success will be tracked annually by the Rockhampton Regional Council and will form the critical input into the Rockhampton Region Economic Development Strategy Scorecard.

Economic Development Strategy Scorecard

To track the measures of success of the Strategy and analyse the results, a Scorecard is required. This Scorecard is designed to capture and present the evidence of the growth, development and transformation of the Rockhampton Region and the progress made towards achieving the Vision of the Strategy.

Key data and indicators from publicly available data sources and information collated by the Rockhampton Regional Council will be captured, with the current performance of the Region against the Measures of Success analysed.

The Scorecard will outline the most recent measure/data captured for each of the Measures of Success, as well as the targets for 2050 established in this Strategy.

The performance of the Region, and of the implementation of the Strategy will be assessed in three ways:

1. Traffic Light based assessment of the progress made to date to the achievement of the 2050 Target;

2. Direction analysis, showing whether the indicator has improved or worsened
3. Comments explaining the factors that have influenced the region's performance to date and its direction.

The Scorecard will be completed annually as part of Council's Strategy review process and form a core output for tracking the progress of the Strategy's implementation and success.

Need for an Implementation Plan

This Strategy provides the evidence-base, vision and framework for the successful development of a dynamic, prosperous and diversified Rockhampton economy into the future. However, achieving the vision will require a coordinated investment and effort by all stakeholders in the community.

A practical and applied Implementation Plan is needed to identify specific actions and investments required to achieve the goals and objectives of the Economic Development Strategy. This Plan, developed by Council, will build upon and expand the Economic Development Programs and Potential Opportunities outlined in this Strategy, focusing on defining and profiling specific and targeted projects for delivery by Council and other critical stakeholders.

A key focus of the Implementation Plan will be making potential economic development initiatives "investment ready" – whether that be investment by Government or by the private sector. This will include the preparation of investment prospectuses and business cases for securing capital funding as well as identifying potential in-kind support and contributions.

The Rockhampton Economic Development Strategy Implementation Plan will become a core input into Council decision making, guide the investment decisions of other stakeholders and establish the practical elements of the collaborative, innovative and dynamic Rockhampton economy envisaged in this Strategy.

8.3 REGIONAL WAYFINDING STRATEGY

File No: 11560

Attachments: 1. Signage Designs
2. Signage Locations - Stage 1

Authorising Officer: Russell Claus - Executive Manager Regional Development
Evan Pardon - Chief Executive Officer

Author: Sarah Reeves - Manager Regional Promotions

SUMMARY

Signage throughout the Rockhampton Region is severely underdeveloped. This report provides concepts for wayfinding designs to inform an overall signage and wayfinding strategy for Council. Delivery of this strategy will require significant allocation of resources over the coming years to achieve accepted best practice standards. Concept designs were selected through a competitive tender process, with concepts currently being further developed to align with regional branding, identity and other signage projects underway as part of the riverbank redevelopment.

OFFICER'S RECOMMENDATION

THAT Council receive this report and:

1. Approve the wayfinding designs
2. Approve the suggested Entry Way signage locations
3. Approve the suggested Directional/Precinct signage locations
4. Approve the suggested Promotional signage locations
5. Approve the development of a Regional Wayfinding Strategy that incorporates and further develops the work already undertaken
6. Approve the plan to ensure continuity between the riverbank redevelopment and larger regional signage projects

COMMENTARY**1. DESIGN DEVELOPMENT**

Quality signage and wayfinding is integral to the success and functionality of any region. Beyond providing practical directions and attraction reminders for visitors and residents, branded regional signage builds pride of place, creates regional identity and tells a story of the region's culture and future direction.

The Rockhampton Regional does not have an adequate signage strategy – attractions are not well promoted visually, directional signage is haphazard, welcome/entry signage is outdated and the distinct precincts that characterise a liveable city are not promoted.

Earlier this year a signage project was developed following the below process:

1. Call out to tender for concept submissions
2. A selection panel comprising Mayor Strelow, Cr Swadling, Russell Claus, Tracy Cooper-Lavery and Sarah Reeves objectively scored 9 submissions with 5 requested to submit concepts.
3. Once concepts were received, the panel again objectively scored the concepts. At that time, none completely met the brief, so revisions were requested.
4. From this, the panel scored the submissions and subsequently awarded Entica the project to further develop entry, directional and promotional signage concepts (now underway).

After visiting the region and meeting with key stakeholders, including Manager Parks & Gardens, representatives of Darumbal Enterprise and DotDash (signage development for riverbank), Entica have further developed the concepts to better reflect the available locations, local artists, alignment with riverbank signage and input from Darumbal representatives. Attachment 2 shows the further development of these signs. Further work is being undertaken to incorporate local imagery, artwork and motifs.

The following locations have been identified as having the best visual appeal, strategic location and not distracted by too much other signage.

2. SIGNAGE LOCATIONS

Entry Signage

Approach from the South

The ideal solution is to redevelop the existing sign on the roundabout.

Approach from the North

The site considered to have the most potential is located at the current Heritage Village sign south of Ramsay Creek near Stirling Drive. This site will require the ground level to be raised in order to view the sign properly. This may require some engineering and landscape design input and confirmation that power is available for lighting. It may be necessary to remove or adjust existing signs to accommodate the proposed entry sign.

Directional & Precinct Signs

Several new directional signs will be required over time. It is recommended that the first sign provide direction to the CBD, Heritage, Arts, Riverbank and Cultural Precincts.

The preferred location for this sign is in the median strip and/or on the traffic island on the corner of William St. and Bruce Highway.

Each precinct will have its own identity and imagery, aligned with the overall wayfinding brand. Precincts requiring directional signage include:

- Entry way to regional towns including Gracemere and Mount Morgan
- Airport
- Sports facilities
- Parks & gardens
- Significant Cultural attractions including Heritage Village and the Dreamtime Cultural Centre
- Mount Archer
- Hospitals
- Showgrounds

The lack of existing directional signs to these precincts requires an overall strategy but the current scope with Entica does not include a general wayfinding strategy. This will need to be a priority in future budget considerations because while precincts may have signs at their entry, we will still be lacking the signage necessary to drive traffic to the location.

Promotional signage

Ideal locations for stage 1 promotional signs are proposed on the southern and northern approaches to Rockhampton. The southbound approach promotional sign is recommended near the entry to Kershaw Gardens. The northbound approach promotional sign is recommended on Frank Forde Park prior to the information Centre.

Implementation

Once final designs are approved, staff will commence the process of tendering for construction and pursuing approval from Main Roads. The following will need to be addressed:

Engineering and Landscape consultants

The location of signage will require engineering and landscape consultancy. At least one of the sites will require earthworks to raise the ground level up to a suitable viewing height (this applies to the proposed northern entry sign near Ramsay Creek). Utilising in-house specialists for placement and landscaping is preferred.

Lighting of Signage

The northern approach sign location at Ramsey Creek requires lighting, along with other nominated signage. Assistance to review available power supply will be required.

Main Roads

Approval for construction will need to be sought from Main Roads.

Survey drawings of proposed sites

The nominated sites require survey drawings.

3. WAYFINDING STRATEGY

It became obvious during site visits that beyond the designs contracted for entry ways, precinct and promotional signs, the region remains substantially underserved because of the absence of an overall signage strategy.

Ideally the overall Rockhampton wayfinding signage strategy would be in place prior to placement of signs in order to deliver a successful and consistent communications message to visitors and residents of the city. Timeframes and budget limitations dictate that in order for some elements to be implemented quickly, the reverse needs to take place. There is currently no allowance in the consultant commission for the preparation of an overall wayfinding strategy for Rockhampton, or for the specific location of signage elements.

Entica have identified some notional locations and have provided an estimate for the development of a complete wayfinding strategy in addition to the three designs already contracted. Staff are recommending that Entica be contracted as soon as possible to deliver a complete Regional Wayfinding Strategy - to be implemented (constructed) over multiple years, maintaining a consistent look and feel in alignment with the overall brand image of Rockhampton. Delivery of this strategy will require analysis of traffic paths, directional needs, users, existing signs, potential locations, and suitable sign responses.

The initial briefing defined in the tender process and Entica's response to the project has focused on the design of signage elements, which have been approved in principle by the selection panel. It is critical to strategically locate signs within the context of the region, and ensure that suitable signs respond to these locations.

Entica contend that some directional signage will need to be modified to suit the discussed site locations. Some of this strategic wayfinding has been identified in the Rockhampton directional and tourist signage plan however this requires further development in the context of the new signage concept design.

The information Centre requires review in the context of the regional brand, identity and signage program. Encouraging visitation to various city features requires visual promotion as our best assets are not visible from the highway. An effective signage program is then needed to direct visitors to the various attractions.

From discussions within Council, it is apparent that a physical signage outcome is required as soon as possible. ***It is proposed that priority be given to construction of entry signs (North and South), a directional sign located on the main north-south route at the corner of William and George Street, and two promotional signs, one at Kershaw Gardens and the other at Frank Forde Park.***

Other signage types would follow based on the outcome of the wayfinding strategy. There is also a need for a smaller scale sign (possibly finger sign linked to street signs) that will provide more specific direction to various regional features. This would also be useful for supporting direction finding at a pedestrian level.

Summary of Additional Requirements:

- Detailed strategic wayfinding implementation in order to clearly articulate to visitors the various features and attractions of Rockhampton.
- Review of airport entry to city signage
- Integration of regional signage with Riverbank Project (including meeting with DotDash in Brisbane)
- Review of Information Centre signage
- Landscape and Engineering Input from RRC
- Establishment of sites and power to proposed sign locations
- Re-imaging of the information Centre to encompass the new regional signage theme.

4. ALIGNMENT WITH RIVERBANK

A consistent brand message is paramount to achieving successful regional identity – this is the fundamental premise of branding. While it is important that the riverside has its own identity and story, it is also vital that there be some connection and flow between all signage in the region to avoid ending up with a jumble of signs that confuse our regional identity. Because of urgencies attached to regional signage and the riverbank redevelopment, two separate signage concepts were contracted to different companies; Entica to develop regional signage via the competitive selection process, and DotDash as a subcontractor to Urbis for the riverbank redevelopment.

Fortunately none of their respective plans had progressed to a stage where they could not be adapted to ensure consistency of brand message. At a meeting in Brisbane, Entica and DotDash discussed the signage hierarchy and came to the following conclusions for how to best approach the two projects:

1. The proposed use of sandstone provides a consistent material that will align the two projects. It is important that the same type of sandstone is used in both.
2. The colour scheme was seen as the easiest and most effective way to cement the precinct identity. For the riverbank, the blue colour should be used in both the wayfinding signage (Entica) and in the precinct beacons (DotDash). For the CBD, the mustard yellow signs and lighting should be used, with purple for the arts and culture precinct.
3. The strength of the heritage story for the region creates a challenge for wayfinding; the CBD has a strong concentration of heritage buildings, but we also need to recognize other significant heritage attractions and buildings in other localities. Heritage elements should be incorporated into signage via symbols and pictures, but it may be confusing to identify “heritage” as a distinct precinct separate from the CBD or riverbank.
4. The large proposed precinct beacons have the capacity to include cut patterning. It is recommended that the patterning used on the riverbank wayfinding signage be replicated on the beacons.

BUDGET IMPLICATIONS

The development of a Regional Wayfinding Strategy will require an additional budget allocation. Entica is developing a proposal to outline these costs and this will be presented at the Council meeting.

The current project will require a tender process, which can begin immediately, dependent on Council approval. Once the tender process for stage one is complete, there will be a better understanding of costs for budgeting over a three year delivery period.

STAFFING IMPLICATIONS

Input will be required from a number of departments to realize the complete strategy:

Parks & Gardens staff - landscaping and lighting

Engineering – construction & TMR approvals

Planning – development approvals if needed

Regional Development – project management

Tenders & Contracts – tender process

CONCLUSION

Proposed signage designs will tell a clear, positive story about the region and its future direction, highlighting our best assets as a reminder to residents, an enticement to visitors, and a guide to all. This process is well underway and some signage can be installed as soon as approvals are received. However achieving the best long term outcome will require a commitment to implementation of a more comprehensive signage strategy over multiple years.

REGIONAL WAYFINDING STRATEGY

Signage Designs

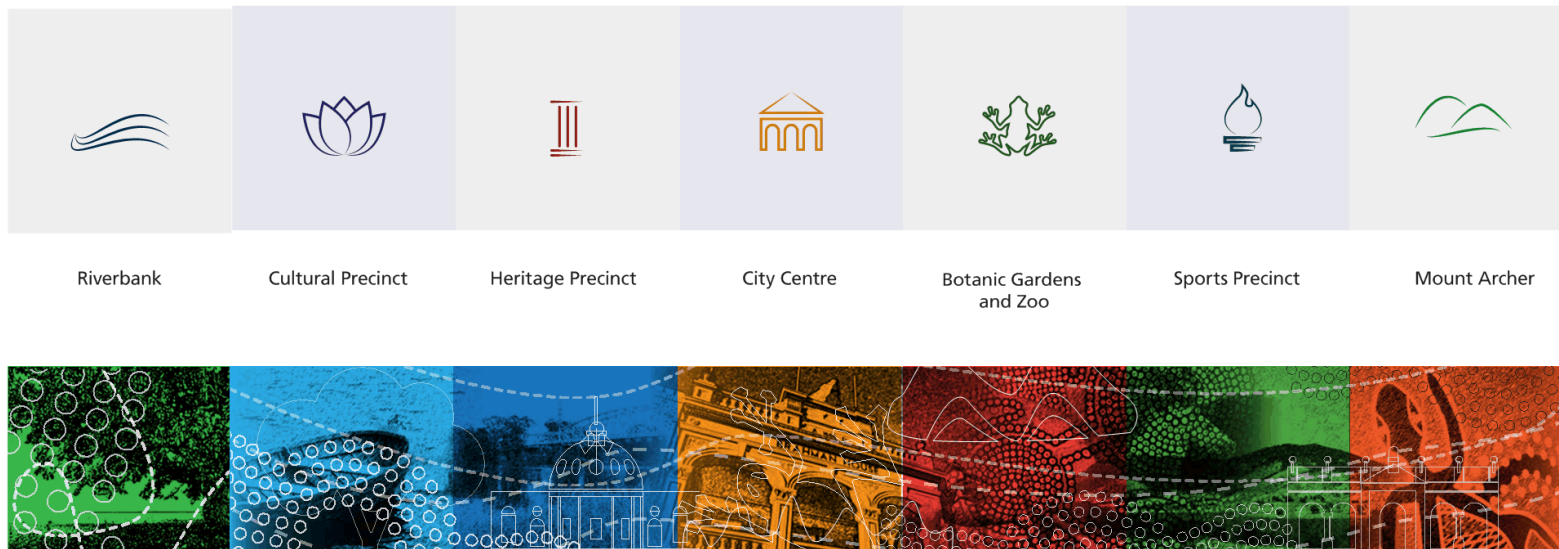
Meeting Date: 27 October 2015

Attachment No: 1

ROCKHAMPTON REGION SIGNAGE CONCEPT DEVELOPMENT

19 OCTOBER 2015


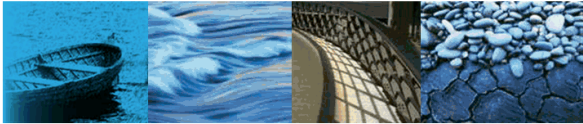


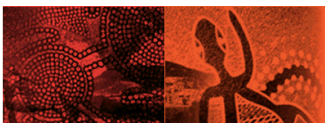
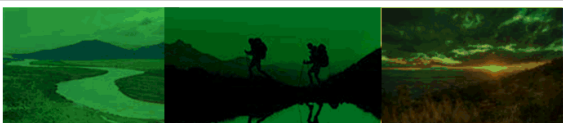
entica design strategy
© 2015































Rockhampton City Image

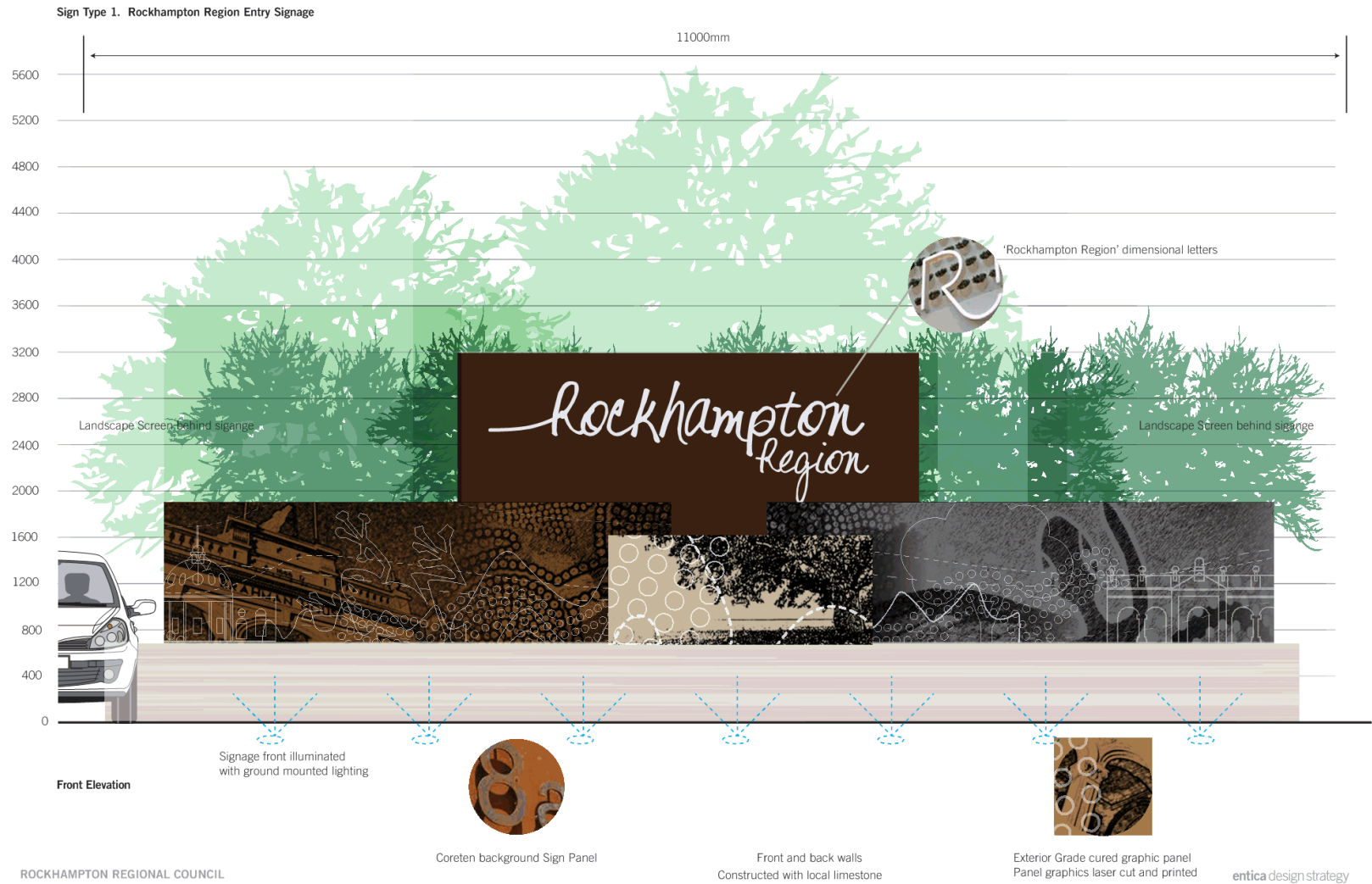
The following signage design concept seeks to capture and graphically represent the the essence of the Rockhampton City image in the regional signage design program. The various aspects of Rockhampton including Sports, Cultural, Botanic Gardens and Zoo, Heritage, Mt.Morgan, City Centre, Mount Archer, and the Fitzroy River are represented as icons of the city. The city icons represent precincts and functions of the city. Each precinct also has an underlying photographic or artistic image to clearly communicate the theme of the precinct. For example the from icon has been recommended for the cultural as it has significance to the Darumbal Community. These icons require further research and design development, particularly in respect to the cultural and indigineous aspects. Copyright issues will need to be addressed and permissions sought for use of artwork and imagery. We anticipate that further liason with council and cultural stakeholder would be an essential requirement of design development program. The icons are colour themed to differentiate the various precinct areas.

Rockhampton Image identity themes

Botanic Gardens & Zoo		Status To be supplied	Description -Artistic photography. Native flora and fauna. -Details of leaves, trees and landscapes. Recognisable Botanic Gardens features
Fitzroy River /Riverbank		Status To be supplied	Description -Artistic photography. River activities or textures eg. sailing, waterskiing, fishing -Artistic photography. Infrastructure details e.g. bridges, riverbank, (patterns or textures).
Sports Precinct		Status To be supplied	Description -Abstract representation of sport activities (silhouettes and textures). Close-up images of activities such as rowing, swimming, tennis, cricket and rugby games.
City Centre		Status To be supplied	Description -A selection of heritage building photography is required. -City Centre emblematic buildings. Architectural patterns, textures and material details are preferred.
Cultural Precinct		Status To be supplied	Description -Local aboriginal art. Patterns and textures are preferred. Liaise with local indigenous artists to find suitable artwork.
Mount Archer		Status To be supplied	Description -Mount Archer artistic shots of landscapes and a selection of activities.

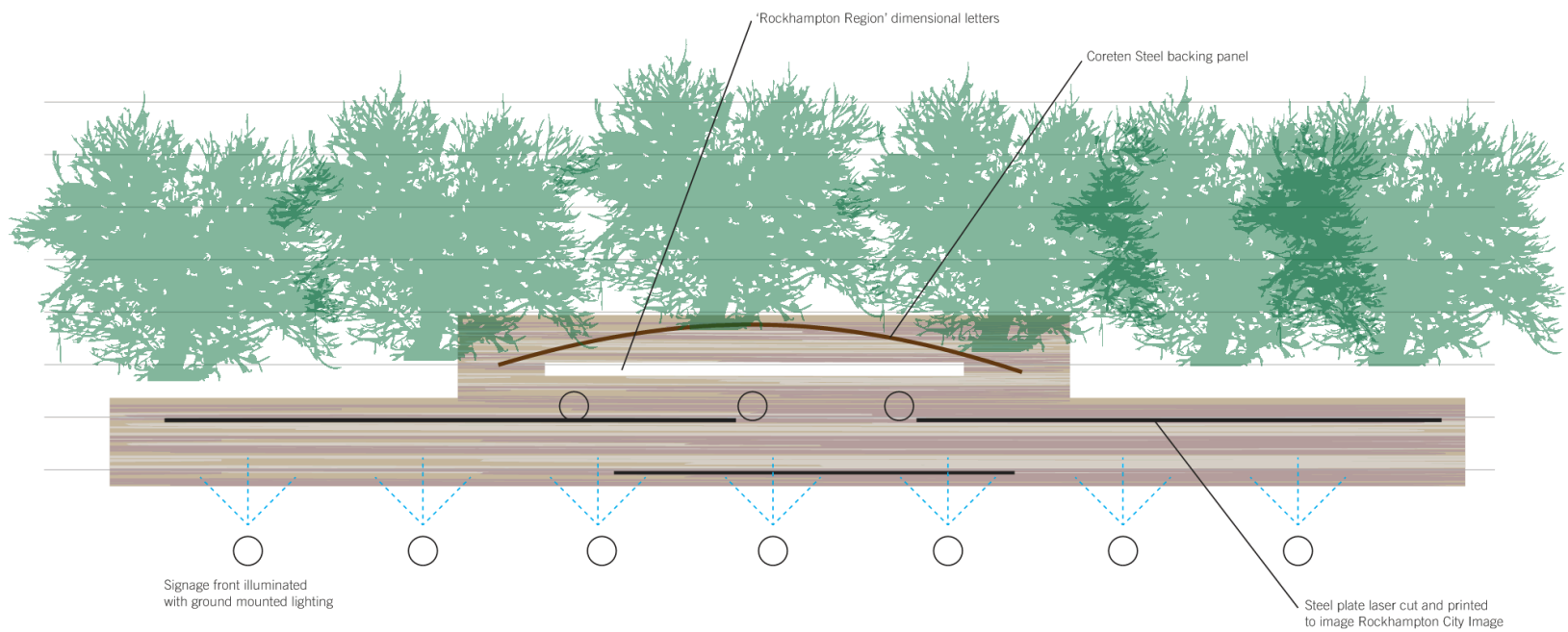


						
						
						
						
Riverbank	Cultural Precinct	Heritage Precinct	City Centre	Botanic Gardens and Zoo	Sports Precinct	Mount Archer



ROCKHAMPTON REGIONAL COUNCIL
SIGNAGE DESIGN CONCEPT

Sign Type 1. Rockhampton Region Entry Signage



Plan View



ROCKHAMPTON REGIONAL COUNCIL
SIGNAGE DESIGN CONCEPT

entica design strategy

© 2015

Copyright Disclaimer Artwork and photographic images shown in this concept design presentation is indicative only and copyright ownership rests with the creating artist.

Sign Type 1. Rockhampton Region Entry Signage



Examples of Entry Signage Finishes

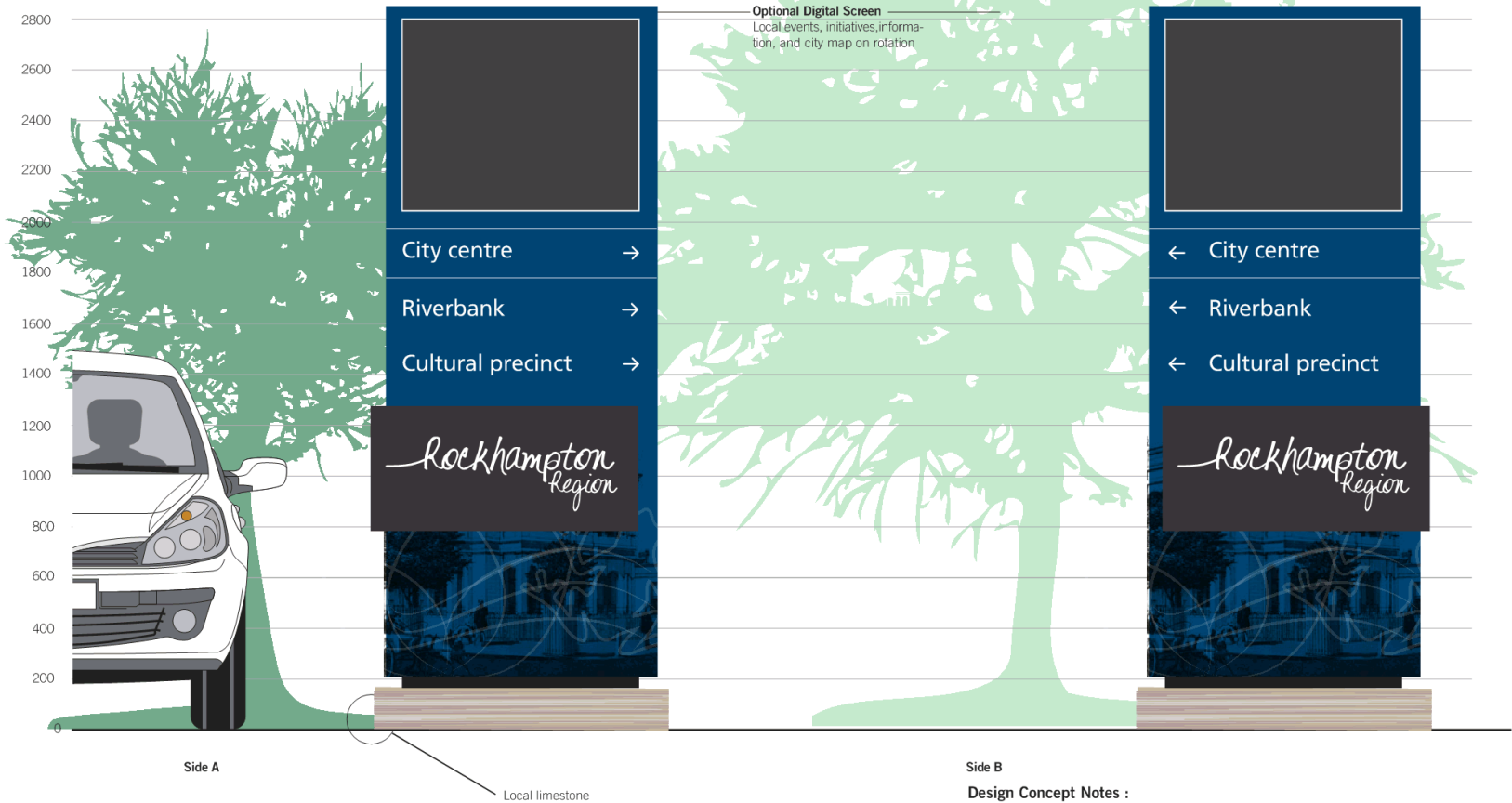
Sign Type 2. Main Road Directional Signage - - Double Sided - Option 1 (no digital screen)

Design Concept Notes :

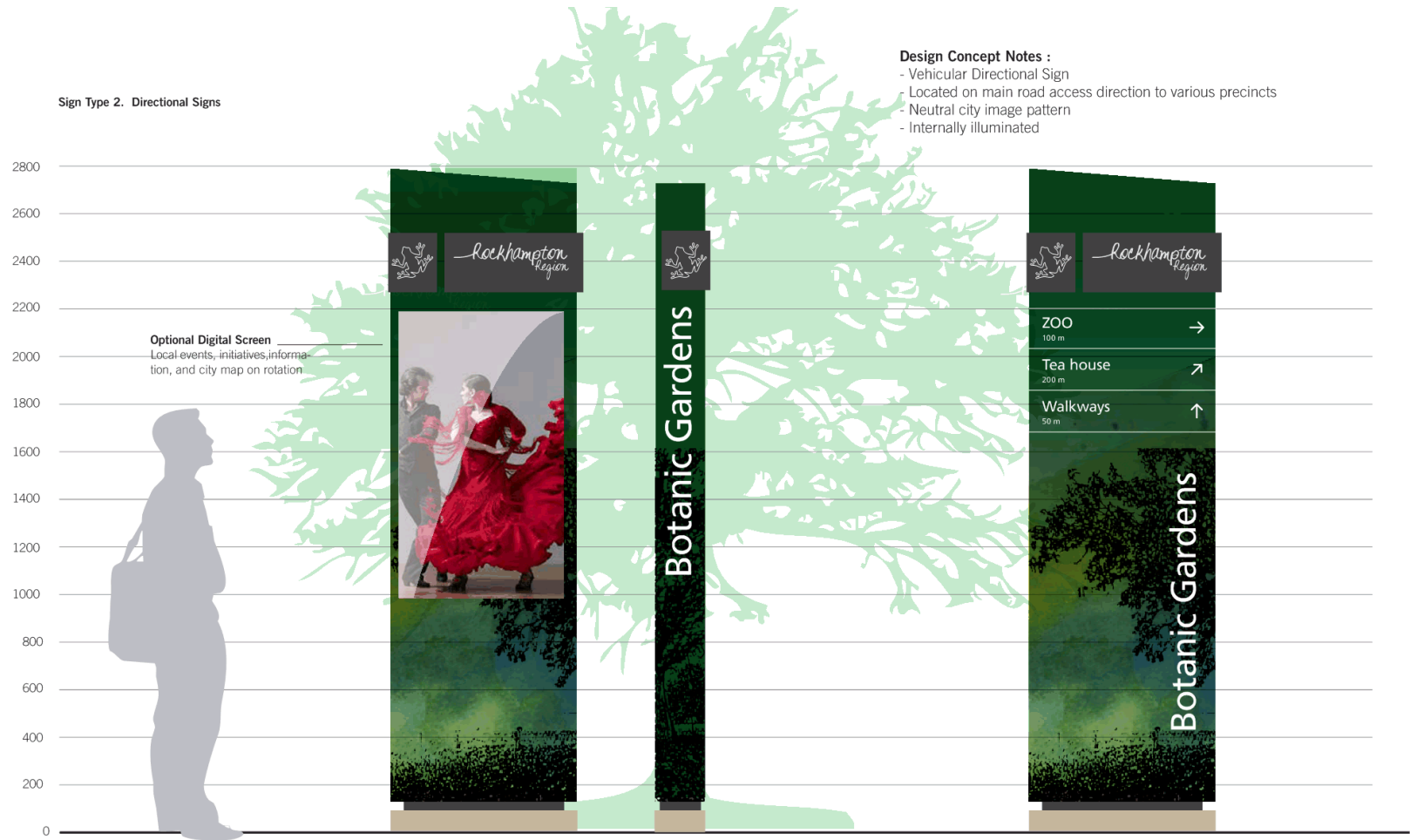
- Vehicular Directional Sign
- Located on main road access direction to various precincts
- Neutral city image pattern
- Internally illuminated



Sign Type 2. Main Road Directional Signage Option 2 (Including Digital Screen)



- Design Concept Notes :**
- Vehicular Directional Sign
 - Located on main road access direction to various precincts
 - Neutral city image pattern
 - Internally illuminated
 - Optional Digital Screen





1.
IDENTIFICATION
Approach to City

Rockhampton Entry Signage



2a.
DIRECTIONAL
Approach to Precincts

Vehicle Directional Signage
off main circulation route



2b.
DIRECTIONAL
Approach to Facilities
within Precinct

Precinct Identification and
Pedestrian Directional Signage



3.
PROMOTIONAL
Promoting the City

Billboard of Digital Screen Format

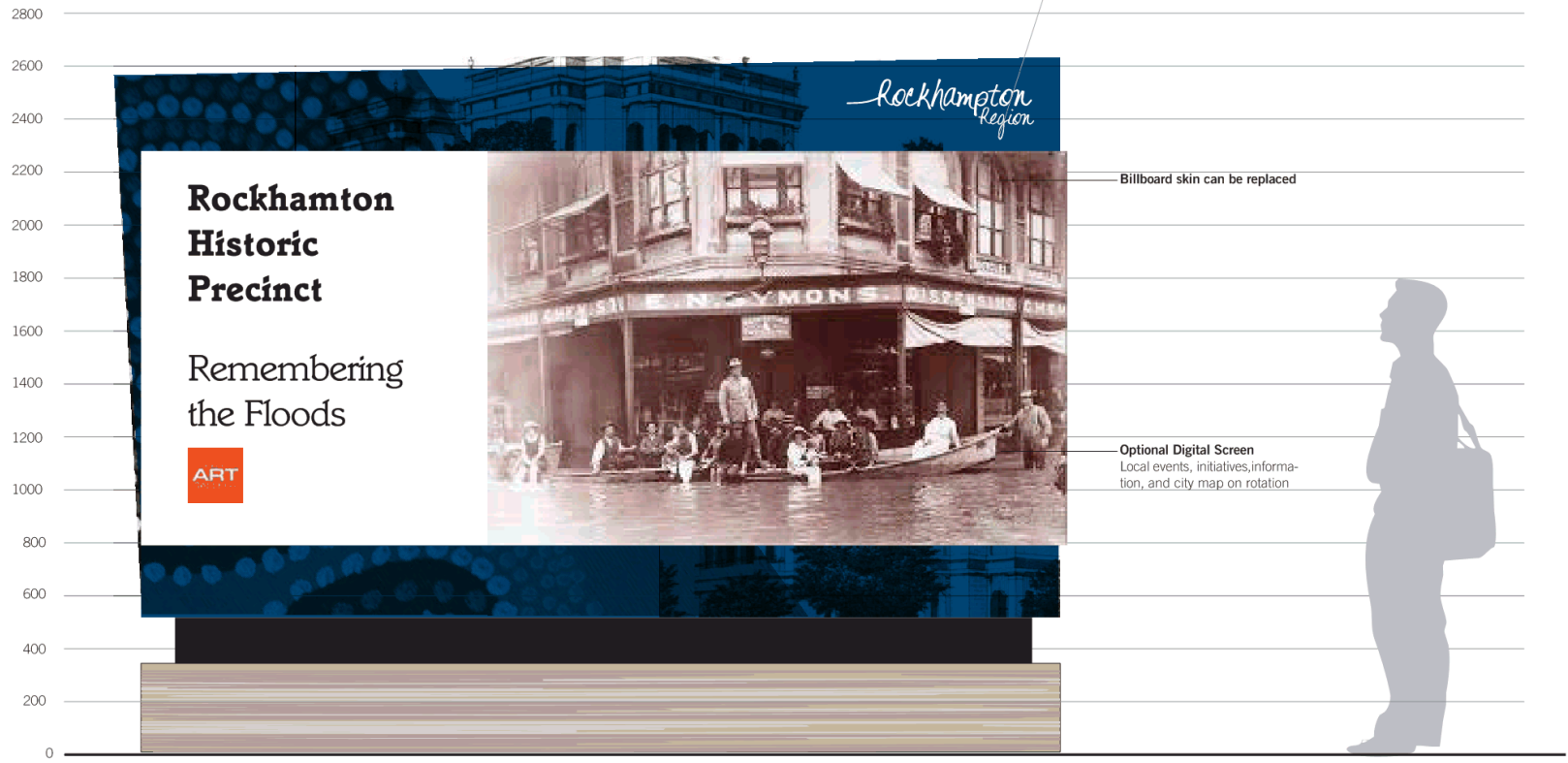


4.
DIRECTIONAL
Pedestrian signs
within City Centre

Pedestrian Directional Signage



Sign Type 3. Promotional Signage



REGIONAL WAYFINDING STRATEGY

Signage Locations - Stage 1

Meeting Date: 27 October 2015

Attachment No: 2

1. Roundabout – Entry Signage



2. Frank Forde Park – Promotional Signage



3. Near Information Centre – Promotional Signage



4. Across From Central Park – Directional Signage



5. Near Kershaw Gardens Entry – Promotional Signage



6. Stirling Drive & Yaamba Road (Parkhurst) - Entry Signage



8.4 SCHEDULE OF MEETINGS - JANUARY TO MARCH 2016

File No: 1460
Attachments: 1. Schedule of Meetings January to March 2016
Responsible Officer: Evan Pardon - Chief Executive Officer
Author: Shane Turner - Manager Governance Support

SUMMARY

Chief Executive Officer presenting the Schedule of Council and Committee meetings for the period January to March 2016.

OFFICER'S RECOMMENDATION

THAT the Schedule of Council and Committee meetings for the period January to March 2016 be adopted.

BACKGROUND

A three month period of January to March 2016 has been created for this meeting schedule due to the Local Government Election scheduled to be held on 19 March 2016.

Under section 90A(1) of the Local Government Act, a local government will go into a caretaker period during an election. This period starts on the day when public notice of holding of the election is given under the Local Government Electoral Act, section 25(1) and ends at the conclusion of the election.

During this period, a local government must not make any major policy decisions. If a local government considers, having regard to exceptional circumstances that apply, that it is necessary to make a major policy decision in the public interest, the local government may apply to the Minister for approval to make the decision.

SCHEDULE OF MEETINGS - JANUARY TO MARCH 2016

Schedule of Meetings January to March 2016

Meeting Date: 27 October 2015

Attachment No: 1

SCHEDULE OF COUNCIL AND COMMITTEE MEETINGS JANUARY TO JUNE 2016

JANUARY 2016

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
28 DEC		29 DEC				30 DEC				31 DEC		1 JAN	NEW YEAR'S DAY
4 JAN		5 JAN				6 JAN				7 JAN		8 JAN	
11 JAN		12 JAN				13 JAN				14 JAN		15 JAN	
18 JAN		19 JAN				20 JAN				21 JAN		22 JAN	
25 JAN		26 JAN	AUSTRALIA DAY			27 JAN	Council (9am)	Planning & Development (1.30pm)		28 JAN		29 JAN	

FEBRUARY 2016

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
1 FEB		2 FEB	Parks & Recreation (9am)	Communities (12:30pm)	Health & Compliance (3pm)	3 FEB	Business Enterprise (9am)	Water (12:30pm)	Infrastructure (3pm)	4 FEB		5 FEB	
8 FEB		9 FEB	Council (9am)	Planning & Development (1:30pm)		10 FEB				11 FEB		12 FEB	
15 FEB		16 FEB				17 FEB				18 FEB		19 FEB	
22 FEB		23 FEB	Performance & Service (9am)	Planning & Development (1:30pm)		24 FEB				25 FEB		26 FEB	

MARCH 2016

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
29 FEB		1 MARCH	Parks & Recreation (9am)	Communities (12:30pm)	Health & Compliance (3pm)	2 MARCH	Business Enterprise (9am)	Water (12:30pm)	Infrastructure (3pm)	3 MARCH		4 MARCH	
7 MARCH		8 MARCH	Council (9am)	Planning & Development (1:30pm)		9 MARCH				10 MARCH		11 MARCH	
14 MARCH		15 MARCH				16 MARCH				17 MARCH		18 MARCH	
21 MARCH		22 MARCH				23 MARCH				24 MARCH		25 MARCH	

8.5 CALL FOR MOTIONS - CENTRAL QUEENSLAND REGION OF COUNCILS (CQROC) CONFERENCE - 13 NOVEMBER 2015

File No: 8291
Attachments: 1. CQROC Conference - Motions Template
Authorising Officer: Evan Pardon - Chief Executive Officer
Author: Evan Pardon - Chief Executive Officer

SUMMARY

The Central Queensland Region of Councils (CQROC) will be holding their Annual Conference in Yeppoon on Friday 13 November 2015 and are seeking Motions for inclusion in the agenda.

OFFICER'S RECOMMENDATION

THAT consideration be given to Motions for inclusion in the agenda for the Central Queensland Region of Councils Conference on Friday 13 November 2015.

BACKGROUND

The CQROC Conference will be held in Yeppoon on Friday 13 November 2015. Deadline for receipt of Motions to be included in the agenda is Friday 6 November 2015.

A template for the submission of Motions is attached.

**CALL FOR MOTIONS - CENTRAL
QUEENSLAND REGION OF COUNCILS
(CQROC) CONFERENCE –
13 NOVEMBER 2015**

**CQROC Conference - Motions
Template**

Meeting Date: 27 October 2015

Attachment No: 1

**CONFERENCE MOTION 2015**

Submitting Council / Organisation	Motion prepared by Council.
Date of Council Resolution	
Title of Motion	
Motion Number	
Motion	That...
Background	
What are the impacts (positive or negative) on Local Government?	
What is the desired outcome sought?	

8.6 AMENDMENT TO RESOLUTION - LOCAL GOVERNMENT ASSOCIATION OF QUEENSLAND INC ANNUAL CONFERENCE

File No: 8291

Attachments: 1. Resolution from Performance and Service Committee Meeting 25 August 2015

Authorising Officer: Evan Pardon - Chief Executive Officer

Author: Evan Pardon - Chief Executive Officer

Previous Items: Local Government Association of Queensland Inc Annual Conference, 19 to 21 October 2015, Toowoomba - Performance & Service Committee - 25 Aug 2015 9:00am

SUMMARY

With Councillor Rose Swadling unable to attend the Local Government Association of Queensland Inc Annual Conference due to illness, Council may transfer voting rights allocated to Councillor Swadling to another delegate.

OFFICER'S RECOMMENDATION

THAT voting rights allocated to Councillor Swadling be transferred to Councillor Ellen Smith.

COMMENTARY

At the Performance and Service Committee meeting on 25 August 2015 it was resolved that Councillor Williams and Councillor Swadling be appointed as delegates with voting rights for Rockhampton Regional Council.

Upon cancellation of Councillor Swadling's attendance at the conference due to illness, the Local Government Association of Queensland Inc invited Council to nominate another representative to exercise the voting rights previously allocated to Councillor Swadling.

**AMENDMENT TO RESOLUTION -
LOCAL GOVERNMENT ASSOCIATION
OF QUEENSLAND INC ANNUAL
CONFERENCE**

**Resolution from Performance and
Service Committee Meeting
25 August 2015**

Meeting Date: 27 October 2015

Attachment No: 1

FOR ACTION

PERFORMANCE & SERVICE COMMITTEE

25/08/2015

TO: Chief Executive Officer (Evan Pardon)

Subject: Local Government Association of Queensland Inc Annual Conference, 19 to 21 October 2015, Toowoomba
Target Date: 08/09/2015
File Reference 8291

Notes:

COMMITTEE RESOLUTION

THAT:

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;
2. Councillor Greg Belz be authorised to attend in his role as a member of the LGAQ Executive;
3. Councillor Williams and Councillor Swadling be appointed as delegates with voting rights for Rockhampton Regional Council;
4. Council not submit a nomination to host the Conference in 2017.

Moved by: Mayor Strelow
Seconded by: Councillor Rutherford
MOTION CARRIED

[Open Item in Minutes](#)

**Please Note: This document is for information only.
All notes and actions must be completed via the InfoCouncil system.**

8.7 LOCAL GOVERNMENT REMUNERATION AND DISCIPLINE TRIBUNAL - SUBMISSIONS FOR ITS ANNUAL REMUNERATION REVIEW**File No:** 10072**Attachments:**

1. LGRDT Letter - CEO Rockhampton Regional Council
2. RRC response letter - LGRDT Mr Col Meng
3. Remuneration Schedule
4. Website link

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

SUMMARY

The Queensland Local Government Remuneration and Discipline Tribunal (LGRDT) has called for submissions for its annual remuneration review as well as its four yearly review of the local government categories pursuant to s243 Local Government Regulation (2012). This report considers Council's response in regards to the local government categories.

OFFICER'S RECOMMENDATION

THAT the attached submission be forwarded to the Queensland Local Government Remuneration and Discipline Tribunal for its review of the local government categories.

COMMENTARY

The Queensland Local Government Remuneration and Discipline Tribunal has called for submissions for its annual remuneration review into the remuneration payable to elected members. In addition, pursuant to *s243 Local Government Regulation (2012)*, the tribunal must review the categories of each local authority. This categorisation is the topic of this report.

Currently Rockhampton Regional Council is classified as a category 6. With the de-amalgamation of Livingstone Shire Council it is recommended that Council consider its position and make a submission. The intention of the submission is to remain in category 6 which will retain the stature and investment interest associated as such.

A suggested submission is attached and as the due date is 30 October any changes decided by Council can be included. The legislation provided the areas of consideration for the Tribunal when deciding the category of Council. These guidelines are also attached for reference.

To address these guidelines it is recommended that the submission include that, as the Council operates on a divided basis, de-amalgamation did not reduce the quantum of population that each Councillor now represents. The number of Councillors were reduced accordingly leaving the same (and in some cases increased) workloads. In addition Rockhampton Regional Council operates several services that are limited to only a handful of local authorities in Queensland. These include the Rockhampton Airport, Rockhampton Zoo, Rockhampton Art Gallery, Pilbeam Theatre and the Rockhampton Heritage Village. These additional services add an extra amount of complexity. Importantly Rockhampton Regional Council's growth and development is consistent. This is evidenced by the fact that Rockhampton Region's 2015 population stands at 85,067 and is projected to grow to 113,096 by 2036, an increase of 32.95% in 21 years. On an annual basis this is 1.57%.

CONCLUSION

To maintain the status of the existing categorisation of Rockhampton Regional Council it is recommended that the attached submission, with any changes, be submitted to the Queensland Local Government Remuneration and Discipline Tribunal.

**LOCAL GOVERNMENT
REMUNERATION AND DISCIPLINE
TRIBUNAL - SUBMISSIONS FOR ITS
ANNUAL REMUNERATION REVIEW**

**LGRDT Letter - CEO Rockhampton
Regional Council**

Meeting Date: 27 October 2015

Attachment No: 1



Local Government Remuneration
and Discipline Tribunal

Our ref: F15/3502

9 September 2015

Mr Evan Pardon
Chief Executive Officer
Rockhampton Regional Council
PO Box 1860
ROCKHAMPTON QLD 4700

Dear Mr Pardon

The Local Government Remuneration and Discipline Tribunal (the Tribunal) is commencing its annual remuneration review program to determine the remuneration to be paid to mayors, deputy mayors and councillors from 1 July 2016.

This year the Tribunal will also be reviewing the categories of local governments in accordance with section 243 of the *Local Government Regulation 2012*.

The Tribunal is inviting submissions from councils, councillors and chief executive officers in relation to remuneration for councillors and categories of local governments.

Submissions can be emailed to enquiries@lg.remunerationtribunal.qld.gov.au or mailed to:

Local Government Remuneration and Discipline Tribunal
PO Box 15009
CITY EAST QLD 4002

Further information about how to make a submission can be found at www.dilgp.qld.gov.au.

The closing date for receipt of submissions is Friday 30 October 2015.

A summary of submissions is usually included in the Tribunal's annual report and while all personal information is kept and becomes part of the Tribunal's records, personal contact details such as residential and email addresses and/or telephone numbers, are removed before publication. Please state clearly if you require all or part of your submission to remain confidential.

In addition, the Tribunal will also be taking deputations at the Local Government Association of Queensland's 2015 annual conference in Toowoomba on Tuesday 20 October 2015 and Wednesday 21 October 2015.

Delegates wishing to meet with the Tribunal at the conference can arrange appointments by emailing the Tribunal at enquiries@lg.remunerationtribunal.qld.gov.au or by telephoning the Secretariat on 1800 030 114 before 1 October 2015.

If you have any queries regarding the Tribunal's remuneration program please contact the Tribunal's Secretariat on 1800 030 114.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Col Meng', with a stylized flourish at the end.

Mr Col Meng
Chairperson

**LOCAL GOVERNMENT
REMUNERATION AND DISCIPLINE
TRIBUNAL - SUBMISSIONS FOR ITS
ANNUAL REMUNERATION REVIEW**

**RRC response letter - LGRDT
Mr Col Meng**

Meeting Date: 27 October 2015

Attachment No: 2



Rockhampton Office
232 Bolsover St, Rockhampton
Gracemere Office
1 Ranger St, Gracemere
Mount Morgan Office
32 Hall St, Mount Morgan

Enquiries: Rockhampton Regional Council
Telephone: 1300 22 55 77
Facsimile: 1300 22 55 79
Email: enquiries@rrc.qld.gov.au

15 October 2015

Mr Col Meng Chairman
Local Government Remuneration and Discipline Tribunal
PO Box 15009
CITY EAST QLD 4002

Dear Col

Rockhampton Regional Council wishes to make this submission in regards to its categorisation. Council is currently a category 6 Council and is seeking to retain this categorisation. Despite the de-amalgamation of Livingstone Shire Council in 2014, it is of the view that the current categorisation is relevant due to several reasons.

Firstly, as the Council operates on a divided basis, de-amalgamation did not reduce the quantum of population that each Councillor now represents. The number of Councillors was reduced accordingly leaving the same (and in some cases increased) workloads. Rockhampton Regional Councillors hold office on a full-time basis.

In addition Rockhampton Regional Council operates several services that are limited to only a handful of local authorities in Queensland. All of these were retained after the de-amalgamation. These include the Rockhampton Airport, Rockhampton Zoo, Rockhampton Art Gallery, Pilbeam Theatre and the Rockhampton Heritage Village. These additional services add an extra amount of complexity.

Furthermore Rockhampton Regional Council's development is consistent. This is evidenced by the fact that Rockhampton Region's 2015 population stands at 85,067 and is projected to grow to 113,096 by 2036, an increase of 32.95% in 21 years. On an annual basis this is 1.57%. This will provide additional workload for existing Councillors.

In conclusion Rockhampton Regional Council is of the opinion that due to the above reasons it believes that it should remain as a category 6 Council and not be impacted due to the de-amalgamation of Livingstone Shire Council. On behalf of Council I would like to thank you for the opportunity to make this submission.



Rockhampton Regional
Council proudly supports
the **CQ NRL BID**

Rockhampton Regional Council PO Box 1860, Rockhampton Q 4700
Phone 07 4932 9000 or 1300 22 55 77 | Fax 07 4936 8862 or 1300 22 55 79
Email enquiries@rrc.qld.gov.au | Web www.rrc.qld.gov.au

- 2 -

Yours faithfully

Evan Pardon
Chief Executive Officer

LOCAL GOVERNMENT REMUNERATION AND DISCIPLINE TRIBUNAL - SUBMISSIONS FOR ITS ANNUAL REMUNERATION REVIEW

Remuneration Schedule

Meeting Date: 27 October 2015

Attachment No: 3

Remuneration schedule (to apply from 1 July 2015)

Category	Local Governments assigned to categories	Remuneration determined	
		(see Note 1)	(\$ pa)
Special Category	Nil	Mayor	\$97,684
		Deputy Mayor	\$56,356
		Councillor	\$48,842
Category 1	Nil	Mayor	\$78,899
		Deputy Mayor	\$33,813
		Councillor	\$24,046
Category 2	Nil	Mayor	\$78,899
		Deputy Mayor	\$41,328
		Councillor	\$33,813
Category 3 (see Note 2)	Aurukun Shire Council	Mayor	\$97,684
	Balonne Shire Council	Deputy Mayor	\$56,356
	Banana Shire Council	Councillor	\$48,842
	Barcaldine Regional Council		
	Barcoo Shire Council		
	Blackall-Tambo Regional Council		
	Boulia Shire Council		
	Bulloo Shire Council		
	Burdekin Shire Council		
	Burke Shire Council		
	Carpentaria Shire Council		
	Charters Towers Regional Council		
	Cherbourg Aboriginal Shire Council		
	Cloncurry Shire Council		
	Cook Shire Council		
	Croydon Shire Council		
	Diamantina Shire Council		
	Doomadgee Aboriginal Shire Council		
	Douglas Shire Council		
	Etheridge Shire Council		
	Flinders Shire Council		
	Goondiwindi Regional Council		
	Hinchinbrook Shire Council		
	Hope Vale Aboriginal Shire Council		
	Kowanyama Aboriginal Shire Council		
	Lockhart River Aboriginal Shire Council		
	Longreach Regional Council		
	Mapoon Aboriginal Shire Council		
	Mareeba Shire Council		
	McKinlay Shire Council		
	Mornington Shire Council		
	Murweh Shire Council		

Category	Local Governments assigned to categories	Remuneration determined	
		(see Note 1)	(\$ pa)
Category 3 (continued) (see Note 2)	Napranum Aboriginal Shire Council	Mayor	\$97,684
	North Burnett Regional Council	Deputy Mayor	\$56,356
	Northern Peninsula Area Regional Council	Councillor	\$48,842
	Palm Island Aboriginal Shire Council		
	Paroo Shire Council		
	Porpuraaw Aboriginal Shire Council		
	Quilpie Shire Council		
	Richmond Shire Council		
	Torres Shire Council		
	Torres Strait Island Regional Council		
	Winton Shire Council		
	Woorabinda Aboriginal Shire Council		
	Wujal Wujal Aboriginal Shire Council		
	Yarrabah Aboriginal Shire Council		
Category 4	Cassowary Coast Regional Council	Mayor	\$120,226
	Central Highlands Regional Council	Deputy Mayor	\$75,141
	Gympie Regional Council	Councillor	\$63,870
	Isaac Regional Council		
	Livingstone Shire Council		
	Lockyer Valley Regional Council		
	Maranoa Regional Council		
	Mount Isa City Council		
	Noosa Shire Council		
	Scenic Rim Regional Council		
	Somerset Regional Council		
	South Burnett Regional Council		
	Southern Downs Regional Council		
	Tablelands Regional Council		
	Whitsunday Regional Council		
Category 5	Bundaberg Regional Council	Mayor	\$142,769
	Fraser Coast Regional Council	Deputy Mayor	\$93,927
	Gladstone Regional Council	Councillor	\$82,655
	Western Downs Regional Council		
Category 6	Cairns Regional Council	Mayor	\$165,311
	Mackay Regional Council	Deputy Mayor	\$112,712
	Redland City Council	Councillor	\$97,684
	Rockhampton Regional Council		
	Toowoomba Regional Council		
Category 7	Townsville City Council		
	Ipswich City Council	Mayor	\$187,853
	Logan City Council	Deputy Mayor	\$127,740
		Councillor	\$112,712

Category	Local Governments assigned to categories	Remuneration determined	
		(see Note 1)	(\$ pa)
Category 8	Moreton Bay Regional Council	Mayor	\$210,396
	Sunshine Coast Regional Council	Deputy Mayor	\$145,774
		Councillor	\$127,740
Category 9	Gold Coast City Council	Mayor	\$232,938
		Deputy Mayor	\$161,554
		Councillor	\$139,011

Notes to the remuneration schedule

- Note 1 The monetary amounts shown are per annum figures. If an elected representative only serves for part of a full year (that is, 1 July to 30 June) they are only entitled to a pro-rata payment to reflect the portion of the year served.
- Note 2 For councillors in Category 3 Councils, a base payment of \$32,562 is payable for the 12 months commencing on 1 July 2015. A meeting fee of \$1,356.66 is payable for attendance at each of the 12 mandated monthly meetings of Council subject to certification by the mayor and/or chief executive officer of the Council. Mayors and deputy mayors in Category 3 Councils are to receive the full annual remuneration level shown.

LOCAL GOVERNMENT REMUNERATION AND DISCIPLINE TRIBUNAL - SUBMISSIONS FOR ITS ANNUAL REMUNERATION REVIEW

Website link

Meeting Date: 27 October 2015

Attachment No: 4

Department of Infrastructure, Local Government and Planning

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▼	Local government
▼	Governance
	Local government legislation
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 Local government categories

Local government categories

The Local Government Remuneration and Discipline Tribunal must establish categories of local governments to enable it to decide the remuneration that is to be paid to mayors and other councillors in each category of local government (section 241, Local Government Regulation 2012).

Establishing categories

The tribunal must consider the following criteria in establishing the local government categories (section 242, Local Government Regulation 2012):

- size of the local government area
- geographical and environmental terrain of the local government area
- population of the local government area including:
 - demographics
 - spread of population serviced by the local government
 - extent of the services the local government provides

The tribunal may also consider other factors that it considers relevant to the effectiveness, efficiency and sustainability of the local government, such as:

- diversity of communities in the local government area, including cultural diversity
- extent of development in the local government area, including economic and community development, level of infrastructure and industry
- councillor workload, taking into account the size of each division (for a divided council) or local government area (for an undivided council) and whether councillors hold office on a full-time or part-time basis

Reviewing categories

The tribunal must review local government categories once during each local government four-year term. The review must be completed before 1 December of the year before the next local government election (section 243, Local Government Regulation 2012).

Tribunal report on local government categories and remuneration

When the tribunal makes a decision about remuneration, it must prepare a remuneration schedule and publish it in the Queensland Government Gazette. The tribunal must also prepare a report about the schedule and give a copy of the report and the schedule to the Minister for Local Government.

[View the tribunal's most recent report.](#)

8.8 BUILDINGS ASSET MANAGEMENT PLAN

File No:	1392
Attachments:	1. Asset Management Plan - Facilities
Authorising Officer:	Alicia Cutler - Acting General Manager Corporate Services
Author:	Alicia Cutler - Acting General Manager Corporate Services

SUMMARY

Finance Manager presenting Buildings Asset Management Plan for adoption.

OFFICER'S RECOMMENDATION

THAT the Buildings Asset Management Plan be adopted.

COMMENTARY

During 2014, a number of workshops were held to discuss the Buildings Asset Management Plan that had been developed, with a subsequent report to adopt the document presented to Council in March 2015. At that stage, Council was still uncomfortable with the proposal to rationalise the buildings portfolio and asked the matter lay on the table pending a Council Workshop.

The workshop was held on the 30 March 2015, and it was suggested that a number of strategies be performed to close the renewal gap.

A lot of work and effort went into the Buildings Asset Management Plan and whilst it is a little outdated now (as this process has been ongoing for some time), it is still important to adopt the document as a matter of record.

To reflect the position of Council, amendments have been made to the Executive Summary, '4.5 Rationalisation of Assets' and '9.4 The Way Forward'. These sections talk of the following action:

To improve the renewal gap an internal working group has been formed which will facilitate sound recommendations to Council in the future. A number of strategies will be considered by this group:

- Option 1: Consolidate buildings asset base
- Option 2: Demolish or sell buildings that are not optimally utilised
- Option 3: Upgrade all council owned buildings to a level that ensures effective and efficient maintenance
- Option 4: Lease the building out to the occupant / user under terms and conditions that makes them responsible for the maintenance (or limited maintenance) of the facility
- Option 5: Transfer the ownership of the building to the existing user occupier
- Option 6: Maintenance is the responsibility of the user of the building, and a maintenance fee (the subject of an agreement between the owner and the user) is paid over to the user
- Option 7: Maintain and operate leases through public private partnerships where the ownership does not change but private enterprise gains a long term lease

Any recommendations that are approved by Council will be incorporated into future versions of this asset management plan

A few notable points from the Buildings Asset Management Plan:

- The current replacement cost of Buildings within Councils Asset register amounts to \$230 million, with a fair value of \$133 million and annual depreciation of \$5.9million.
- The Asset Management Plan has identified a gap between what has been funded in Councils budget and what is identified as renewal works in the plan. There is a large number of buildings in poor condition that require renewal works.
- It is intended that the Building Asset Management Plan will continue to evolve and become more advanced and future versions of the plan will address:
- The prioritisation of defects to ensure that the assets are managed in the most effective and efficient manner.
- Improving data quality and improving modeling techniques to increase the level of confidence in estimated maintenance requirements and the associated financial projections.
- The development of service levels including the cost to provide services at that level, and how that aligns with community expectations
- Refine maintenance and capital work programs.
- Development and refinement of performance and service level compliance reporting.
- Continuous review of performance results with necessary adjustments.
- Development of a balance between reactive and planned maintenance.

The Buildings Asset Management Plan has been used to develop the 10 year capital program that has been submitted for the 15/16 budget.

As part of the planning process all Council buildings were assessed for their condition, importance and usage to ensure that the limited funds available achieve the best results.

The appendix of the plan lists Council buildings (in service category) that may be less important and those that are more important. This will be discussed at the meeting as part of the presentation of the plans contents.

CONCLUSION

The Buildings Asset Management Plan is presented for adoption after considerable time has passed since its initial development and workshops with Council during 2014. The document has been updated to remove the list of buildings that could be rationalised and make way for a working group to look at various strategies that can be employed to close the renewal gap.

BUILDINGS ASSET MANAGEMENT PLAN

Asset Management Plan - Facilities

Meeting Date: 27 October 2015

Attachment No: 1



Buildings

ASSET MANAGEMENT PLAN



November 2014

Document Control					
2					
Rev No	Date	Revision Details	Author	Reviewer	Approver
2	January 2014	Redeveloped AMP for 13/14	CJM		

Endorsed by	Position	Signature	Date
Jaco Maree	Coordinator Assets		
Alicia Cutler	Manager Finance		
Cheryl Haughton	Manager Communities & Facilities		
Sharon Sommerville	Coordinator Communities & Facilities		

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The Institute of Public Works Engineering Australia.

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ABBREVIATIONS

AAAC	Average annual asset consumption
AMP	Asset management plan
ARI	Average recurrence interval
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
DoH	Department of Health
EF	Earthworks/formation
GIS	Geographical Information System
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
LTFP	Long Term Financial Plan
MMS	Maintenance management system
PCI	Pavement condition index
RRC	Rockhampton Regional Council
RV	Residual value
SS	Suspended solids
vph	Vehicles per hour

GLOSSARY**Annual service cost (ASC)**

An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operating, maintenance, depreciation, finance/opportunity and disposal costs, less revenue.

Asset class

Grouping of assets of a similar nature and use in an entity's operations (AASB 166.37).

Asset condition assessment

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset management

The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Assets

Future economic benefits controlled by the entity as a result of past transactions or other past events (AAS27.12).

Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 month.

Average annual asset consumption (AAAC)*

The amount of a local government's asset base consumed during a year. This may be calculated by dividing the Depreciable Amount (DA) by the Useful Life and totalled for each and every asset OR by dividing the Fair Value (Depreciated Replacement Cost) by the Remaining Life and totalled for each and every asset in an asset category or class.

Brownfield asset values**

Asset (re)valuation values based on the cost to replace the asset including demolition and restoration costs.

Capital expansion expenditure

Expenditure that extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure, which increases future operating, and maintenance costs, because it increases council's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure

Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital funding

Funding to pay for capital expenditure.

Capital grants

Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure

See capital expenditure definition

Capital new expenditure

Expenditure which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.

Capital renewal expenditure

Expenditure on an existing asset, which returns the service potential or the life of the asset up to that which it had originally. It is periodically

required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital upgrade expenditure

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Carrying amount

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets

See asset class definition

Component

An individual part of an asset which contributes to the composition of the whole and can be separated from or attached to an asset or a system.

Cost of an asset

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, plus any costs necessary to place

the asset into service. This includes one-off design and project management costs.

Current replacement cost (CRC)

The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Current replacement cost "As New" (CRC)

The current cost of replacing the original service potential of an existing asset, with a similar modern equivalent asset, i.e. the total cost of replacing an existing asset with an as NEW or similar asset expressed in current dollar values.

Cyclic Maintenance**

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cycle, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value (AASB 116.6)

Depreciated replacement cost (DRC)

The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset

Depreciation / amortisation

The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

Economic life

See useful life definition.

Expenditure

The spending of money on goods and services. Expenditure includes recurrent and capital.

Fair value

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arms length transaction.

Greenfield asset values **

Asset (re)valuation values based on the cost to initially acquire the asset.

Heritage asset

An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment Loss

The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets

Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no market value.

Investment property

Property held to earn rentals or for capital appreciation or both, rather than for:

(a) use in the production or supply of goods or services or for administrative purposes; or

(b) sale in the ordinary course of business (AASB 140.5)

Level of service

The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost).

Life Cycle Cost **

The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises annual maintenance and asset consumption expense, represented by depreciation expense. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure **

The Life Cycle Expenditure (LCE) is the actual or planned annual maintenance and capital renewal expenditure incurred in providing the service in a particular year. Life Cycle Expenditure may be compared to Life Cycle Expenditure to give an initial indicator of life cycle sustainability.

Loans / borrowings

Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

Maintenance and renewal gap

Difference between estimated budgets and projected expenditures for maintenance and renewal of assets, totalled over a defined time (eg 5, 10 and 15 years).

Maintenance and renewal sustainability index

Ratio of estimated budget to projected expenditure for maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Maintenance expenditure

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the

asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset's useful life.

Materiality

An item is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial report. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

Modern equivalent asset.

A structure similar to an existing structure and having the equivalent productive capacity, which could be built using modern materials, techniques and design. Replacement cost is the basis used to estimate the cost of constructing a modern equivalent asset.

Non-revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the Council, eg. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operating expenditure

Recurrent expenditure, which is continuously required excluding maintenance and depreciation, eg power, fuel, staff, plant equipment, on-costs and overheads.

Pavement management system

A systematic process for measuring and predicting the condition of road pavements and wearing surfaces over time and recommending corrective actions.

Planned Maintenance**

Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

PMS Score

A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption*

A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal*

A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade*

A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Reactive maintenance

Unplanned repair work that carried out in response to service requests and management/supervisory directions.

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operating and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition above.

Remaining life

The time remaining until an asset ceases to provide the required service level or economic

usefulness. Age plus remaining life is economic life.

Renewal

See capital renewal expenditure definition above.

Residual value

The net amount which an entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

Revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment

A self-contained part or piece of an infrastructure asset.

Service potential

The capacity to provide goods and services in accordance with the entity's objectives, whether those objectives are the generation of net cash inflows or the provision of goods and services of a particular volume and quantity to the beneficiaries thereof.

Service potential remaining*

A measure of the remaining life of assets expressed as a percentage of economic life. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (DRC/DA).

Strategic Management Plan (SA)**

Documents Council objectives for a specified period (3-5 yrs), the principle activities to achieve the objectives, the means by which that will be carried out, estimated income and expenditure, measures to assess performance and how rating policy relates to the Council's objectives and activities.

Sub-component

Smaller individual parts that make up a component part.

Useful life

Either:

- (a) the period over which an asset is expected to be available for use by an entity, or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council. It is the same as the economic life.

Value in Use

The present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate new cash flows, where if deprived of the asset its future economic benefits would be replaced.

1. EXECUTIVE SUMMARY

Council's main objective is to provide services to the community. Some of these services are provided using building assets and these have to meet the required level of service in the most cost effective manner. In working to achieve this goal Council is guided by the practices set out in the International Infrastructure Maintenance Manual.

The Building Asset Management Plan documents Council's current practices and performance, and provides the direction for continuous improvement of the asset management practices applied to Council's building portfolio.

1.1. Councils building portfolio (What do we have?)

Council's facilities are used to provide a range of community and support services.

Table 1.1: Council's building portfolio

Building Class	Number of buildings	Replacement cost (\$/m ²)	Estimated Floor Area (m ²)	Replacement Cost (\$)	Fair Value (\$)	Accumulated Depreciation (\$)	Annual Depreciation (\$)
Site improvements	1	919	86	79,000	15,800	21,400	1,980
Amenities	47	2,308	3,192	7,367,000	3,628,200	3,738,800	209,327
Residential	17	1,371	3,521	4,828,000	1,708,400	3,119,600	135,800
Admin and Depots	51	1,992	26,256	52,312,000	26,768,200	25,543,800	1,230,670
Sports Facilities	12	1,605	1,405	2,255,000	1,363,300	891,700	68,034
Clubhouses	17	1,859	3,498	6,503,000	2,430,300	4,072,700	186,374
Culture	33	2,206	17,478	38,553,000	22,740,900	15,812,100	852,926
Commercial	2	3,398	4,191	14,241,000	6,351,300	7,889,700	311,940
Parks and Reserves	104	1,089	10,843	11,804,000	7,322,800	4,481,200	369,024
Community	47	1,132	35,907	40,663,000	25,579,100	15,083,900	1,000,626
Sheds (not Parks)	4	752	2,289	1,721,000	318,400	1,325,300	56,729
Childcare	5	1,969	2,469	4,862,000	2,790,800	2,071,200	143,755
Sub Total without Business units	340		111,135	185,188,000	101,017,500	84,051,400	4,567,185
Airport business unit							
Amenities	2	2,382	34	81,000	28,500	52,500	2,043
Culture	2	805	12,302	9,900,000	6,208,500	3,691,500	331,999
Admin / Depots	3	1,013	1,243	1,259,000	706,000	553,000	41,002
Commercial	8	588	2,571	1,512,000	1,040,500	471,500	53,014
Site improvements	3	895	57	51,000	19,900	31,100	1,508
Clubhouses	1	1,686	255	430,000	340,900	89,100	12,494
Sheds	10	733	4,229	3,101,000	1,829,100	1,271,900	100,801
Terminal building	1	1,876	11,090	20,800,000	17,105,000	3,695,000	404,130
Sub Total Airport Business unit	30		31,781	37,134,000	27,278,400	9,855,600	946,991
FRW business unit							
Amenities	2	870	391	340,000	210,300	129,700	10,059
Admin / Depots	4	2,379	866	2,060,000	1,405,300	654,700	61,143
Residential	4	1,409	727	1,024,000	281,600	742,400	30,987
Sheds	11	1,084	1,659	1,799,000	1,197,000	679,300	56,584
Sub Total FRW Business unit	21		3,643	5,223,000	3,094,200	2,206,100	158,773
Waste business unit							
Admin / Depots	14	687	3,013	2,069,000	1,119,500	949,500	58,731
Commercial	2	713	558	398,000	302,300	95,700	11,643
Sub Total Waste Business unit	16		3,571	2,467,000	1,421,800	1,045,200	70,374
Total with Business Units	407	1,532	150,130	230,012,000	132,811,900	97,158,300	5,743,323

The replacement cost and other figures were obtained from the Asset Class: Buildings valuation done in 2012.

In summary, the values are:

Current replacement cost: \$230,012,000

Fair value: \$132,811,900

Accumulated depreciation: \$97,158,300

Annual depreciation expense: \$5,743,323

With a current population of around 85 000 people), the asset value is \$2700 per person which is considered to be high. Refer to Appendix E.1: Value of building assets per person (RRC benchmarked against other Councils).

It is noted that Council's assets have depreciated to 42% of the replacement value, which not only reflects on the age of the asset portfolio, but also on the increasing maintenance demands Council will have to fund.

1.2. Levels of Service (What are the expected service requirements?)

Levels of service define the required asset performance targets in relation to reliability, quantity, quality, responsiveness, safety, capacity, environmental impacts, comfort, affordability and legislative compliance.

The provision of adequate financial resources ensures that the Building asset network is appropriately managed and preserved. Financial provision below requirements impacts directly on condition targets, and if prolonged will result in substantial need for future catch up expenditure. Deferred renewal will also result in escalating reactive maintenance due to an increase in the deterioration of the asset.

The following levels of service apply:

- Strategic levels of service that we expect to provide in terms of key customer outcomes:
 - Services that is appropriate to the needs of our community Services that are accessible to users Accessibility of the service to users 24 hrs. a day, 7 days a week
 - Services that can be delivered at the agreed level
- Operational levels of service:
 - The extent of the services that need to be provided in terms of reliability, functionality and adequacy.
 - Maintaining the asset at the required standard with any upgrade or reconstruction.
 - Management of maintenance requests
- Capital levels of service – new assets, reconstructed assets and upgraded assets
 - Compliance with Council and relevant "Australian standards, regulations and building codes
 - Stakeholder consultation
- Maintenance levels of service

- The quality of work expected to be undertaken
- The schedule of inspections
- The circumstances under which intervention work will be undertaken
- The priority allocated to the intervention action
- Resourcing of maintenance services including provision for unanticipated events

Reviews that measures customer satisfaction is ultimately the best measure for assessing Council's performance. Improvement in asset management practices will affect public opinion and satisfaction levels

1.3. Measuring the asset performance (What do we measure to know how our building portfolio is performing?)

The performance of the asset is measured in terms of:

- The amount of defects identified during asset inspections
- The age of the asset components
- The remaining life of the asset and its components
- The asset's present, past and anticipated future maintenance requirements
- The asset's maintenance history
- Maintenance expenditure against condition ratings
- Maintenance requirements and the associated expenditure, benchmarked against similar assets (both within and outside the organisation)
- Comparison of the life cycle expenditure with similar assets
- Determination of how built infrastructure assets are and will be managed to achieve the organisation's service standards and objectives
- The long term performance requirements of the asset
- Compliance with safety requirements and standards

1.4. Measuring the condition of Council's building assets portfolio (How do we measure the condition of our assets?).

Council has commenced a "Building rating process" in order to provide a consistent basis for all building condition assessments.

The overall condition of a building asset is the result of the condition of the individual asset components (where applicable):

- Primary building elements (foundation, frame, exterior walls, roof, windows, doors etc.)
- Interior building elements (Interior walls, ceilings, doors, floors, curtains, fixed cabinets, tiles etc.)

- Systems (heating, air-conditioning, plumbing, electrical, lighting, major appliances etc.)
- Code compliance (exit, fire control, emergency lighting, access, handrails, balustrades etc.)
- Compliance with existing and new standards (AS and other product standards)

These components are measured in accordance with the criteria defined in the “Building rating process”.

When completed for the entire building asset portfolio Council will be able to accurately determine the effect of maintenance, renewals etc. on its asset portfolio.

1.5. How will the building asset be managed through its lifecycle?

The lifecycle management plan for an asset is an essential component of the Building Asset Management Plan (BAMP), and provides detail of maintenance, renewals, upgrades etc. that has to occur at particular stages during the life of the asset. It also documents the analysis RRC undertakes to predict and monitor expected future expenditure required to effectively manage Council’s building portfolio. The condition assessments and maintenance prioritization also allow Council to identify buildings we want to spend funds on, as well as those which don’t serve a significant purpose.

To undertake lifecycle asset management, means considering all the management options and strategies as part of the asset lifecycle (from planning to disposal). The objective of managing the assets in this manner is to accurately assess the long term cost associated with a particular building asset. The cost associated with providing and maintaining the asset is part of the cost of providing the service the asset is required for.

The diagram represents each of the stages an asset passes through its life cycle.

Figure 1.5: Typical asset life cycle



1.6. Council’s adopted financial strategy for building assets

Building rehabilitation and renewal:

It is estimated that Council should allocate a minimum of \$32,309,234 million over the next 7 year period to renew its existing asset portfolio, which accounts to \$4.6 m per year. The reason for the inflated recapitalisation need is due to the \$11,7 m allocation required in 2018/19 due to the extension of assets and asset components useful lives (when the useful life of an asset has expired, it gets extended resulting in an accumulation of responsibilities. Over the next three years Council will invest an average of \$3.280 m / year resulting in a shortfall of approximately \$ 1,3 m per year. The average renewal shortfall is deceptive, and does not portray the real situation.

Building upgrades:

These funds will be allocated either to upgrade buildings to ensure that they meet the meet current and changed service levels as opposed to renewals where the condition of the building is the main driver. The building upgrade program is driven by the strategic planning of the service provider. The building upgrade allocation for the next 7 years are \$1,907,800 for the seven years.

New building program:

Council will require funding for new building infrastructure which will be required to meet regulatory compliance requirements associated with the delivery of services, an example of such a structure is the new waste treatment facility at the landfill site on Lakes Creek Road. The new building allocation for the next seven years is \$780,000.

Planned maintenance:

Planned maintenance requirements are based on a prioritised list of deferred defects, grouped together for each building and compiled in a planned program. The planned maintenance allocation for the next seven years is approximately \$1,2 m per year.

Reactive maintenance:

It is estimated that Council will require \$4.2 million per year (including regulatory maintenance requirements). As preventative and planned maintenance programs are implemented the funding requirement for reactive maintenance will decrease. The assumption is that the reactive maintenance funding demand will decrease by 3-5% per year to a maximum of 15% (it is currently 47%) of the total maintenance allocation for buildings over a 10 year cycle. Expenditure will have to be balanced over a long period, and consideration will be given to how excessive reactive maintenance needs can be replaced with planned maintenance actions e.g. ongoing reactive maintenance requests for a leaking roof will become redundant upon the replacement of the roof. High risk deficiencies (like electrical and mechanical defects), have to be fixed immediately.

Scheduled regulatory inspections and maintenance:

Council spend currently 53% or \$2.6m per year to meet statutory requirements associated with the building ownership, it is estimated that this expenditure will increase due to increased compliance demands on ownership.

1.7. How does this Asset Management Plan differ from previous versions?

Council's Communities and Facilities Section carries the responsibility for the maintenance of \$230M building assets, used to deliver a wide range of services to the community.

The following key areas have been improved, and will be the subject of ongoing review:

- Prioritisation of building inspections for a combination of building functionality and risk
- Determination and updating of the overall condition of each building.
- Building lifecycle modelling for assets, that include:

- Short term programs and projections:
 - Planned maintenance
 - Unplanned maintenance
 - Capital renewal and rehabilitation
- Long term and strategic programs:
 - A 10 year capital project delivery program
 - Planned maintenance projections
 - Capital renewal and replacement projections
 - Asset disposals
- Business unit “owned” assets have been taken out on some occasions ensure accounting on a unit level.

1.8. The improvement plan for this Asset Management Plan.

Future improvements to this BAMP include:

- The prioritisation of defects to ensure that the assets are managed in the most effective and efficient manner.
- Improving data quality and improving modelling techniques to increase the level of confidence in estimated maintenance requirements and the associated financial projections.
- The development of service levels including the cost to provide services at that level, and how that aligns with community expectations
- Refine maintenance and capital work programs.
- Development and refinement of performance and service level compliance reporting.
- Continuous review of performance results with necessary adjustments.
- Development of a balance between reactive and planned maintenance.

1.9. A summary of conclusions and opportunities

1.9.1 Defects

- The number of uncompleted defects has grown with 20% over the previous 7 years.
- The number of completed defects has declined over the previous 7 years.
- An average of 430 defects are mitigated per year.
- The average cost of fixing a defect is \$3,102 per defect.
- Defects are expensive to fix as they are unplanned and the economies of scale do not apply.

1.9.2 Reactive maintenance funding allocation

- The reactive maintenance allocation has decreased.
- The reactive maintenance allowance out of the total maintenance allocation has stayed the same (between 15% and 20%)
- Requests for maintenance and “immediate” defects recorded have increased significantly
- Council spend approximately \$6/m²/year on reactive maintenance

1.9.3 Planned maintenance

- The planned maintenance allocation has decreased by approximately 40% over the previous 4 years
- Planned maintenance is around 20% of the total maintenance allocation.
- Planned and reactive maintenance is between 35% and 45% of the maintenance allocation, while the remaining 55% to 65% is allocated to statutory and operational maintenance requirements.
- Compliance maintenance requirements are increasing rapidly as legislation intensify.
- The planned maintenance allocation is directly linked with the reactive maintenance allocation, if planned maintenance increase, reactive maintenance should decrease.

1.9.4 Capital expenditure: New buildings

- The budget allocated to new buildings has decreased by 35%.
- Instead of acquiring new buildings, RRC should rather consider “recycling” existing buildings (if suitable), by renewing assets and components as and when required, when suitable.
- RRC should increase use and explore multi use facilities.

1.9.5 Capital expenditure: Upgrade of required existing building infrastructure

- The budget for the upgrade of buildings has decreased significantly over the previous 7 years, it is however expected that funding for the upgrade of existing facilities will be increased with at least 30%/year.
- Upgrade of existing buildings should get precedence over acquiring new facilities.

1.9.6 Renewal of existing buildings

- RRC spends approximately \$12/m²/year on the renewal of existing building assets, which is very low when benchmarked against similar Council’s who spend between \$12 - \$34 /m²/year.
- The renewal GAP (renewal under funding) is approximately \$1.2m per year over the next 7 years.
- Renewal demands that are not met and pushed up to later years, result in the accumulation of renewal “debt”, and is difficult to address.
- Not attending to renewal result in rapid deteriorating building infrastructure, maintenance becomes expensive and uneconomical.

1.9.7 The way forward

To improve the renewal gap an internal working group has been formed which will facilitate sound recommendations to Council in the future. A number of strategies will be considered by this group:

- Option 1: Consolidate buildings asset base
Option 2: Demolish or sell buildings that are not optimally utilised
- Option 3: Upgrade all council owned buildings to a level that ensures effective and efficient maintenance
- Option 4: Lease the building out to the occupant / user under terms and conditions that makes them responsible for the maintenance (or limited maintenance) of the facility
- Option 5: Transfer the ownership of the building to the existing user occupier
- Option 6: Maintenance is the responsibility of the user of the building, and a maintenance fee (the subject of an agreement between the owner and the user) is paid over to the user
- Option 7: Maintain and operate leases through public private partnerships where the ownership does not change but private enterprise gains a long term lease

Any recommendations that are approved by Council will be incorporated into future versions of this asset management plan.

•

2. INTRODUCTION

2.1 Background

The purpose of this BAMP is to improve Council's short, medium and long term management of its building assets in order to meet the Council's agreed levels of service. The BAMP supports Councils key strategic documents and demonstrates best practice asset management in context with the available financial and other resources. The BAMP achieves this by setting standards and service levels, and achieving them through the appropriate maintenance and capital programs.

The following documents affect and influence the BAMP:

- Rockhampton Risk Management Framework Rockhampton Region Towards 2050 Strategic Framework
- Rockhampton Regional Council Community Plan Rockhampton Regional Council Social Plan Rockhampton Regional Council Corporate Plan
- Rockhampton Regional Council Operational Plan
- Rockhampton Regional Council Annual Report
- Rockhampton Regional Council Asset Management Policy
- Rockhampton Regional Council Capital Works Program

- Rockhampton Regional Council Building Infrastructure Management Framework 2008
- Rockhampton Regional Council Whole of Council Asset Management Strategic Framework
- Conservation Management Plans for Heritage assets
- Rockhampton Regional Council Regional Open Space Plan 2010
- Zoo Master plan (Draft)
- Botanical Gardens Succession Plan (Draft)
- Kershaw Gardens Succession Plan (Draft)
- Open Space Priority Infrastructure Plan (Draft)

Council Corporate Risk Register Key stakeholders in the preparation and implementation of this asset management plan are:

Key Stakeholders	Contribution
General Manager Corporate Services	Setting direction and facilitating approval of policies on asset management, ensuring integration with corporate planning.
Manager Finance	Overall direction for asset management plans and their development.
Coordinator Assets	Asset management technical support.
Manager Communities & Facilities	Asset Custodian for Facilities assets
Coordinator Facilities	Technical input into the Facilities Asset Management Plan. Support the development and implementation of maintenance and capital works programs.
Facilities Management Unit / Asset Services Units	Building infrastructure condition assessments and the implementation of maintenance, rehabilitation, renewal and decommissioning programs.
Facilities Management Unit Supervisor	Arrange and oversee the development and implementation of a range of built asset related strategies, policies, processes and business system improvements.
General Managers (Leadership Team)	Support the development and implementation of maintenance and capital works programs.
Councillors	Representation of the community on issues affecting Facilities.
Council staff and the wider Community	Provision of feedback re levels of service as per Section 3.
Federal and State Governments	Provision of legislation, funding

2.2 What does the BAMP achieve?

The focus of the BAMP is on short, medium and long term planning, and how to use this planning to pro-actively manage Council's building portfolio, which will then enable RRC to:

- Have a precise and accurate account of what we own, and have legal responsibility for.
- Record asset information down to a level at which the asset can be accurately defined and managed.

- Report on annual depreciation and asset consumption at an asset component level to measure one aspect of the organisations health.
- Measure and monitor the condition, performance, utilisation and cost of assets down to an appropriate management level, and analyse this data to provide information on cost and performance at the portfolio level.
- Understand and confirm current levels of service.
- Understand future service level expectations / requirements and the associated financial impact.
- Project future short, medium and long term funding requirements, and how that correspond with Council's capital and maintenance projections.
- Measure, monitor and report on the condition, performance and functionality of Council's asset against prescribed service levels and regulatory requirements.
- Have uniform processes across the organization in place for the evaluation of any investment in:
 - Renewal, upgrade and expansion of existing assets.
 - Creation of new assets
 - Maintenance (planned, unplanned / reactive) of existing assets.
 - Operational expenditure to deliver services.
 - Disinvestment and building rationalisation strategy.

2.3 The framework of the plan.

This BAMP supports a whole of life approach for the management of all assets in its portfolio. This Building Asset Management Plan will:

- Demonstrate accountability and responsible stewardship of building assets within budget constraints.
- Identify efficient and effective options to manage building assets to meet agreed levels of service.
- Assess current building asset stock and its capacity, condition and functional adequacy.
- Document the various levels of service, and any changes.
- Project future demand for building assets.
- Identify risks associated with building assets, and ways to manage those risks.
- Provide the basis for lifecycle management and set targets for the various stages.
- Provide the basis for Council's long term financial planning
- Set objectives and report on set targets.

The ultimate purpose is to develop a structured long term financial management plan for Council's building network that supports a continuous improvement philosophy for the management of this asset class.

2.4 Key assets covered by this BAMP

This BAMP covers the following Council assets (including Commercial and Non Commercial), with the latest values (Appendix D: Financial information for the RRC building portfolio provides more information)

Table 2.4: Asset Classes covered by this Plan

Building Class	Number of buildings	Estimated Floor Area (m²)	Replacement Cost (\$)
Site improvements	1	86	79,000
Amenities	47	3,192	7,367,000
Residential	17	3,521	4,828,000
Admin and Depots	51	26,256	52,312,000
Sports Facilities	12	1,405	2,255,000
Clubhouses	17	3,498	6,503,000
Culture	33	17,478	38,553,000
Commercial	2	4,191	14,241,000
Parks and Reserves	104	10,843	11,804,000
Community	47	35,907	40,663,000
Sheds (not those belonging Parks)	4	2,289	1,721,000
Childcare	5	2,469	4,862,000
Sub Total without Business units	340	111,135	185,188,000
Airport business unit			
Amenities	2	34	81,000
Culture	2	12,302	9,900,000
Admin / Depots	3	1,243	1,259,000
Commercial	8	2,571	1,512,000
Site improvements	3	57	51,000
Clubhouses	1	255	430,000
Sheds	10	4,229	3,101,000
Airport terminal building	1	11,090	20,800,000
Sub Total Airport Business unit	30	31,781	37,134,000
FRW business unit			
Amenities	2	391	340,000
Admin / Depots	4	866	2,060,000
Residential	4	727	1,024,000
Sheds	11	1,659	1,799,000
Sub Total FRW Business unit	21	3,643	5,223,000
Waste business unit			
Admin / Depots	14	3,013	2,069,000
Commercial	2	558	398,000
Sub Total Waste Business unit	16	3,571	2,467,000
Total with Business Units	407	150,130	230,012,000

2.5 Council's role and responsibility

Council has to meet many legislative requirements including Australian and State legislation and regulations (Table 2.5).

Table 2.5: Legislative Requirements

Legislation	Requirement
<i>Local Government Act 2009 and Local Government Regulations 2010</i>	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a LTFP supported by infrastructure and asset management plans for sustainable service delivery.
<i>Development Act 1993</i>	Provides for the planning and regulates development in the State; to regulate the use and management of land and buildings, and the design and construction of buildings; to make provision for the maintenance and conservation of land and buildings where appropriate; and for other purposes.
Building Code of Australia (BCA)	The Australian Building Codes Board (ABCB) is a joint initiative of all levels of Australian Government and includes representatives from the building industry. The Board was established in an inter-government agreement signed by the Australian Government and State and Territory Ministers responsible for building regulatory matters on 1 March 1994 and reaffirmed by Ministers in July 2001.
<i>Commonwealth Disability Discrimination Act 1992</i>	<p>(a) to eliminate, as far as possible, discrimination against persons on the grounds of disability in the areas of:</p> <ul style="list-style-type: none"> ▪ work, accommodation, education, access to premises, clubs, and sport; ▪ the provision of goods, facilities, services and land; ▪ existing laws; and ▪ the administration of Commonwealth laws and programs; and <p>(b) to ensure, as far as practicable, that persons with disabilities have the same rights to equality before the law as the rest of the community; and to promote recognition and acceptance within the community of the principle that persons with disabilities have the same fundamental rights as the rest of the community.</p>
<i>Work Health and Safety Act 2011 (WHS Act)</i>	<p>Protect the health and safety of workers and other people by eliminating or reducing workplace risks</p> <ul style="list-style-type: none"> • ensure effective representation, consultation and cooperation to address health and safety issues in the workplace • encourage unions and employers to take a constructive role in improving health and safety practices • promote information, education and training on health and safety • provide effective compliance and enforcement measures • deliver continuous improvement and progressively higher standards of health and safety
<i>Environmental Protection Act 1994</i>	The EP Act seeks to achieve its objective by setting out a program for the identification and protection of important elements of the environment

	(environmental values) and by creating a range of regulatory tools for controlling the activities of individuals or companies. The Act was also originally intended to provide public notification and appeal rights for proposed developments which have the potential to harm the environment
<i>Queensland Heritage Act 1992</i>	The object of this Act is to provide for the conservation of Queensland's cultural heritage for the benefit of the community and future generations
AS – Standards such as: AS/NZ 2293.3 1995 Emergency Evacuation lighting AS 1891: 1995 Fire Services AS 1735.15:2002 Lift Services AS 1657:1992 Walkways etc.	All building infrastructure have to meet requirements of the relevant AS standard
Other referenced legislation associated with Facilities	
<i>Aboriginal Cultural Heritage Act 2003</i>	
<i>Land Act 1994</i>	
<i>Water Act 2000</i>	
<i>Environmental Protection (Noise) Policy 1997</i>	
<i>Environmental Protection (Water) Policy 1997</i>	
<i>Civil Liability Act 2003</i>	
<i>Building Act 1975</i>	
<i>Acts Interpretation Act 1954</i>	
<i>Integrated Planning Act 1997</i>	
<i>Infrastructure Act 2003</i>	
<i>Survey and Mapping</i>	
<i>Electricity Act 1994</i>	
<i>Telecommunications Act 1997</i>	
<i>Health Act 1937</i>	
<i>Acquisition of Land Act 1967</i>	
<i>Telecommunications Act 1997</i>	
<i>Native Title Act 1993</i>	
<i>Childcare Act</i>	

2.6 Building responsibility matrix

Building type	Financial responsible	Asset Manager and Asset Management Plan	Programme d Inspection and condition assessment	Planned maintenance and Capital programs (Operational)	Execution of programs (Operational)	Reactive maintenance (Operational)
Site improvements	CF	AM / CF	AM	CF / AM	CF	CF
Amenities	CF	AM / CF	AM	CF / AM	CF	CF
Residential	CF	AM / CF	AM	CF / AM	CF	CF
Admin and Depots	CF	AM / CF	AM	CF / AM	CF	CF
Sports Facilities	CF	AM / CF	AM	CF / AM	CF	CF
Clubhouses	CF	AM / CF	AM	CF / AM	CF	CF
Culture	CF	AM / CF	AM	CF / AM	CF	CF
Commercial	CF	AM / CF	AM	CF / AM	CF	CF
Parks and Reserves	CF	AM / CF	AM	CF / AM	CF	CF
Community	CF	AM / CF	AM	CF / AM	CF	CF
Sheds	CF	AM / CF	AM	CF / AM	CF	CF
Childcare	CF	AM / CF	AM	CF / AM	CF	CF
Airport business unit	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Amenities	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Culture	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Admin / Depots	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON

Commercial	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Site improvements	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Clubhouses	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Sheds	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
Airport terminal building	AP	AM / AP	AM	AP / AM	AP / CON	AP / CON
FRW business unit	WS	AM / WS	AM	WS / AM	WS / CON	WS / CON
Amenities	WS	AM / WS	AM	WS / AM	WS / CON	WS / CON
Admin / Depots	WS	AM / WS	AM	WS / AM	WS / CON	WS / CON
Residential	WS	AM / WS	AM	WS / AM	WS / CON	WS / CON
Sheds	WS	AM / WS	AM	WS / AM	WS / CON	WS / CON
Waste business unit	WU	AM / WU	AM	WU / AM	WU / CON	WU / CON
Admin / Depots	WU	AM / WU	AM	WU / AM	WU / CON	WU / CON
Commercial	WU	AM / WU	AM	WU / AM	WU / CON	WU / CON

Legend

BUS	Relevant business unit	EU	Engineering	EM	Executive Management
CF	Communities and Facilities	WU	Waste	TEN	Tenant
AH	Arts & Heritage	WS	Water and Sewer (FRW)	CO	Civil Operations
PR	Parks and Recreation	CON	Contractor	FC	Finance
AP	Airport	in CF			
CT	Corporate and Technology	AM	Asset Management		

2.7 Management of building assets

Council is the owner of building infrastructure to the value of \$230M which is utilised for the delivery of a wide range of services to its community.

In order to manage this large and valuable building portfolio, the responsibilities can be divided as follows:

- Operational activities – Communities & Facilities and the relevant Business Unit
- Asset management and associated planning – Assets Group with Communities and Facilities and / or the relevant Business owner

The corporate outcome is a combined effort.

2.7.1 Activities included in the operational management of the asset:

Activities included in operational management include, but are not limited to:

- Reactive maintenance and day to day work requests.
- Execution of programmed maintenance activities.
- Programmed capital upgrade, rehabilitation and renewals
- New capital works as per the capital works program

- Works that originate from unexpected incidents and events

2.7.2 Activities included in the asset management of the asset:

Activities included in Asset management include, but are not limited to:

- Asset inspections and condition rating of RRC's building portfolio
- Compilation, rating and prioritization of defects identified during inspections
- Planned maintenance programs
- Upgrade, rehabilitation and building asset renewal programs
- Compiling of short, medium and strategic capital works programs
- Asset disposal and associated strategic disposal strategies

2.7.3 The business process required for the management of assets.

In order to be able to manage the building asset portfolio effectively, assets are grouped into individual components, which are then "micro managed". This helps to ensure that all the maintenance needs of the building components are considered individually and in combination with each other to deliver the best and most efficient and effective outcomes. This method also helps to use a consistent approach towards the management of all building infrastructure and services. The consistent use of terminology is encouraged in the establishment of condition standards with the assessment, costing, planning, implementation and the reporting of maintenance works.

The list below is based on the Rawlinson's Australian Construction Handbook section 'Estimating the Elemental Cost of Buildings' (Pages 66–67), which refers to the components of a building as element groups, elements and sub-elements.

These building components in the asset register are:

- Substructure
- Superstructure
- Superstructure Internal
- Fittings
- Finishes
- Services; and
- External Services

These operational and maintenance processes are linked by work order through Council's corporate asset management system, Conquest. Requests for maintenance are reported through Council's corporate customer request system, Pathway which interfaces with Conquest. Comments on status are reported through Pathway, and when work order has been completed the request is closed off. Requests (based on the priority) are escalated if not actioned within set timeframes.

2.8 Core and transition into advanced Asset Management

This asset management plan is prepared as a 'core' asset management plan in accordance with the International Infrastructure Management Manual. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level. One of the objectives of this plan is to provide the asset custodians with enough information to enable them to operationally manage the assets under their control as effectively and efficiently as possible. The development of costed maintenance and capital delivery programs will not only determine funding allocations, but will also identify funding gaps more clearly and accurately.

Future revisions of this asset management plan will move towards 'advanced' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of the assets lifecycle through the management of the individual components the asset is divided into. Advanced asset management will assist RRC in the development of an overall function and risk based funding plan, and to focus on areas of need and risk instead of not knowing how expenditure effect the services Council provide.

3. LEVELS OF SERVICE

A key objective of this BAMP has been to match the level of service provided by Council's building portfolio to the expectations of the users (the community) within available resources. In order to achieve this, a clear understanding of existing and expected levels of service is required.

To achieve and sustain acceptable and expected service levels requires well managed funding commitment. Funds are required for:

- Unplanned or reactive maintenance
- Planned maintenance
- Renewal, rehabilitation and replacement strategies
- New facilities / buildings

Adequate financial resources will ensure that the building assets are appropriately managed and preserved. A funding commitment that does not meet requirements impacts directly on the community's development, and if prolonged, will result in a substantial need for future "catch up funding". Deferred renewal and planned maintenance funding will result in an increase and escalation of reactive maintenance as aged assets deteriorate at increasing rates, leading to the inefficient utilisation of funding resources.

Current levels of service are not fully defined and require further investigation and benchmarking with other similar institutions.

3.1 Strategic service objectives and the development of strategic service levels

Council has previously undertaken extensive community consultation that builds on departmental reviews and research which assist in identifying the required and expected level of service. The outcomes of the community consultation processes were used to develop the Community and Social Plan which identify strategies and challenges.

Council has reporting mechanisms for community feedback on its Website where the community can report a service concern or lodge suggestions for service improvements.

Pathway is used to log and track requests for maintenance. The system measures execution time, customer satisfaction and provides a basis for maintenance estimates.

Customer Surveys may be undertaken to guide future revisions of this asset management plan in accordance with the following asset classes.

- Sporting Facilities
- Public Amenities
- Community and Cultural Facilities
- Libraries

Other building types could be evaluated with the help of user surveys.

3.2 Current Levels of Service

3.2.1 Levels of service

Service levels have been classified into two groups:

- Strategic levels of service – Based on functions Council expects to provide in terms of key customer outcomes:
 - The strategic importance of the service
 - Accessibility of the service to users e.g. 24 hrs. a day, and 7 days a week (or as required)
 - Strategic affordability being Council can only provide what Council can afford.
 - Relevance of the service to meet the identified need.
 - The strategic integration of the service with other services provided by other asset classes.
- Operational / Technical levels of the service
 - At what point does Council repair, renew or upgrade in order to meet the expected (or agreed) customer outcomes.
 - At what levels will a new asset be managed to meet Council's strategic outcomes?
 - What maintenance standards shall apply to upgrades and reconstructed assets?
 - What is the intervention levels associated with building repairs?
 - What is Council's responsiveness in terms of customer requests for maintenance?
 - The schedule of inspections undertaken of specific building elements?
 - Priorities given to various defects?
 - The type of priority intervention action that will be carried out.
 - Emergency reaction procedures

- Resource estimates required to maintain the asset.
- What service levels can be maintained with what resource allocations, and how resources can be balanced to provide the most cost effective outcomes.

3.2.2 Current service levels.

Council's current service levels are detailed in Table 3.2.2.

Table 3.2.2. Building Asset Management service levels

Office and Depot Buildings

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
COMMUNITY LEVELS OF SERVICE				
Quality	The facilities provide a quality experience for all users.	Employee Satisfaction Survey Customer Service Request	90% - satisfied, Vary	Measures in place
Function	The facilities meet the needs of the users.	Employee satisfaction survey Customer Service Request	90% - satisfied, vary	Measures in place
Sustainability	Facilities are designed and managed for future generations.	Master planning. Long-Term Financial Plan.	Best practice design and maintenance standards are followed.	Maintenance planning not well, RRC does not follow a targeted 5, 10 & 20 year renewal program.
Safety	The buildings comply with relevant safety standards and requirements	Customer service request. Hazard inspection and compliance program in place and being used.	100% compliance with WH&S Policy	Ensure 100% compliance with OHS&W Policy Regular programmed hazard inspections, with documented outcomes. 75% completed (safety inspections incorporated with the building inspections)
TECHNICAL LEVELS OF SERVICE				
Condition	Maintain assets at acceptable levels of appearance and condition.	Regular and targeted asset inspections are required to prepare a comprehensive maintenance program for building assets. Undertake planned maintenance at regular cycles in order to ensure reactive maintenance budgets do not blow out. Carry out emergency repairs as required. Carry out testing of essential services and building services in accordance with statutory requirements including (but not	100% of the agreed level	Maintenance in accordance with legislated requirements Condition assessments are programmed for a three year cycle.

		limited to): <input type="checkbox"/> Fire protection systems. <input type="checkbox"/> Exit and emergency lights. <input type="checkbox"/> Air conditioners etc.		
Cost effectiveness	The facilities / services are affordable and managed efficiently to consistently meet the required level of service.	Annual Capital and Maintenance budgets are developed using comprehensive costing data	In accordance with adopted or revised budget	RRC is working forwards the development of targeted planned and reactive maintenance budgets, and are also exploring ways to develop capital budgets more effectively.
Safety	Buildings comply with OHS&W and Building Act.	Inspection program formulated and implemented. Testing carried out in accordance with Statutory requirement and records retained. Number of safety incidents and liability claims.	100% compliance with WH&S Policy	In accordance with Statutory requirements and developed programs.

Sport and Recreation Buildings

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
COMMUNITY LEVELS OF SERVICE				
Quality	The facilities provide a good quality experience for all users.	User survey.	Agreed service level	Measures are being developed
Function	The facilities meet the functional needs of the users and sport played.	User survey. Internal stakeholder analysis Lease document	Meet the requirement of service delivery	Measures are being developed
Utilisation	Facilities are managed for maximum utilisation.	Existing leases, tenancy and user data.	Agreed service levels	Measures are being developed
Safety	The buildings are safe to use and access.	Customer request system. Hazard Inspections as per matrix.	Hazard Inspections completed as per matrix. Customer service request actioned within 48 hours if hazards are identified	Hazard Inspection and Customer Request programs are in place.

TECHNICAL LEVELS OF SERVICE				
Condition	Maintain assets at acceptable levels of appearance, condition.	<p>Prepare a comprehensive maintenance program for property assets.</p> <p>Carry out regular building inspections (as per assessment).</p> <p>Undertake maintenance on a regular cycle. Carry out repairs as required and in accordance with tenancy agreements.</p>	100% of the agreed level	Inspections at this stage are reactive, we are working forwards a robust inspection regime based on the importance and existing condition of the building.
Cost effectiveness	The facilities and services are affordable and managed efficiently for the required level of service.	<p>Prepare recurrent budget.</p> <p>Identify any future problems, ensure appropriate allocation of funds and develop comprehensive costing data for determination of most cost-effective solutions.</p>	At or below budget	In development
Vandalism.	Review club tenancy agreements particularly clubs with history of vandalism. Record vandalism against all assets to pin point hotspots	<p>< 3 reports per month</p> <p>Pathway Customer Request system</p>	Accurate vandalism records	<p>Recorded through Pathway system into Conquest</p> <p>Monitor and implement strategies to reduce vandalism</p>
Safety	Buildings comply with OHS&W and Building Act.	<p>Inspection program formulated and implemented.</p> <p>Testing carried out in accordance with statutory requirement and records kept.</p> <p>Number of safety incidents and liability claims.</p>	100% compliant	RRC has started implementing a process, in combination with building assessments.

Community Buildings

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
COMMUNITY LEVELS OF SERVICE				
Quality	The facilities provide a quality experience for all users, and meet their requirements.	<p>Satisfaction Survey</p> <p>Customer Service Request</p>	90% - satisfaction	Measures are being developed, with some already in place. There are various satisfaction surveys in place which measure

				the levels of satisfaction.
Function	The facilities meet the needs of the service delivered	User survey. Internal stakeholder analysis Lease document	90% - satisfaction	Measures being developed
Sustainability	Facilities are constructed and maintained for future generations.	Master planning. Long-Term Financial Plan.	Key Financial Ratios are maintained	Maintenance programs are in place, renewal allocations are not adequate.
Safety	The buildings are safe to use and access.	Customer service request. Hazard Inspection Matrix	100% compliance with WH&S Policy	In accordance with Statutory requirements and developed programs.
TECHNICAL LEVELS OF SERVICE				
Condition	Maintain assets at acceptable levels of appearance, condition.	Asset inspection programs are based on best practice criteria. Prepare a comprehensive maintenance program for property assets. Carry out regular QA audits of building inspections. Undertake maintenance on a regular cycle. Carry out maintenance repairs as required. Carry out testing of essential services and building services in accordance with statutory requirements including (but not limited to): <input type="checkbox"/> Fire protection systems. <input type="checkbox"/> Exit and emergency lights. <input type="checkbox"/> Cooling towers.	100% of the agreed level	Maintenance in accordance with legislated requirements is being done for most assets. Condition assessment at least every 2 years as detailed in the BAMP
Cost effectiveness	The facilities / services are affordable and managed efficiently for the required level of service.	Prepare recurrent budgets, identify any future problems, and ensure appropriate allocation of funds and develop comprehensive costing data for determination of most cost-effective solutions.	At or below budget	Developed maintenance budget and program Review budgets
Safety	Buildings comply with OHS&W and Building Act.	Inspection program formulated and implemented. Testing carried out in	100% compliant	Have gone a far way to develop regulatory testing programs.

		accordance with Statutory requirement and records kept. Number of safety incidents and liability claims.		
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Public Amenities Buildings

Key Performance Measure	Level of Service	Performance Measure Process	Performance Target	Current Performance
COMMUNITY LEVELS OF SERVICE				
Quality	The facilities provide a quality amenity for all users.	Customer Service Request	90% - satisfaction	Maintenance program and cleaning framework
Function	The facilities meet the needs of the users.	Customer Service Request	90% - satisfaction	Maintenance program and cleaning framework
Sustainability	Facilities are managed for future generations.	Master planning. Long-Term Financial Plan.	Key Financial Ratios are maintained	Maintenance program in place with inadequate renewal allocations. RRC is developing ways of comparing maintenance cost of building assets, in order to accurately determine the cost of providing the service.
Safety	The buildings are safe to use and access.	Customer service request. Hazard Inspection Matrix	100% compliance with WH&S Policy	In accordance with Statutory requirements and developed programs.
Safety	The buildings are safe to use and access.	Customer service request. Safety Audits.	Ensure 100% compliance with OHS&W Policy	Accurate measuring and recording results are being worked on.
TECHNICAL LEVELS OF SERVICE				
Condition	Maintain assets at acceptable levels of appearance, condition.	Prepare a comprehensive maintenance program for property assets. Carry out regular building inspections. Undertake maintenance on a regular cycle. Carry out emergency repairs as required. Carry out testing of essential services and building services in accordance with statutory requirements including (but	100% of the agreed level	Maintenance on a reactive basis, expensive and not very effective. Condition assessment based on existing condition and related inspection criteria.

		not limited to): <input type="checkbox"/> Fire protection systems. <input type="checkbox"/> Exit and emergency lights. <input type="checkbox"/> Air conditioning.		
Cost effectiveness	The facilities / services are affordable and managed efficiently for the required level of service.	Prepare maintenance budgets. Identify any future problems, ensure appropriate allocation of funds and develop comprehensive costing data for determination of most cost-effective solutions.	At or below budget	Developed maintenance budget and program Revised budgets
Safety	Buildings comply with OHS&W and Building Act.	Inspection program formulated and implemented. Testing carried out in accordance with Statutory requirement and records kept. Number of safety incidents and liability claims.	100% compliant	Recorded data not accurate, not really driving priorities.

3.3 Desired Levels of Service

At present indications of desired levels of service are obtained informally from various sources including Council Policies and Procedures, resident feedback, service requests (through Pathway), correspondence and regular building condition inspections.

Council has yet to quantify all the desired levels of service (refer to **Table 3.2.2: Building asset Management Service Levels and the associated performance targets**). This will be done in future revisions of this asset management plan.

All services are maintained to a standard that comply with the Building Maintenance Service Specifications Indicators and the desired Level of Service for Building Maintenance Services.

4. FUTURE DEMAND

4.1 Demand and demographic change forecasting

The environment in which Council operates is subject to many changes that impact on the nature of the services it provides, and the frequency at which they need to be provided.

Some of the key factors influencing the demand for new facilities and changes to existing assets within the Rockhampton Region include:

- Growth in industrial, commercial and residential areas;
- Changes in land use;
- Population growth or decline;
- Environmental awareness;
- Government policy; and
- Local Government boundary realignments
- Changes of business drivers and economic influences (e.g. agriculture to industry etc.)
- Demographic changes and associated services drivers
- Social change

Demand factor trends and impacts on service delivery are summarised in Table 4.1.

Table 4.1. Demand Factors, Projections and Impact on Services

Demand factor	Present position	Projection	Impact on Built Infrastructure
Population	82551	Population projection based on the higher range being 2%. 2016 – approx. 87000 people 2021 – approx. 95000 people 2026 – approx. 104000 people	Increased asset use and demand on existing assets will have a follow on impact on maintenance and renewal costs.
Demographics	Increasing shift towards average age increasing	Aging population and multicultural community expected to continue	Changing service needs and hence changing building requirements. Council may have to provide a more diverse array of buildings to meet ethnic demand.
Building Costs	Current costs	Costs anticipated to increase	The shortage of skilled labour, high labour costs and increasing building costs will impact on the future management of buildings. Contractor shortage due to mining and industry boom resulted in an undersupply which increased the

			building costs.
Regulation	Current regulations	Regulations relating to buildings increasing e.g. accessibility and ESD	Will add further to the cost of providing, operating, maintaining and renewing buildings
Community Expectations	High – facilities have to be nearby, open for extended hours and free to use.	Increase demands	Need to provide more facilities open for extended hours.
Environmental	Implementation of expensive environmentally friendly equipment when renewal is due	Reduce and measure our carbon footprint	Energy efficient building practices to reduce Councils carbon footprint.

4.2 Changes in Technology

Technology changes are forecast to have some impact on the delivery of services covered by this plan (see Table 4.2).

Table 4.2. Changes in technology and a forecast of the effect on service delivery

Technology change	Effect on service delivery
Change in building construction methods and the materials used	May increase the life of building components, reducing the susceptibility to damage, or by reducing the cost of construction or maintenance. E.g. protection from termites
Management technology	Knowledge of buildings, component, lives and costs are continually being improved
Alternative rules - solar	Ability to make facilities more energy efficient – lighting, air conditioning, insulation
Communication technology	Leads to change in building design, layout and use.

Council is also moving away from paper based recording to electronic recording techniques. This will improve how data is captured and will ultimately reduce errors, and speed up the process of the uploading of data into Conquest and other building management software.

4.3 Demand Management Plan

Demand for new services will be managed through a combination of upgrading existing assets, and providing new assets to meet the demands of a changing market. Demand management practices also include non-asset solutions such as risk and failure management.

Some challenges include:

- Population growth – ensuring that building assets support population growth.
- Economic growth and investment – ensure that building assets contribute to and encourage economic growth.
- Good governance – providing building assets to ensure that a platform for the delivery of essential and regulatory local government services exists.
- Social – ensuring that building assets enhance the quality of services that Council provides to all members of the community.
- Environmental – ensure that the impact of buildings on the environment is minimized.

- Cultural – ensuring that building assets contribute to the maintenance of the distinctive and diverse character of the area.
- Changes in standards and specifications which buildings need to comply with.

Regional resource development may influence and stimulate population growth. The extent is not known and more data is required to review the impacts and pressures of population growth on building assets.

Demand drivers for capital and maintenance works include:

- Increase or change in services provided
- Increased age of assets
- Increased community expectation of the level that assets have to be maintained at.
- Increased community expectations of the quality of Council owned buildings.
- Remaining useful life of existing buildings, including and consideration of cultural and heritage values, and the cost associated with the aged building portfolio.
- Increasing maintenance demand due to a lack of funding for planned maintenance programs, and historical maintenance deficiencies.
- Increased maintenance demand due to a lack of capital renewal, rehabilitation and replacement

4.4 Providing new buildings and upgrade existing to meet future demand

Strategic planning has identified new infrastructure projects that are required in order to provide services in a manner that will ensure that the current levels of service to the community will be maintained. The new assets do not only replace or enhance current services but also have to meet operational and legislative requirements. The new waste recycling facility next to Lakes Creek Road is an example of legislation requirements driving new infrastructure.

Table 4.4 Facilities: New building program

MAJOR PROJECTS (new building works)			
Project ID	Project Name	Year	Cost
	Security system for the Walter Reid building	2014/15	\$15,000
	Mt Morgan Library	2015/16	\$580,000
	New Rockhampton Pound	2015/16	\$500,000
	Amenities block Boyd Park Mt Morgan	2016/17	\$90,000
	Temporary ablution block for Robert Schwartzen	2016/17	\$75,000

Acquiring these new assets will commit Council to fund ongoing operation and maintenance costs for the period that the service the asset provides is required. These future costs are identified and considered in the development of future operating and maintenance budgets.

4.5 Rationalisation of assets

Typically Council has not disposed of many facilities in the past due to community expectations, even though the facility may not be the ideal solution to fill the current community needs. There are many examples where alternative facilities can be used, rather than an aged facility be replaced, however these are future decisions of Council that require

further consideration. A working group has been formed to prioritise which facilities may be a candidate for future rationalisation and any decisions will be incorporated into future versions of this plan.

5. LIFECYCLE MANAGEMENT PLAN

This section of the BAMP provides details of data and processes required to effectively manage, maintain, renew and upgrade Council's building portfolio. It also documents the regular analysis that needs to be undertaken to predict and monitor future expenditure required to effectively manage the portfolio.

All assets require maintenance to keep them operational and performing in a safe manner. As the asset is used and ages, the maintenance demands increase, and some components of the building may require replacement. It is important to project this expenditure through the lifecycle in order to be able to determine the economic feasibility of the operation.

5.1 Background Data

5.1.1 Council's building portfolio and extent of service

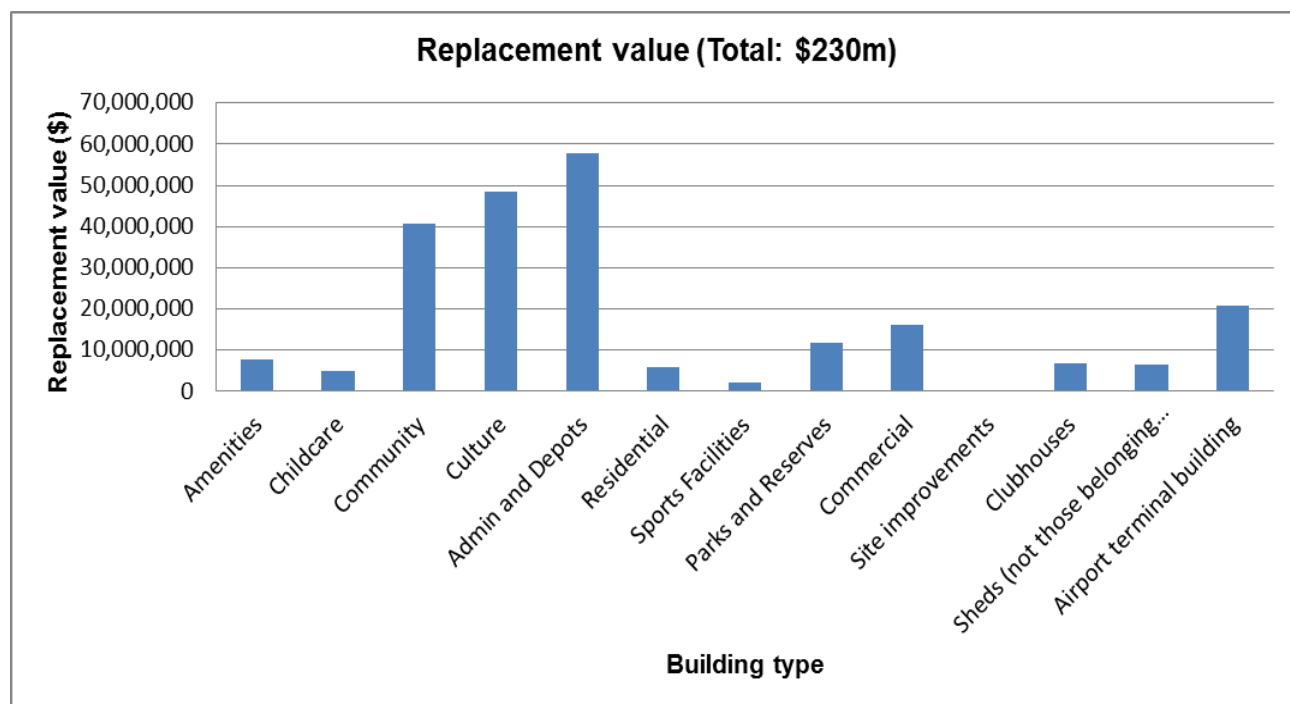
In order to group assets, the following categories have been identified. These categories are groups of assets with broadly the same purpose, functionality and maintenance demands.

Table 5.1.1: Building assets covered in this BAMP

Asset Class	Asset Sub Class	Types of Assets
Buildings	Amenities buildings	Amenities
	Residential Buildings	Dwellings, Storage sheds
	Admin & Depot Buildings	Offices, Workshops, Truck wash, Storage sheds
	Sport & Recreational Buildings	Clubhouses, Rotundas, Change rooms, Grandstands, Storage sheds
	Clubhouses and other community infrastructure, including showgrounds, exhibition halls etc.	Clubhouse for various sport facilities, Scout Halls, Guides etc.
	Buildings in parks and reserves, shade sails, sheds etc.	Kiosks, storage, sheds, zoo, exhibition cages etc.
	Community Development Buildings	Offices, Amenities, Function rooms, service facilities etc.
	Libraries Buildings	
	Museum and Heritage Buildings	Museums, Heritage, Offices, Sheds
	Culture, arts and performance buildings	Theatres, performing arts, Art Gallery etc.
	Commercial Buildings	Arcade, Quay Street Customs, Medical Offices
	Sheds and storage facilities	SES sheds etc. excluding sheds in parks
	Childcare	
	Airport terminal building	
Site Improvements	Access roads, car parks, paths	
	Electrical	
	Fencing	
	Lighting	
	Memorials	
	Open space furniture and utilities	
	Sport services, facilities and accessories, playgrounds	
	Watering systems	

Appendix A: Information on the RRC building portfolio provides more detailed financial information.

Figure 5.1.1: Building types: Replacement value



The size of building categories illustrate:

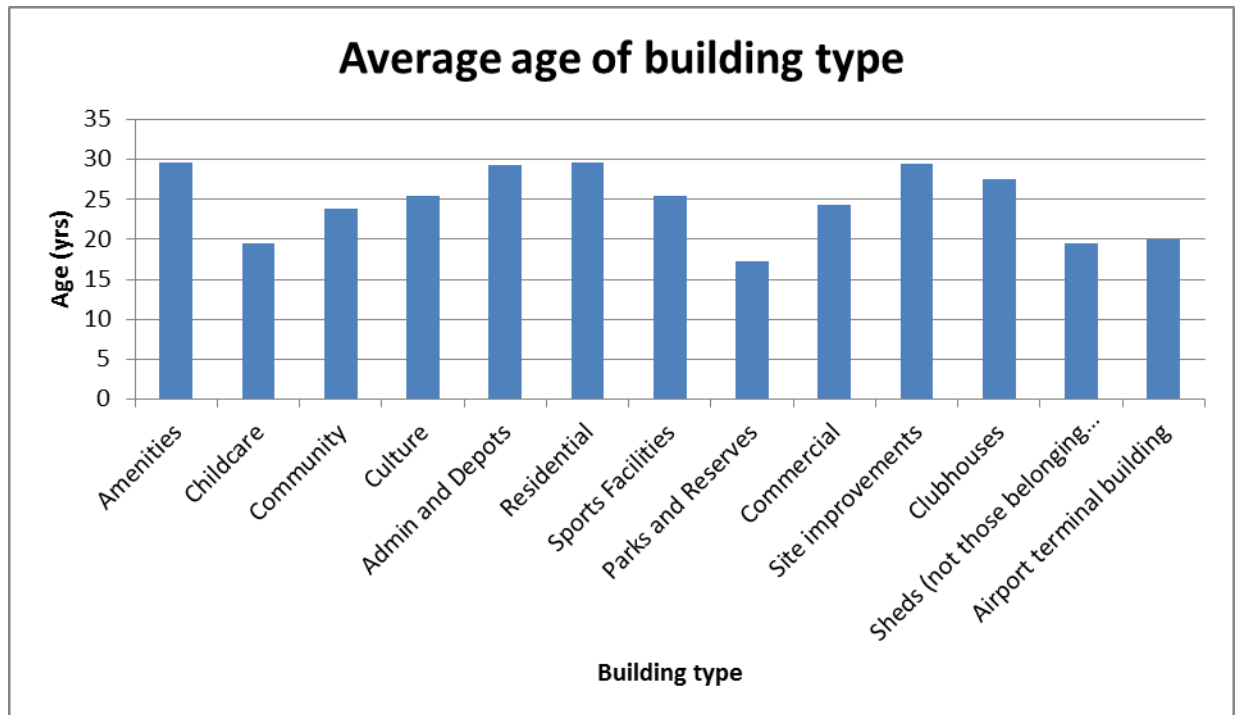
- Future maintenance demands (amenities require extensive periodical maintenance due to vandalism etc.)
- Service level priorities.
- Type of service being provided etc.
- Asset ownership is calculated at approximately \$2800/capita

5.1.2 Age of RRC's building portfolio

The average age of Council's building portfolio (Figure 5.1.2.1) concludes:

- Future increasing maintenance needs.
- The budget growth needed to support the maintenance of the portfolio (the older the portfolio gets the more maintenance are required).
- The increasing budget for capital renewal, upgrade and new replacement structures.
- The decreased budget available for the renewal and rehabilitation of existing building infrastructure due to the increased maintenance allocation.

Figure 5.1.2.1: Age of Council's building portfolio



Refer to **Appendix B: RRC building portfolio: oldest to newest** for an accurate summary of all RRC owned buildings.

Figure 5.1.2.2 Expected life of buildings vs. remaining life

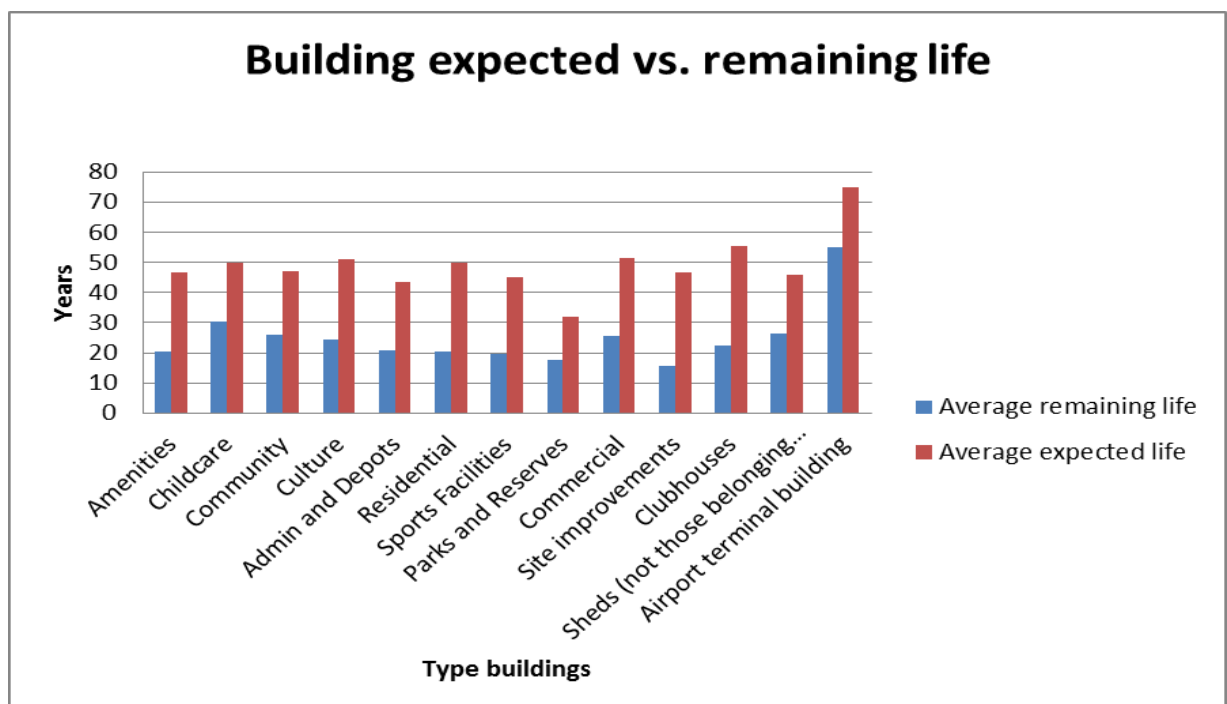
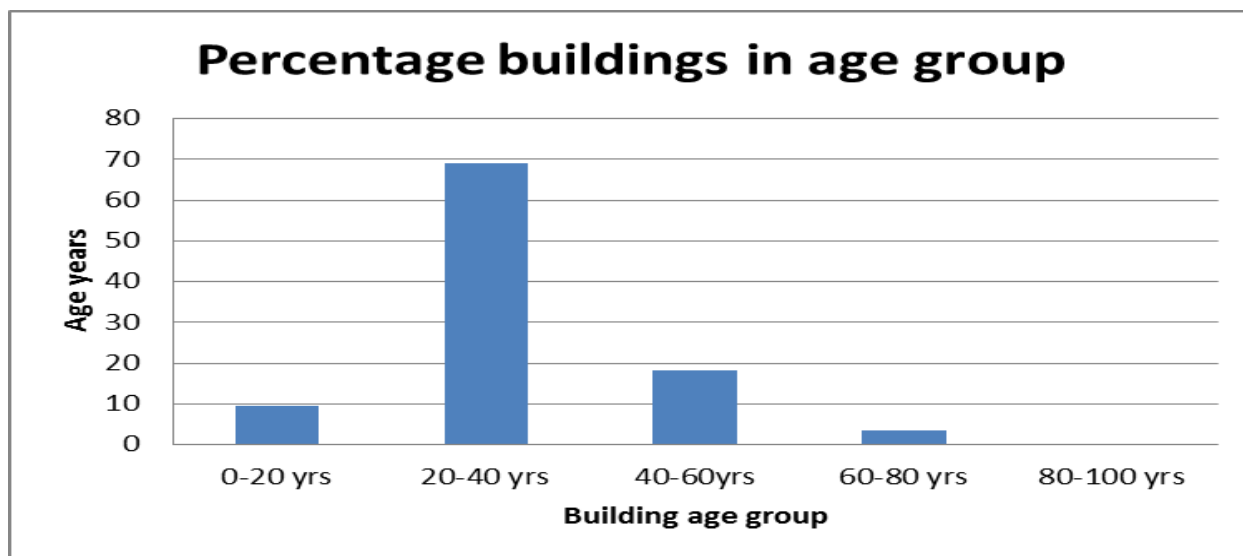


Figure 5.1.2.3: Percentage of buildings per age group

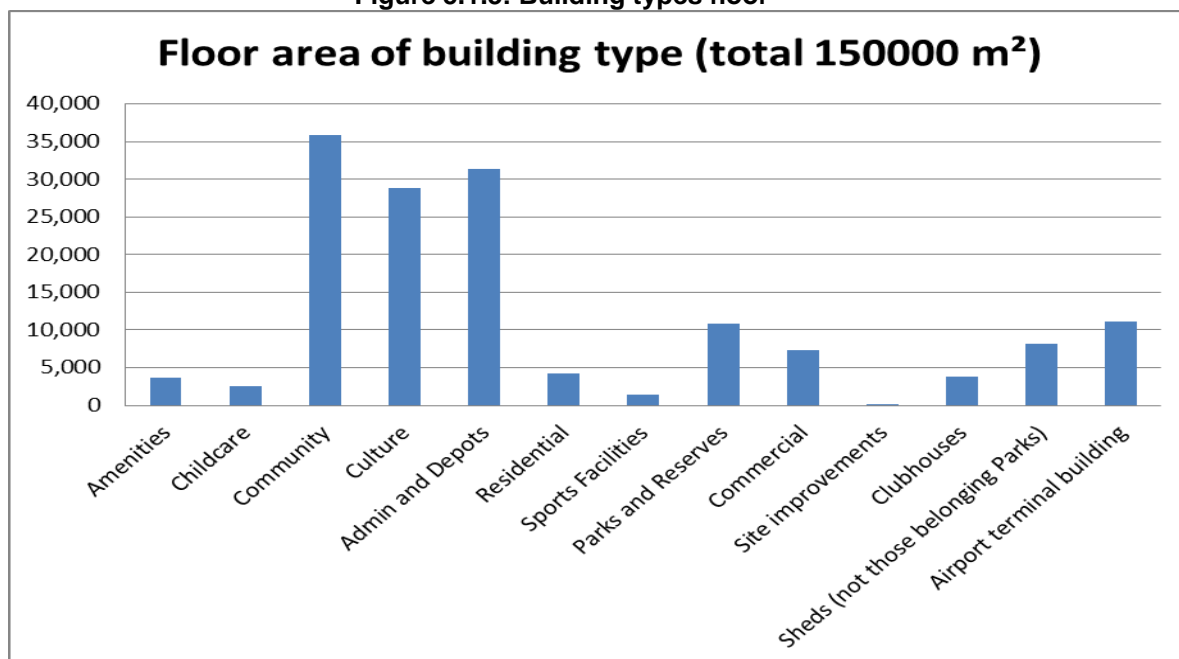


5.1.3 Floor area and building type

The average floor area (m²) and type of buildings give an indication of:

- The importance and extent of each service
- The maintenance burden associated with the various building types (Parks and lands have a high percentage of utilities, which has a much higher maintenance burden than office buildings etc.)
- Allows Council to benchmark against other Council's with regards to the services they provide
- Allows Council to determine budget needs based on maintenance cost incurred elsewhere for similar type and size assets.
- Appendix A: Information on the RRC building portfolio provides detail information on Council's portfolio.
- There are old buildings in the 80 – 100 yrs range (for example Town Hall, School of Arts etc.) that have been renewed (or parts thereof), these renewals have turned the clock back and have given them a new lease of life.

Figure 5.1.3: Building types floor

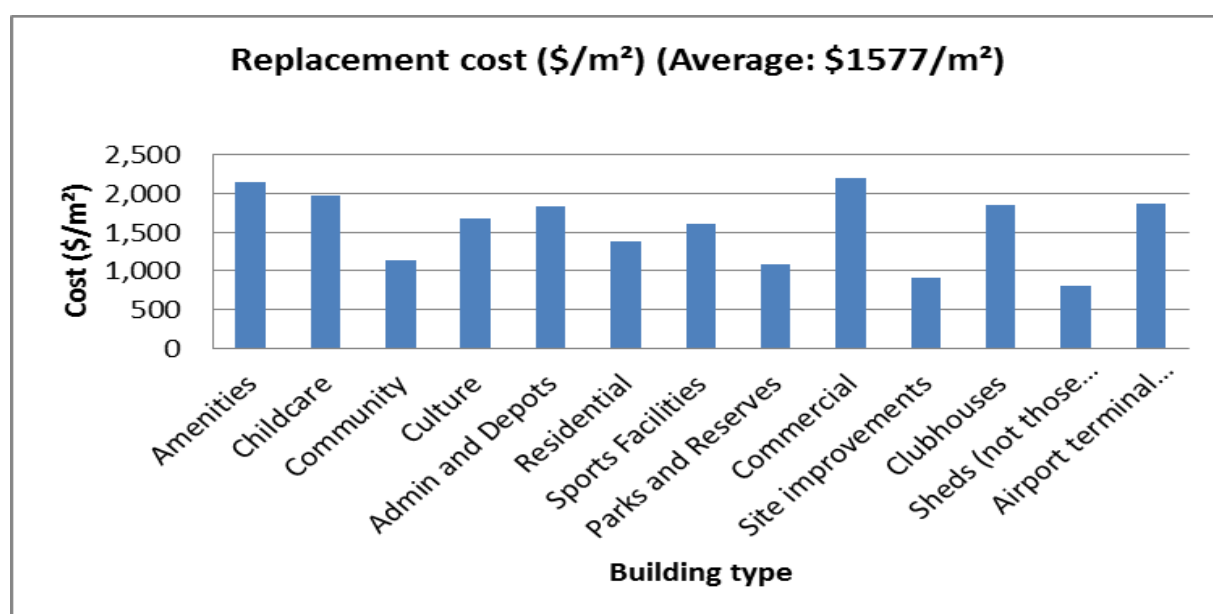


5.1.4 Cost per square metre to provide the building resource.

The replacement value (\$/m²) for the supply of various building types indicates:

- The cost of providing the community with a particular service
- Forward maintenance planning and associated costs
- Service level planning

Figure 5.1.4: Cost per square metre to provide recourse

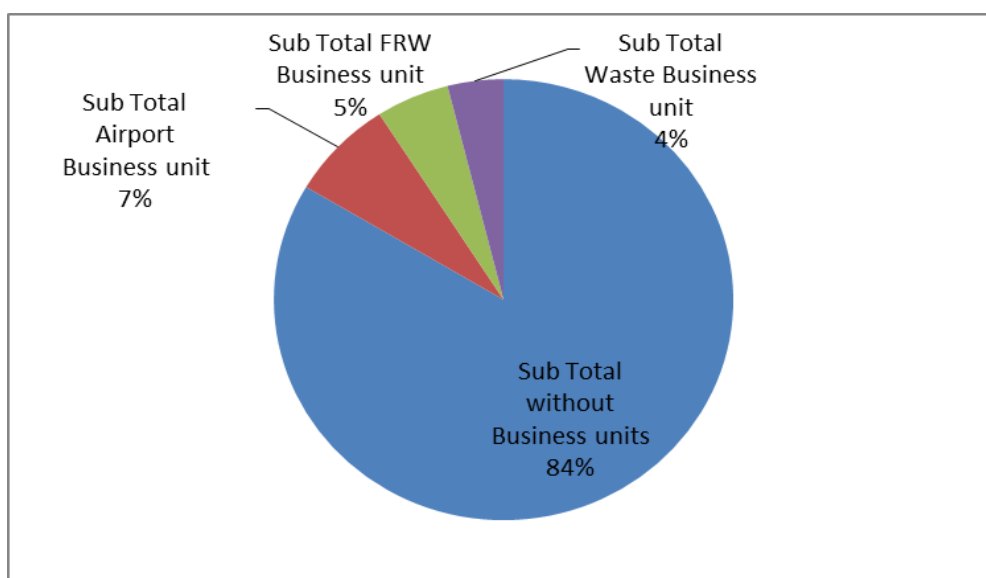


5.1.5 Building portfolio divided between business units and departmental custodians

There are three business units within Council who is responsible for the management of their own assets. These units could procure maintenance and capital works in the following ways:

- Through other operational functions within the organisation e.g. Airport can obtain the mowing service from Parks etc.
- Through externally appointed contractors procured through Council's adopted procurement process.
- Provide the service themselves e.g. FRW meets their own mowing needs and believe that they can deliver a better maintenance service.

Figure 5.1.5: Part of the building portfolio belonging to Business units



5.2 Asset Information

Each asset shall have its own short, medium and long term management plan and maintenance commitments, these plans will also include the Asset Register record, attribute data, related information/documentation, operational and maintenance programs and forecasted costs.

5.2.1 Asset Records

All building assets shall have the following attributes recorded against them as a minimum:

- Asset custodian or ownership
- Address
- Location
- Region
- Asset Function

- Financial
- Other reference and dimensional details
- The date the asset was created, and the attributes.

5.2.2 Attribute Data

Each asset shall have all the necessary attribute data fields populated with current information. Attribute information includes:

- Attributes for consideration is sub structure, super structure, fittings, finishes, services, and a detail description
- The attribute creation date, age
- The expected life, remaining life etc.

5.2.3 Related Information/Documentation

Each asset shall have all directly related information/documentation e.g. inspection data, procedures, statutory requirements, readily accessible via the Conquest Asset Register. All the relevant life cycle information is stored against the asset record. Council is currently working on the development of a Conquest link with GIS to enable the user to access the asset information more effectively.

5.3 Building asset inspections

5.3.1 Prioritization of building inspections

The following criteria will be used to program and prioritize the inspection of all buildings in RCC's building asset portfolio:

Table 5.3.1.1: Prioritization process

1	Importance	TABLE 5.3.1.2
2	Usage	TABLE 5.3.1.3
3	Risk exposure	TABLE 5.3.1.4
3	Condition	TABLE 5.3.1.5 Use the previous inspection periods condition rating

- Criteria 1: The importance of a building is dependent on the category in which that building falls (35 points).**

Criteria 1, a,b,c are used to specify the importance of a building

Table 5.3.1.2: The building class importance (35 points)

Criteria 1 (a): Service importance (20 points)

Criteria	Points
----------	--------

Must have (compulsory service to be provided)	10 - 20
Not compulsory, a community service that are important	5 - 10
Service not important	0 - 5

Criteria 1 (b): Community relation to the service provided (10 points)

Criteria	Points
More than 50% of the community is in favour of the service	6 - 10
Less than 50% of the community is in favour of the service	0 - 5

Criteria 1(c): Heritage value of the particular building (5 points)

Criteria	Points
Some heritage value or heritage listed	1 - 5
No heritage value at all	0

Criteria 1(a), 1(b) and 1(c) are added together as a rating out of 35.

2. Criteria 2: The priority based on the level of use of the building (10 points).**Table 5.3.1.3: The level of use of the building class (10 points)**

Example	Description	Points
Library, Town Hall, Depot, School of Arts, IT Agnes Street, works depot Gracemere	High use - used daily	10
The Gracemere Community Centre	Used twice a week	8
Scout hall MTM	Used once a week	6
Black Street MTM	Used twice a month	4
Club houses	Only used once a month	2
Ablusion block old Yamba tennis courts, old transfer terminal etc.	Not used	0

3. Criteria 3: The number of people which access (or use) the building, and are therefore exposed to the associated risk (points 5).**Table 5.3.1.4: The number of people using the facility every day (5 points).**

Example	Description	Points
City Hall offices, Pilbeam theatre	More than 2000 people per week	5
Shocia place, Dooley Street depot etc.	Between 1000-2000 people per week	4
Walter Reid, Custom House	Between 500 – 1000 people per week	3
FRW, Belmont Road	Between 100 – 500 people per week	2

Some community facilities Mt Morgan showgrounds etc.	Less than 100 people per week	1
Clubhouses that's boarded and not available	No use	0

4. **Criteria 4: The previous condition rating of the building after repairs were done and defects attended to or closed (Appendix C: RRC Building portfolio: Building inspection prioritization and condition assessment)**

Table 5.3.1.5: Previous condition rating after defects were rectified

Building	Condition score (previous inspection cycle)
Town Hall	Appendix C: Building inspection prioritization and condition assessment.
School of Arts	
.....	
.....	
City Heart Mall	
Library	
.....	
.....	
.....	
Black Street MTM	
Scout Hall MTM	
.....	
.....	

5. The four criteria is then weighed and added up in order to determine a "inspection priority value", which would indicate the inspection priority of the particular building, when combined with the other buildings, the result would be a prioritized inspection program.

The formula for the weighting of the criteria is:

1. Inspection score out of a 100 = (value of table 5.3.1.2) + (value of table 5.3.1.3) + (value of table 5.3.1.4) + ((value of table 5.3.1.5)/2)
2. The higher the score the higher the priority to inspect and assess the building (refer to Appendix C: Building inspection prioritization and condition assessment.).

5.4 Building condition assessment

5.4.1 Methodology

In order to determine the condition of Council's building portfolio, every building in the portfolio needs to be assessed.

Important is that the condition is being measured in an objective way to assist subsequent decision making about the level of service being provided by the building asset. Condition degradation typically accelerates over time and is used to assess the remaining useful life of the building components. To ensure an accurate assessment of the whole building, all the elements are individually assessed.

The adopted condition rating system is a 1-5 where 1 is very good and 5 is unsatisfactory.

Table 5.4: Building condition assessment.

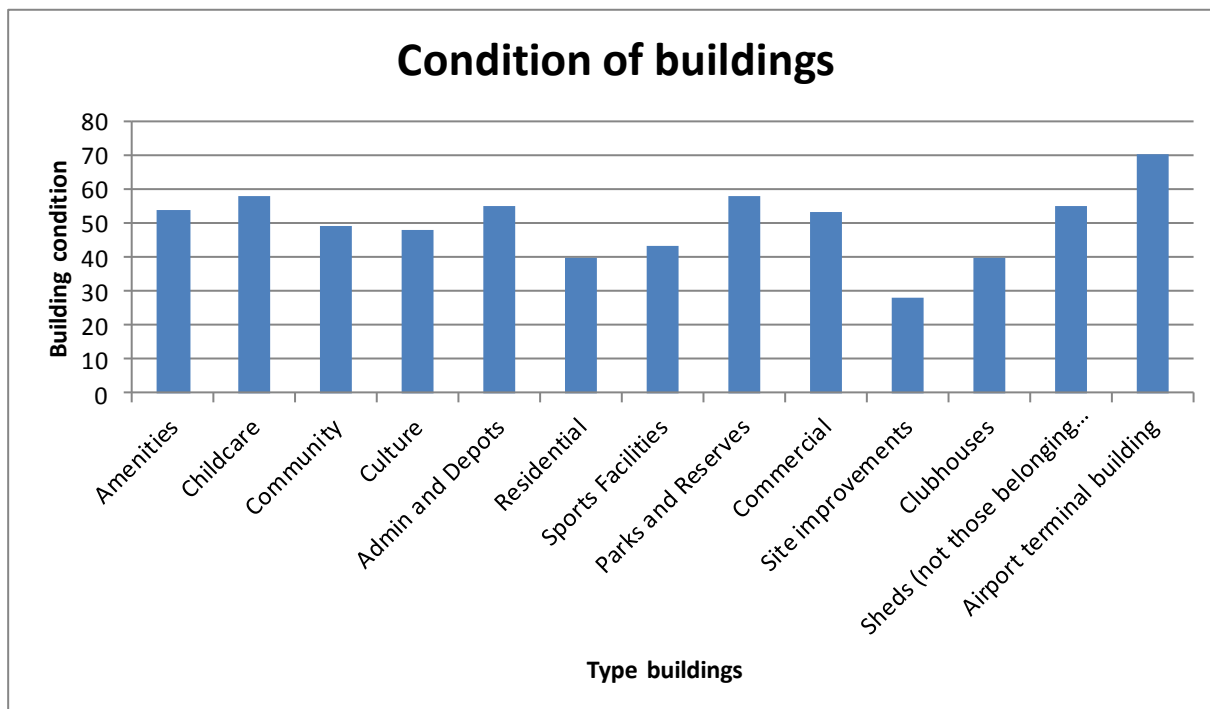
	Scoring Range				
Primary building elements	V/Good	Good	Moderate	Poor	Very poor
Sub structure (foundation)	1	2	3	4	5
Super structure (frame)	1	2	3	4	5
Exterior walls	1	2	3	4	5
Roof and guttering	1	2	3	4	5
Windows / doors	1	2	3	4	5
Total primary score	5	10	15	20	25
Interior building elements					
Interior walls	1	2	3	4	5
Ceilings	1	2	3	4	5
Doors	1	2	3	4	5
Floors and floor coverings	1	2	3	4	5
Curtains and blinds	1	2	3	4	5
Cabinets, shelving, vanities etc.	1	2	3	4	5
Tiles (floor and wall)	1	2	3	4	5
Total interior building elements score	7	14	21	28	35
Systems					
Heating / ventilation (fans/ air-conditioning)	1	2	3	4	5
Plumbing (hot water, shower, tap ware, toilet)	1	2	3	4	5
Electrical (wiring, switches, operation, switchboard, security, sound system)	1	2	3	4	5
Lighting	1	2	3	4	5
Major appliances	1	2	3	4	5
Total systems score	5	10	15	20	25
Others					
Fire control and alarm system	1	2	3	4	5
Emergency lighting	1	2	3	4	5
Stairs, handrails and balustrades	1	2	3	4	5
Total code score	3	6	9	12	15
Total possible score	20	40	60	80	100

Score**80-100: Building not suitable for its intended use****60-80: Building has serious deficiencies****40-60: Building requires upgrade to meet performance and operational objectives****20-40: Building suitable for its use, minor improvements are required****20-0: Overall building condition is good to excellent**

5.4.2 Condition of Council's building portfolio

Council's building portfolio has an average condition rating of 50%, which means it requires upgrade to meet performance and operational objectives. Table 5.4.2 reflects on the detail for the various building types. **Appendix C: RRC building inspection prioritization and condition assessment** provides detail information on the condition of each building in the building portfolio and the average condition for buildings in a particular building class (**Appendix D: RRC Building portfolio: Condition rating per building class**).

Table 5.4.2: Condition of various building



5.5 Building defect recording

As not all building components affect the life of a building equally, the sub structure of a building has a much greater influence on the overall life of a building compared to the roof (the roof can be replaced on its own while the replacement of the sub structure calls for the reconstruction of the building). In order to ensure proper consideration is given to a defect, it is weighted in terms of severity and extent, the severity, is then further subdivided into minor, significant and serious while extent is further divided into negligible, limited, general and extensive (Table 5.5)

Every defect will then have a "rating" number, which applies, for example in the case of sub structure and foundation:

- Building component: Sub structure
 - Element of the building component: Foundation
 - Defect 1: Cracking: Severity = 3, Extent = 4 (weight=7)
 - Defect 2: Displacement: Severity = 3, Extent = 2 (weight = 5)
 - Defect 3: Termite damage: Severity = 3, Extent = 4 (weight = 7)
 - Defect 4: Rust: Severity = 3, Extent = 4 (weight = 7)
 - Defect 5: Stability: Severity = 3, Extent = 2 (weight = 5)

- This is an extreme case as the foundation may not have as many defects which may be fixable.

The inspection will result in a list of defects with an appropriate rating (or weight), recorded with remedial options which may include fixing the defect, rehabilitation or replacement actions. The selected repair option needs to be costed and that estimate will form part of the planned maintenance or capital renewal program for the particular building.

Assets has just started to implement the process, the existing defects list have been manually amended to populate short medium and long term maintenance and capital programs.

5.6 Asset valuation

The value of assets (and / or its attributes) covered by this plan are:

- Current replacement cost = \$ 230,012,000.00
- Depreciable amount = \$ 97,200,100.00
- Depreciated replacement cost = \$ 132,811,900.00
- Annual depreciated expense = \$ 5,743,323.00

Valuations are undertaken by external valuers on a yearly basis (inflation adjustment) and four yearly (from basic principles).

The comparison of the rate of annual asset consumption with the rate of asset renewal is an indication of Portfolio's sustainability.

Renewal works are triggered when:

- The condition of the asset falls below average (service level requirements may indicate an asset need to be maintained above an average condition level).
- The asset renewal rate is substantially lower than the asset consumption rate.
- When the age of the asset is close to its expected life, and most of the asset has depreciated.
- The maintenance requirements of an aged component are excessive.
- Excessive maintenance compromises the functionality of the asset, and desired service levels could be compromised.

It is important to not only consider the entire asset class, but to also look at each individual building in that class.

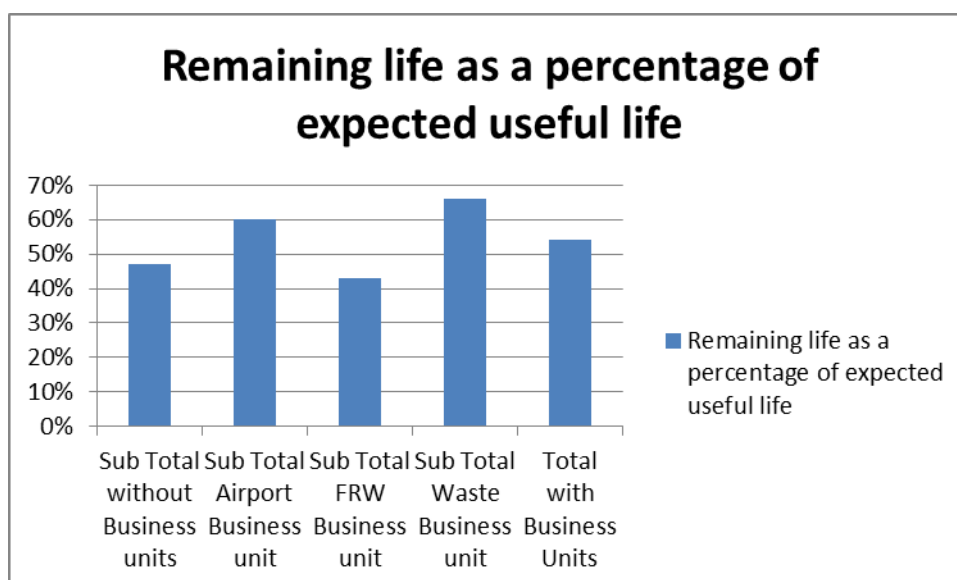
The following observations with regards to the remaining life and the useful life of the asset portfolio:

- Buildings are halfway through their expected lives, and will require significant funding to meet escalating maintenance demands in years to come.
- The business units Airport and Waste has much newer building assets than FRW.
- FRW owned building assets has a lower remaining life than Council assets in general.
- FRW need to spend more funding on maintenance and capital renewal of its building assets.

- Council does not own many buildings that is less than 10 years old (a few limited examples are the Library, Southside Pool Complex etc.)

Table 5.6: Fair value (current value) and replacement value

Building Class	Replacement Cost (\$)	Fair Value (\$)	Average Expected useful life	Average remaining life	Remaining life as a percentage of expected useful life
Site improvements	79,000	15,800	50	20	41%
Amenities	7,367,000	3,628,200	50	31	61%
Residential	4,828,000	1,708,400	50	26	52%
Admin and Depots	52,312,000	26,768,200	50	25	49%
Sports Facilities	2,255,000	1,363,300	50	21	42%
Clubhouses	6,503,000	2,430,300	50	20	41%
Culture	38,553,000	22,740,900	45	20	43%
Commercial	14,241,000	6,351,300	35	18	51%
Parks and Reserves	11,804,000	7,322,800	50	26	51%
Community	40,663,000	25,579,100	45	16	34%
Sheds (not those belonging Parks)	1,721,000	318,400	50	22	45%
Childcare	4,862,000	2,790,800	46	27	58%
Sub Total without Business units	185,188,000	101,017,500	48	23	47%
Airport business unit					
Amenities	81,000	28,500	50	17	34%
Culture	9,900,000	6,208,500	50	41	82%
Admin / Depots	1,259,000	706,000	50	30	60%
Commercial	1,512,000	1,040,500	44	23	52%
Site improvements	51,000	19,900	30	12	40%
Clubhouses	430,000	340,900	50	40	80%
Sheds	3,101,000	1,829,100	45	28	62%
Airport terminal building	20,800,000	17,105,000	75	55	73%
Sub Total Airport Business unit	37,134,000	27,278,400	49	31	60%
FRW business unit					
Amenities	340,000	210,300	50	19	38%
Admin / Depots	2,060,000	1,405,300	45	23	51%
Residential	1,024,000	281,600	50	12	24%
Sheds	1,799,000	1,197,000	46	27	59%
Sub Total FRW Business unit	5,223,000	3,094,200	48	20	43%
Waste business unit					
Admin / Depots	2,069,000	1,119,500	35	20	57%
Commercial	398,000	302,300	50	37	74%
Sub Total Waste Business unit	2,467,000	1,421,800	43	29	66%
Total with Business Units	230,012,000	132,811,900	47	26	54%



5.7 Asset Risk Management Process

5.7.1 Risk Register

an assessment and recording of risk using Council's risk assessment process occurs in the following areas:

1. Risks associated with achieving Council's corporate objectives that are asset related e.g. possible asset failure risks, deferred asset maintenance risks, deferred asset renewal risks, etc. ; and
2. Risks associated with specific capital projects. Currently, capital project risks are required to be documented in council's risk register when the project will last more than three (3) months or has an overall budget in excess of \$200,000. In this case the risk assessment will be completed prior to the application for funding and will take into consideration any issues that will affect the expected outcome and success of a particular project, in relation to associated corporate objectives.

The risk assessment must:

- (a) Consider known risks identified for similar events/projects
- (b) Identify unique risks associated with a particular event/project
- (c) Where possible, modify the event/project's design to eliminate, or at least minimize, these known risks
- (d) Where risks cannot be eliminated through redesign or re-engineering, establish plans to mitigate to an acceptable level during an event or after a project's completion/implementation

5.7.2 Risks associated with the asset management of the asset

An integrated risk register and management plan has been compiled to identify the risks associated with the asset management of the particular class building as well as possible mitigation strategies.

5.7.3 Risks associated with the operational management of the asset

The risk matrix consisting of risks associated with the operational management of the assets is under development, and will be included in Council's risk register.

The developed inspection regime is risk based and designed to utilise the risk associated with the defect to allocate a rating to the defect, which will allow early mitigation and thus reduce the associated risks.

5.8 The Maintenance Plan

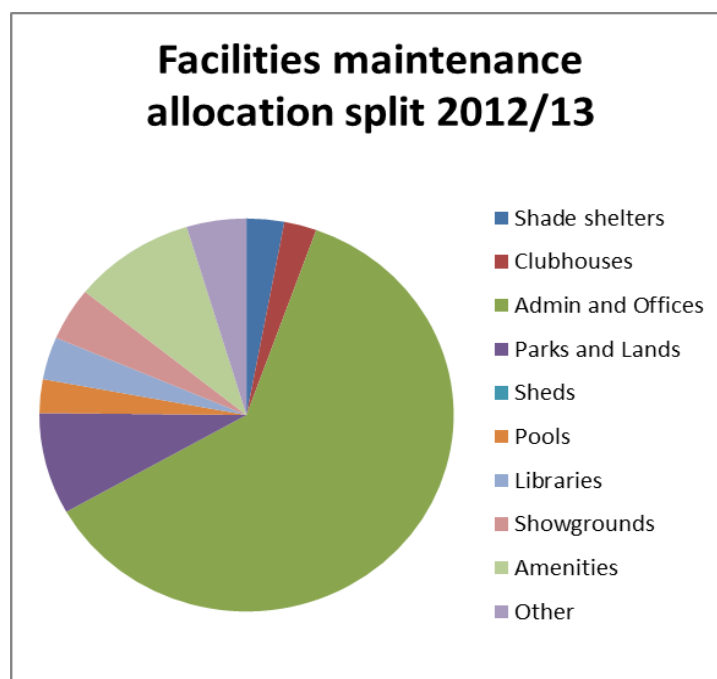
Maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of an asset fail that require immediate repair. Included is reactive / unplanned maintenance and pro-active / planned maintenance.

5.8.1 Historical maintenance data

5.8.1.1 Historical maintenance investment

Previously there was little distinction between previous reactive and planned maintenance expenditure. Capital renewals, replacements and new works were also included in the same capital budget without specific distinction.

Fig 5.8.1.1.1 Previous maintenance allocation by building asset type

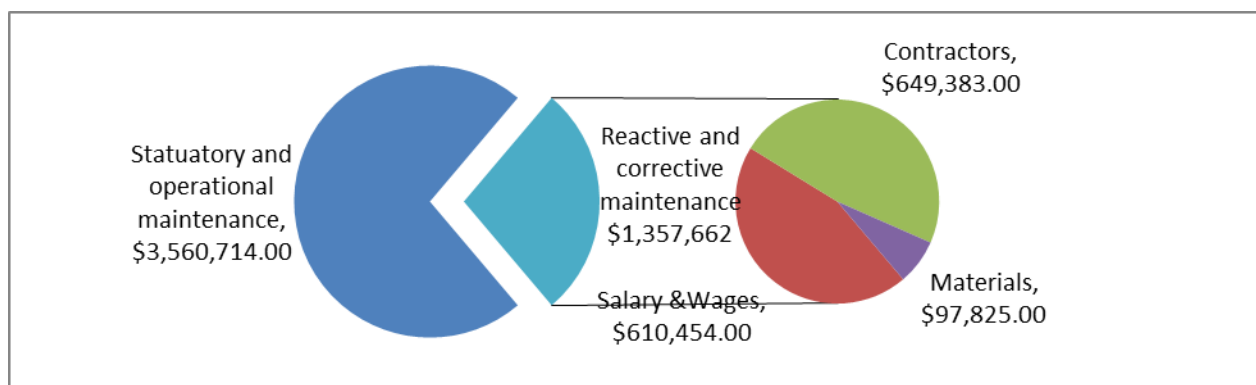


The majority of maintenance funding is allocated to mandatory expenditure, and only 43% is available for reactive and planned maintenance. The 43% available for reactive and planned maintenance are also divided into salaries and wages, contractors and materials.

Table 5.8.1.1.1 Funding distribution 2012/13

Element	Total maintenance expenditure	Statutory and Operational maintenance	Reactive and Corrective maintenance
Salary & Wages	1,011,981	408,727	610,454
Contractors	1,134,187	484,804	649,383
Materials	161,425	63,600	97,825
Cleaning & sanitary	263,874	263,874	
Electricity & gas	1,703,864	1,703,864	
Rates	251,763	251,763	
Security	310,943	310,943	
Pest Control	52,137	52,137	
Lease	21,002	21,002	
Total	4,911,176	3,560,714	1,357,662

Fig 5.8.1.1.2 Maintenance funding distribution for 2012/13



5.8.1.2 Comparison of the maintenance allocations within Council

The historical maintenance allocations are represented in Table 5.8.1.2.1 and Table 5.8.1.2.2

Table 5.8.1.2.1: Historical maintenance allocations

All RRC building expenditure excluding the business units	2010/11	2011/12	2012/13	2013/14	2014/15
Maintenance	3,566,295.36	4,905,965	4,918,296	4,382,085	4,566,216
Building area (m ²)	108000	108946	110035	111135	111,230
Maintenance expenditure per area (\$/m ²)	33	45	45	39	41

Table 5.8.1.2.2: Historical maintenance allocations (Business units)

All RRC business unit expenditure	2010/11	2011/12	2012/13	2013/14	2014/15
Airport					
Maintenance		522807	530257	395792	

Building area (m ²)	31155	31155	31467	31781	32099
Maintenance expenditure (\$/m ²)		17	17	13	
FRW (Water and Sewerage)					
Maintenance	96520	99579	95413	31916	18900
Building area (m ²)	3572	3572	3600	3643	3643
Maintenance expenditure (\$/m ²)	27	28	27	9	5
Waste					
Maintenance	38398	49356	29188	63451	29467
Building area (m ²)	3536	3536	3536	3571	3571
Maintenance expenditure (\$/m ²)	11	14	8	18	8

5.8.1.3 Historical private industry maintenance benchmarking

Table 5.8.1.3 Private industry benchmarking

Building assets not inclusive of the business units	Maintenance cost 2012/13 budget (\$)	Floor area of the building asset class (m ²)	Maintenance expenditure (\$/m ²)	Rawlinsons maintenance cost (\$/m ²)
Commercial and residential	345,000	7712	45	
Clubhouses	124,458	3498	42	21
Admin and Offices	2,989,302	26256	115	110
Parks and Lands	411,086	11971	46	4
Sheds	56,000	2289	24	15
Culture	172,180	19947	15	21
Community	350,768	36270	10	30
Amenities	469,502	3192	147	
Total / average	4,918,296	111135	44	34

Table 3.8.1.3 indicates that an average of \$34 / m² is required to maintain an asset portfolio in the private sector annually, RRC spend approximately \$44 / m² to maintain its asset portfolio, which is 30% more than in the private sector.

The following explains the difference:

- Council's asset portfolio could be significantly older.
- Different maintenance arrangements could mean that Council is responsible for all the maintenance instead of only for some of it.
- Council maintains a far greater selection of Park related building infrastructure, the local maintenance figure may be more accurate than the one only based on a few commercial type maintenance activities.
- Commercial institutions do not maintain the same type amenities that are in unprotected areas, and always open and exposed to vandalism.

- Council delivers a service; commercial institutions chase a profit and could therefore have much reduced levels of service.
- Council have to comply with a wider range of standards and regulation, and cannot choose whether to enforce them or not.
- Private industry rely on a profit, and usually renew or renovate before the maintenance burden becomes too excessive, this could be a lesson for Council.

5.8.1.4 Comparison between maintenance conducted by Facilities with maintenance conducted by Business Units.

The data in **Table 5.8.1.2.1: Historical maintenance allocations** and **Table 5.8.1.2.3: Historical maintenance allocations for business units** refer. The business units spend around half the amount on maintenance per square meter than what Facilities spend. There are many reasons for a difference in expenditure, but not many for this big difference.

5.8.2 Reactive maintenance plan

5.8.2.1 What is reactive maintenance?

Included in reactive maintenance are:

- Actions required restoring an asset to an operational condition, this includes day to day repairs to components of an asset that has failed.
- Actions required restoring an asset to a safe operational condition, this includes work required to address damage due to an incident, and to ensure the asset is safe and secure. Work in this category does not include major reconstruction like the reconstruction of a building after it has burned down.

Request for reactive maintenance work originated from:

- The asset inspector when he does his building inspection
- The building occupant.
- It can also be identified during cyclic, statutory and regulatory maintenance inspections or works.
- Public using the asset.

5.8.2.2 Who is responsible for reactive maintenance repairs?

Maintenance repairs are an operational function, and are the responsibility of Facilities and Business units who ensures that the work gets done to the applicable standards and specifications in a time frame that are within the agreed service levels.

Pending the details of the work, it can be done through in-house resources or external contractors.

5.8.2.3 Historical reactive maintenance expenditure?

Reactive maintenance has previously not been accurately separated, mostly due to the way the budget was structured and the financial reporting in place.

The data in the Table 5.8.2.3 is for RRC pre 2013 de amalgamation, it is likely that the maintenance expenditure will change significantly, in theory maintenance expenditure should be approximately 30% less but it is dependent on the characteristics of the post amalgamation asset portfolio.

Table 5.8.2.3 Historical reactive maintenance expenditure (excluding Business Units)

Year	Budget Reactive Maintenance Expenditure (\$)	Total maintenance expenditure (\$) including operational cost	% Reactive Expenditure against total maintenance Expenditure
2009/10	781,355	2,982,066	26%
2010/11	565,154	3,566,295	16%
2011/12	691,119	4,905,965	14%
2012/13	761,895	5,247,953	15%
2013/14	731,400	4,382,085	17%

5.8.2.4 The number of requests for reactive maintenance.

The number of maintenance requests received was for RRC pre de amalgamation, it is expected that the number of requests will reduce significantly.

Request for reactive maintenance are received through the following media:

- Council building occupants – Pathways
- Private building occupants – by telephone to Customer Service or Facilities which is then logged into Pathways
- General community – by telephone or in person which is then logged into Pathways.
- By the asset inspector – he creates these reactive maintenance requests, and documents them in Conquest and Pathways.

Table 5.8.2.4: Request for reactive maintenance

Period	2009/10	2010/11	2011/12	2012/13	2013/14 (to April 2014)
Requests received	1848	2066	2267	2257	1575
Estimated requests for physical maintenance (65%)	1200	1340	1474	1467	1020
Defects recorded (including reactive maintenance requests)	398	243	514	603	461

5.8.2.5 Future reactive maintenance projections

In order to accurately estimate future reactive maintenance needs, the following assumptions had to be made:

- The demand for reactive maintenance will decrease by approximately 30% due to a decrease of 30% in building assets.
- The impact of the age profile for RRC's asset portfolio on future reactive maintenance needs.
- As much as 40% of reactive maintenance expenditure can be relocated to planned maintenance, which includes regulatory conformance requirements. Planned maintenance is more cost effective than reactive maintenance due to the better planning of activities and resources.
- Reactive maintenance allocations decrease as the planned maintenance allocation increase and more preventative maintenance gets done.
- Operating overheads to the likes of supervisory staff, office equipment etc. is part of operational maintenance, and will be recorded and estimated as such.
- Table 5.8.2.5 is based on 10% of reactive maintenance being transferred to planned maintenance over the next 4 years
- No growth has been taken into account and figures are in current cost.

Table 5.8.2.5: Projected reactive maintenance expenditure

Period	20013/14	2014/15	2015/16	2016/17	2017/18
Projected reactive maintenance expenditure (\$/year)	731,400	664,909	604,462	549,512	499,556

* Reactive maintenance can only decrease if the funding of renewals and planned maintenance increase

5.8.2.6 Reactive maintenance benchmarking against other councils

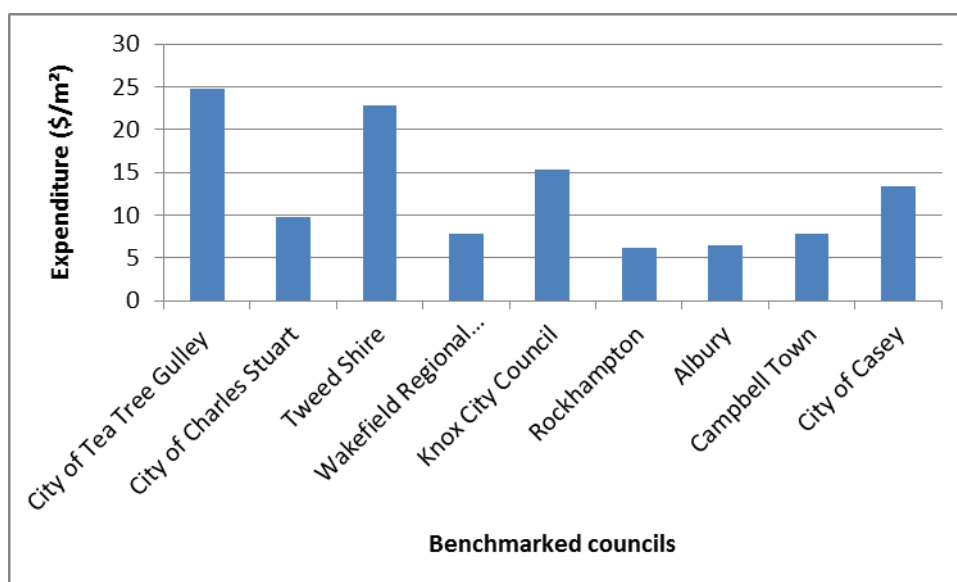
In order to measure RRC's reactive maintenance expenditure and to form an indicative opinion as to whether enough is spend on reactive maintenance, performance benchmarking has been done. The benchmarking results are indicative only as not a great deal of information as to what was included in the expenditure figures obtained from other Council's.

RRC spend approximately \$6/m²/year on reactive maintenance, which is the lowest of the benchmarked councils. The reactive maintenance expenditure should be around \$10/m² or approximately \$400,000 more per year. The \$10/m² is only an estimate which could be on the low side given the age of Councils asset portfolio.

Table 5.8.2.6 Reactive maintenance expenditure benchmarked against other councils

	City of Tea Tree Gulley	City of Charles Stuart	Tweed Shire	Wakefield Regional Council SA	Knox City Council	Rockhampton	Albury	Campbell Town	City of Casey
Area			1303	10.305					
Population	100000	105000	83000	7000	151000	88000	90000	50000	270000
Building area m2	32706.45	72804.52	68567.74	21540.65	90652.9	108000	108370.6	19384.56	131935.5
Average spend reactive maintenance (\$/yr.)	812335	705000	1562000	167000	1386900	664909	697474	150000	1755200
Reactive maintenance /m2	24.83715	9.683465	22.78039	7.752785	15.29901	6	6.436008	7.738119	13.30347

Figure 5.8.2.6: Benchmarked reactive maintenance



5.8.3 Planned maintenance program

5.8.3.1 What is planned maintenance?

Included in planned maintenance is:

- Preventative service maintenance:

This is actions performed to prevent failure by providing systematic inspections and monitoring to detect and prevent incipient deterioration and failure, it also includes testing to confirm compliance and correct operations. This includes:

Preventative service maintenance	Examples of maintenance actions
Routine servicing	automatic entry doors, smoke alarms, grease traps, lifts, septic systems, generators, roller doors, switchboards, gantry cranes, backflow devices, air conditioners filters etc.
Periodic inspection and	Gutters, lamps and tubes, rainwater tanks

servicing/cleaning	
Routine replacements	May include the replacement of light bulbs, water filters, etc. to ensure that there is no reactive downtime.

- Corrective planned maintenance:

Corrective planned maintenance work that is identified through a maintenance management system (MMS). Maintenance management includes an assessment of the condition of the asset against failure and breakdown, and then scheduling the appropriate maintenance work. The objective is to efficiently improve service delivery performance. The work is programmed as a result of assessments, where excessive reactive maintenance occurs or as additions to a priority based program. The objective of this maintenance is to ensure that the asset perform consistently over its life expectancy.

Corrective planned maintenance	Examples of maintenance actions
Functional corrective planned maintenance	Roof and gutter cleaning at regular intervals to ensure the gutter perform as designed, and increase its life through not allowing it to rust through.
Cosmetic corrective planned maintenance	External and internal painting where it is exposed to sun or damaged (not repainting the entire house), carpet cleaning at regular intervals to ensure carpets perform as intended etc.
Defects recorded during inspections that is not reactive	Many defects are recorded during asset inspections which do not fall within the reactive basket, but will future on forward planned maintenance programs. Some of these may include mildly rotten decking, cupboards, bathroom rehabs, blinds etc.

- Statutory maintenance:

Preventative service maintenance as well as condition based maintenance contains elements of statutory maintenance, defined as the minimum level of maintenance required to meet the legal and other mandatory requirements contain in the associated standards and regulations. This type of maintenance also includes non-negotiable maintenance works that has to be executed and budgeted for.

Statutory maintenance	Examples of included actions
Inspection and certification	Auto doors, Emergency lighting, fire extinguishers, fire panels, smoke alarms, lifts, cranes, electrical equipment etc.
Servicing	Replacement of critical components in fire systems, lifts, smoke alarms, automatic doors etc.

5.8.3.2 Who is responsible for planned maintenance?

The compilation of the planned maintenance program is the joint responsibility of Assets and Facilities / Business Unit owners. Ensuring that all the tasks and actions in the program are completed as an operational function is the responsibility of Facilities / Business owner. Operational functions include:

- Allocate the tasks to in-house resources
- Procure the services of contractors and other applicable service providers as required
- Project manages the tasks until the completion and certification of the works.

5.8.3.3 Historical planned maintenance expenditure

The data in the Table 5.8.3.3 is for RRC pre 2013 de amalgamation, it is likely that the maintenance expenditure will change significantly, in theory maintenance expenditure should be approximately 30% less but it is dependent on the characteristics of the whole asset portfolio.

Planned maintenance has never really been separated out of maintenance, not allowing RRC to accurately account for the cost associated with “must have’s”, and the associated funds available for regular maintenance.

Table 5.8.3.3: Planned maintenance expenditure

Year	Planned maintenance budget (\$)	Total maintenance budget of inclusive operational costs	% Planned expenditure against Maintenance Expenditure (incl. operational and statutory maintenance cost)
2009/10	1,032,286	2,982,066	35
2010/11	1,185,418	3,566,295	33
2011/12	1,234,079	4,905,965	25
2012/13	1,278,110	5,247,953	24
2013/14 to excl. LSC	917,585	4,382,085	21

5.8.3.4 Projected planned maintenance expenditure

In order to accurately estimate future planned maintenance needs, the following assumptions were made:

- The age profile for RRC's (excl. Business unit assets) asset portfolio was not considered.
- Planned maintenance included a large proportion of reactive maintenance that were identified through defects, but are programmed for later attention
- Operating costs for Facilities such as field staff, motor vehicle expenses are included in the total maintenance projections.
- The assumption has been made that it will grow with the reduced reactive maintenance allocation. All the projections are in today's money with no growth allocation
- The accuracy and interpretation of data is only as good as the way in which it's collected and the system setup in which it is collected.

Table 5.8.3.4: Projected planned maintenance expenditure

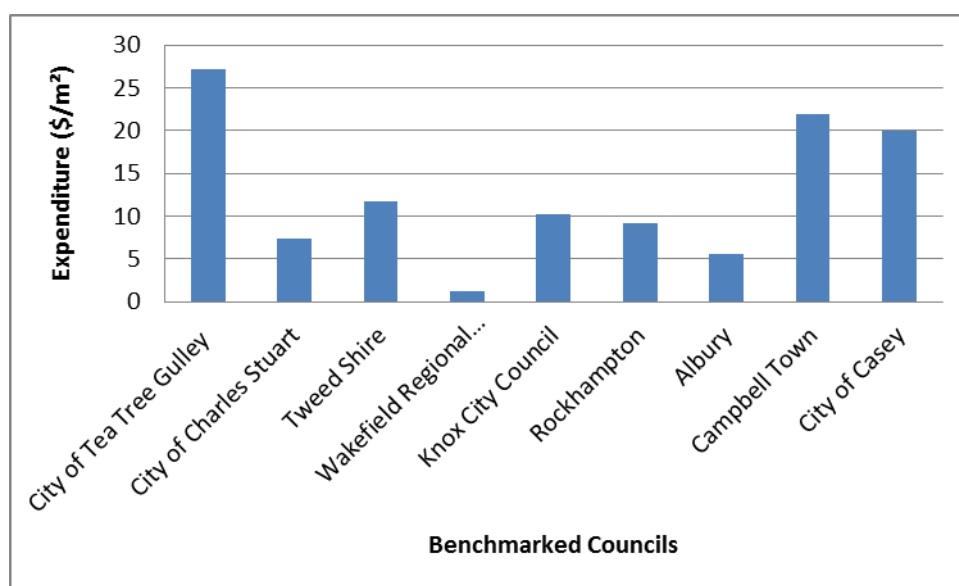
Period	20013/14	2014/15	2015/16	2016/17	2018/19
Projected planned maintenance expenditure (\$/year)	917,585	984,077	1,044,524	1,099,474	1,149,430
Floor area subject to maintenance (m ²)	111135	111230	111300	111350	111400
Planned maintenance cost (\$/m ²)	8	9	9	10	10

5.8.3.5 Planned maintenance benchmarking

To estimate Council's planned maintenance expenditure and indicate whether enough is spent on planned maintenance, performance benchmarking has been undertaken. The benchmarking results are indicative only as not a great deal of information as to what was included in the expenditure figures obtained from other Councils.

RRC spends approximately \$9 / m². If the floor area of buildings, for which Community Facilities assume maintenance responsibilities, is 111230 m², the planned maintenance allocation should be around \$13/m² or \$1,445,990 which indicates that planned maintenance is under funded by approximately \$4/m² or \$445,000 per year.

Figure 5.8.3.5: Planned maintenance benchmarking



5.9 Renewal, Upgrade and Capital works programs

Renewal expenditure is major work which does not increase the asset's design capability, but renew an existing asset to its original service potential. Work over and above restoring an asset to its original service potential is upgrade and/or expansion, while new works are budgeted for under the new capital works category.

5.9.1 Renewal plan

5.9.1.1 What is asset renewal?

The community expects that all buildings will remain safe and functional throughout their life. Timely investment in asset renewals is required to enable building components to be replaced to allow the building to function as expected.

Renewal does not increase the service potential of a building, if the service potential is increased it is classified as an upgrade. Replacement of an asbestos roof with a tin roof does not classify as an upgrade as the roof function did not change.

5.9.1.2 How is a renewal program compiled?

The renewal program includes building components (child assets) that are/or close to exceeding their expected life. These components are then assessed, and prioritised for replacement. The

components (or entire building asset) due for replacement are then prioritized and compiled in a program.

Defects (other than reactive) identified during asset inspections are assessed and a decision made as to whether the defects are addressed in a combined renewal action, e.g. a few rusted roof sheets, loose screws and dilapidated gutters may be far better combined in a roof and gutter renewal action.

Asset renewals also originated from economic considerations when evaluating or determining the cost of fixing individual defects, it may be more feasible to renew the entire veranda opposed to renew individual elements thereof.

Assets that require renewal are identified from the Conquest estimates of remaining life. This information is then compared with inspection results and observations of the condition of the building providing a list indicating of building elements that require renewal. The list is then reviewed by Communities and Facilities and Assets.

5.9.1.3 Who is responsible for the renewal program?

The development of the renewal program is a combined effort from Assets, Business Units and Facilities. Assets are responsible for building inspections, recording of building defects and identifying building components due to expire. Assets then puts together a draft list of assets (components of buildings) that needs to be renewed, the list is then further optimised and prioritized with Business Units and Facilities in order to produce a renewal program that everyone agrees with in consultation with the building custodians.

5.9.1.4 Historical renewal expenditure

Previous renewal formed part of the re-capitalisation and upgrades programs, and was not separately budgeted for.

5.9.1.5 Projected renewal expenditure

Communities and Facilities have developed the renewal program based on building component expiry dates (consistent with assessment), defects and consultation with building custodians. To obtain a more equitable estimate of the forward renewal programs the buildings have been prioritized in accordance with weighting criteria. The estimated life of the components is determined by external values and could be considered theoretical. Internal inspections and prioritisations may extend the life of the building beyond that of the valuation report.

Refer to **Appendix G 2.3: Projected renewal requirements (Asset components that expire during the next 10 years)** for a list of all the asset components that are due to expire and require renewal.

Table 5.9.1.5 Capital renewal projections

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	7 YEAR Plans: Total project Cost (\$)
New	365,000	250,000	165,000	TBD	TBD	TBD	TBD	780,000
Upgrade	265,000	720,500	894,500	TBD	TBD	27,800	TBD	1,907,800
Renewal	2,870,000	3,530,110	3,440,500	3,334,401	3,500,000	3,500,000	3,500,000	23,675,011
Total	3,500,000	4,500,610	4,500,000	3,334,401	3,500,000	3,500,000	3,500,000	26,362,811
Real capital renewal demand	6,307,005	746,731	3,403,379	2,534,863	11,712,925	787,986	6,816,345	32,309,234

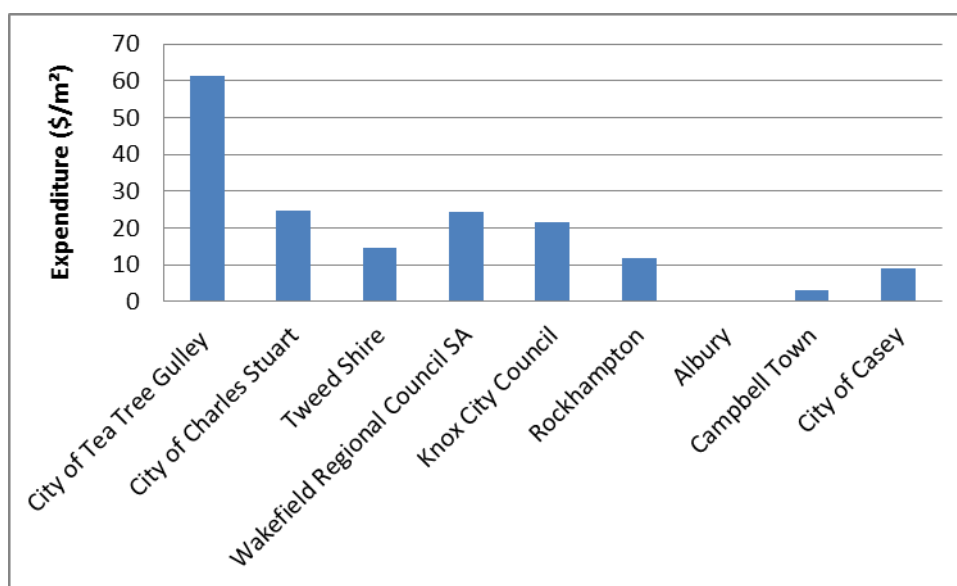
GAP between budget and renewal demand	-3,437,005	2,783,379	37,121	799,538	-8,212,925	2,712,014	-3,3316,345	-8,634,223
Average the next 4 years out (demand total = \$12,991,978)	3,247,995	3,247,995	3,247,995	3,247,995				
GAP over 4 years	252,005	1,252,615	1,252,005	86,406				

5.9.1.6 Renewal benchmarking

RRC did not accurately estimate future renewal requirements, assets components will in the future be analysed to ensure renewals occur as close to their due data as possible. **Figure 5.9.1.6** indicates that RRC spend \$12/m², which is lower compared with other Councils (for which data was available).

Table 5.9.1.6: Capital renewal benchmarking[Error! Not a valid link.](#)

Figure 5.9.1.6: Capital renewal benchmarking



5.9.2 Capital upgrade and expansion program

5.9.2.1 What is capital upgrade and expansion?

When an existing asset is modified, and work is done in order to increase the life of the asset beyond its original expected life, the service ability of the asset is increased. The work may be due to the need for the asset to provide a higher level of service or a different service, the incurred cost to upgrade or extent the asset may not always result in additional revenue or benefits, but will usually decrease operating and maintenance expenditure.

5.9.2.2 How is the capital upgrade and expansion program compiled?

The content of the program is dependent on:

- Changes to functionality requirements.

- Strategic requirements for the asset to be in operation for a longer time before it can be replaced.
- Council's strategic funding allocation which flags the replacement of the asset.
- Heritage obligations.
- Critical infrastructure requirements

Each facility is individually analysed and the asset custodian (who uses the asset to provide a service) determines whether there is a need for the asset (in its existing or modified form) beyond its expiry date.

5.9.2.3 Who is responsible for the program?

The long term upgrade and expansion program is compiled through the following process:

- The asset custodian identifies facilities that require upgrade in order to meet functionality and projected service level requirements.
- Options for the possible upgrade and expansion of the facility are investigated by Facilities and Assets, the facility may not be suitable for upgrade and expansion
- Estimates associated with the options are considered, and the most economical upgrade and expansion option are selected through agreement between the asset custodian, Facilities and Assets.
- If feasible the facilities are then added to the upgrade and expansion program, and prioritised within the program.

5.9.2.4 Historical upgrade and expansion expenditure

Table 5.9.2.4: Historical capital upgrades expenditure

Description capital works	2009/10	2010/11	2011/12	2012/13	2013/14
Capital upgrade	975,540	1,151,761	1,297,889	936,098	738,519

5.9.2.5 Projected upgrade and expansion expenditure

A preliminary program in a draft form has been compiled, this is only a draft program and will be amended to reflect the service delivery needs and requirements of the asset custodians. Refer to Attachment G.1.2: Projected capital upgrade and expansion program.

Table 5.9.2.5: Projected capital upgrade expenditure

Financial year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Capital upgrade	265,000	720,500	894,500	TBA	TBA	27,800

5.9.2.6 Upgrade and expansion benchmarking

The upgrade and expansion needs depend on the ability of the facility to meet the existing and future service delivery requirements, and how it measures up with the future requirements. If for example the library can only provide a service (at a particular service level) for a maximum of 40,000 residents, and growth projections indicate the population will increase to 50,000 in ten years, the library has to be upgraded within 10 years to meet the extended demand.

Upgrade and expansion cannot be benchmarked as circumstances vary significantly.

5.9.3 New capital works program

5.9.3.1 What is new capital works?

New capital works are the creation of new assets that did not previously exist, and may have resulted from growth, community, social or environmental needs. Many new assets are also acquired at no cost to Council as a result of land development (assets contributed by developers). New capital works can also originate from Council's decision to provide a new service, increase and / or change an existing service level. All new capital works will impact on Council's maintenance responsibilities, and ongoing maintenance needs shall be included in the planned and reactive maintenance programs.

5.9.3.2 How is the program for new capital works compiled?

The program for new works is usually compiled from strategic development plans for the various asset classes and associated services. All the strategic development plans are then combined into a council wide strategic capital works program.

These capital projects vary greatly in size, proper business cases need to be completed before the inclusion of any project in the capital works program. All these nominated capital projects compete equally to become part of the adopted new capital works program.

5.9.3.3 Who is responsible for the program of new capital works?

The new capital works program is a Council wide responsibility. Each section manager strategically plans for service provision based on growth and the associated demands. The new capital works program forms part of forward planning as an integrated part of Council's corporate strategic direction.

The responsibility for the individual strategic development plans and identifying the need for new infrastructure is that of the service provider, while the compilation of a Council wide capital works plan is that of Assets and Finance.

5.9.3.4 Historical new capital projects expenditure

Previous expenditure on new capital works is as per Appendix G.2.1: Historical new capital works expenditure

Table 5.9.3.4: Historical new capital works

Description capital works	2009/10	2010/11	2011/12	2012/13	2013/14
New	432,161	670,000	788,229	517,332	977,606

5.9.3.5 Projected new capital projects expenditure

The projected expenditure on new capital works are based on the individual asset class strategic development plans as per **Appendix G.1.1 Projected new capital works**.

Table 5.9.3.5: Projected new capital works

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
New	365,000	250,000	165,000	TBD	TBD	TBD	TBD	TBD	TBD	TBD

5.9.3.6 Future maintenance allocation for new capital works

Future maintenance allocations for new capital works must be completed within the project plan:

- Expenditure on new capital projects compared with maintenance expenditure.
- Projected new capital expenditure (the 10 year program for new building infrastructure) compared to maintenance allocations (reactive and planned maintenance) for the next 10 years.
- Currently the ratio of the value of works and maintenance is around 1.3 %

Table 5.9.3.6: Additional maintenance allocation for new works (at 1.3%)

Year	2013/14	2014/15	2015/16	2016/17	2017/18
Additional maintenance allocation (\$)		5,135	3,250	10,920	TBD

Table 5.9.3.6 is an indication of whether Council has allocated maintenance funding for maintenance requirements associated with new capital projects. The ratio should decrease, over the following ten year period.

6. FINANCIAL SUMMARY

The provision of adequate funding ensures that the building portfolio is appropriately maintained, managed and preserved. Financial provisions below requirements impacts directly on Councils ability to provide a service at the agreed service levels, and results in substantial future catch – up needs. Deferred renewal also results in increased and escalating reactive maintenance as aged assets deteriorate faster.

A few factors have a direct influence on the management of Council's and its business units building portfolio, some of them are:

- The size of RRC's building portfolio is largely a result of previous amalgamations, and the oversupply of services. Some buildings may not be economically utilised.

- Absence of direct capital and maintenance expenditure information and data for individual buildings or building classes. The data used for this BAMP had to be extrapolated and may contain marginal errors.
- Not being able to link maintenance expenditure to a particular building type and attribute.
- Not being able to link service level requirements to available building resources.
- Lack in the determination of intervention levels that prompt planned maintenance and renewal / replacement.
- The ineffective determination of strategic building resource requirements
- Lack of distinction between planned and unplanned maintenance and future need
- Lack of distinction between capital renewal, upgrade and rehabilitation and new capital projects

The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 Financial Statements and Projections

The projected budget for the next 7 years is summarized in Table 6.1: Projected budget for building assets, the budget does not include building assets managed by the business units.

Maintenance increases has been based on CPI, which does not address additional future budget and operational requirements. This Asset Management Plan will be updated every year to ensure approved budgets and additional compliance requirements are met.

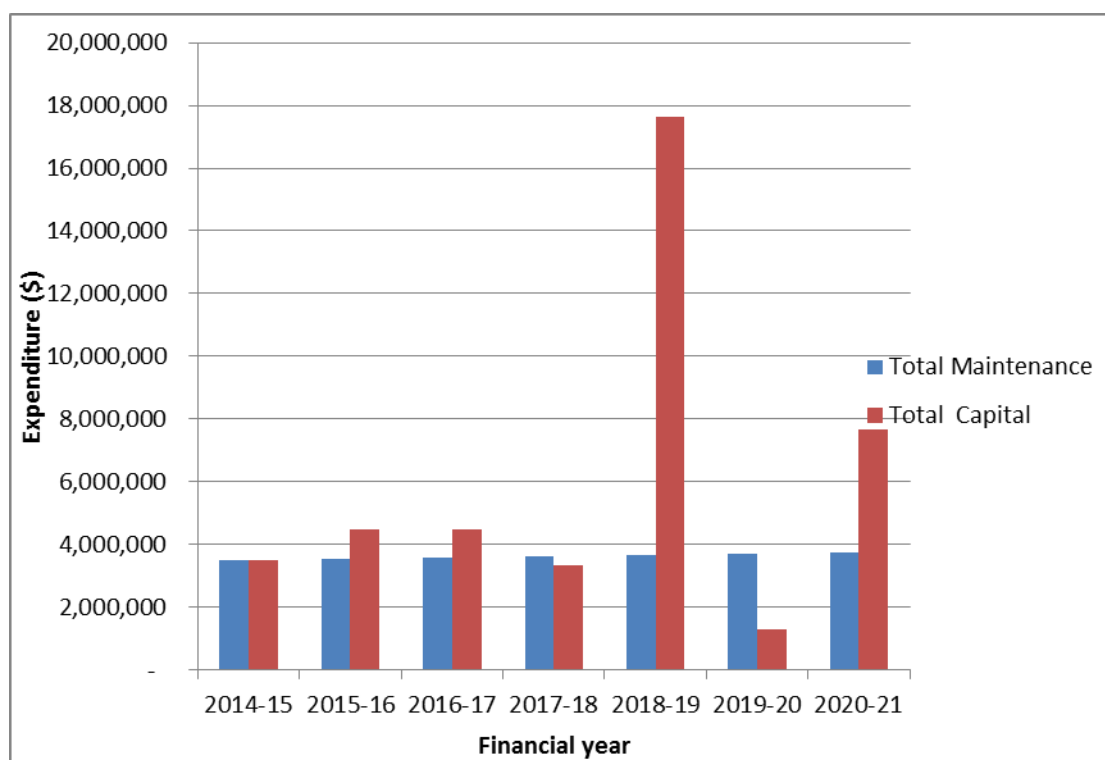
Renewals have been extended to later years which resulted in a spike of renewal responsibilities in 2018/19, this demand is not sustainable , which resulted in its spreading over preceeding years.

Table 6.1: Projected budget: Building assets

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	7 YEAR Plans:
								Total project Cost (\$)
Maintenance								
Reactive	731,400	724,086	716,845	709,677	702,580	695,554	688,599	4,968,741
Planned	917,585	941,389	965,284	989,274	1,013,360	1,037,546	1,061,832	6,926,270
Operational	1,867,241	1,885,913	1,904,773	1,923,820	1,943,058	1,962,489	1,982,114	13,469,408
Total Maintenance	3,516,226	3,551,388	3,586,902	3,622,771	3,658,999	3,695,589	3,732,545	25,364,420
Capital								
New	365,000	250,000	165,000	0	0	0	0	780,000
Upgrade	265,000	720,500	894,500	0	0	27,800	0	1,907,800
Renewal	2,870,000	3,530,110	3,440,500	3,334,401	17,630,406	1,256,276	7,660,438	39,722,131
Total Capital	3,500,000	4,500,610	4,500,000	3,334,401	17,630,406	1,284,076	7,660,438	42,409,931
Real capital renewal demand	6,307,005	746,731	3,403,379	2,534,863	11,712,925	787,986	6,816,345	32,309,234
Renewal requirements based on true asset age and consumption from Conquest (\$)	6,307,005	746,731	3,403,379	2,534,863	11,712,925	787,986	6,816,345	32,309,234
Renewal demand spread equally over the 7 years (\$/year)	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	32,309,235
Renewal budget allocation (\$) (The allocation is realistic and not per the custodians needs)	2,870,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	20,870,000
Projected renewal GAP (\$) (Real renewal demand vs. renewal funding allocation)	-1,745,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-11,439,235
Model 1: Rationalisation list (full renewal demand)	577,394	828,515	940,760	764,225	1,778,750	1,337,417	321,886	6,548,947
Projected renewal GAP if the rationalisation list is implemented to its full extent	-1,168,211	-787,090	-674,845	-851,380	163,145	-278,188	-1,293,719	-4,890,288
Model 2: Rationalisation list (0/substruct), (50%/super)	444,734	788,155	917,100	749,105	1,566,909	1,171,497	238,176	5,875,676
Projected renewal GAP if 0% for substructure and 50% for superstructure are used	-1,300,871	-827,450	-698,505	-866,500	-48,696	-444,108	-1,377,430	-5,563,560
Model 3: Rationalisation list: Renewal demand (Only 50%)	288,697	414,258	470,380	382,113	889,375	668,709	160,943	3,274,474
Projected renewal GAP if only 50% of everything are being renewed	-1,456,908	-1,201,348	-1,145,225	-1,233,493	-726,230	-946,897	-1,454,662	-8,164,762

The financial projections are shown in Fig 6.1 for planned operating (operations and maintenance) and capital expenditure (renewal and upgrade/expansion/new assets).

Fig 6.1 Future projected capital and maintenance expenditure



6.1.1 Sustainability of service delivery

The key measure of the sustainability of the asset for service delivery is the movement in the overall condition and standard of the building portfolio over an extended period. At a bare minimum, a stable result of no movement can be considered as a desired outcome. An increasing condition index for the portfolio represents either an escalation or optimisation of maintenance activities (the maintenance investment is working and the condition of our portfolio improves). A declining building condition index indicates that Council is not allocating enough funding for maintenance or maintenance efficiency has to be increased. The lack of maintenance and the associated declining asset condition index means that the maintenance funding allocation is not sufficient, except where a deliberate decision was made to decrease the service standard to an appropriate level.

Council can (theoretically) only fund the provisioning of services to a particular level if the return (monetary or community benefit) received allows for that to happen. Table 6.1.1 gives an indication of the gap that exists between the capital expenditure (renewal and replacement expenditure) on building assets and the requirement to replace and/or renew buildings or building attributes.

Table 6.1.1 Shortfall in capital expenditure (rehabilitation, renewal, replacement)

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	7 YEAR Plans:
								Total project Cost (\$)
Renewal requirements based on true asset age and consumption from Conquest (\$)	6,307,005	746,731	3,403,379	2,534,863	11,712,925	787,986	6,816,345	32,309,234
Renewal demand spread equally over the 7 years (\$/year)	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	32,309,235
Renewal budget allocation (\$) (The allocation is realistic and not per the custodians needs)	2,870,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	20,870,000
Projected renewal GAP (\$) (Real renewal demand vs. renewal funding allocation)	-1,745,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-11,439,235
Model 1: Rationalisation list (full renewal demand)	577,394	828,515	940,760	764,225	1,778,750	1,337,417	321,886	6,548,947
Projected renewal GAP if the rationalisation list is implemented to its full extent	-1,168,211	-787,090	-674,845	-851,380	163,145	-278,188	-1,293,719	-4,890,288
Model 2: Rationalisation list (0/substruct), (50%/super)	444,734	788,155	917,100	749,105	1,566,909	1,171,497	238,176	5,875,676
Projected renewal GAP if 0% for substructure and 50% for superstructure are used	-1,300,871	-827,450	-698,505	-866,500	-48,696	-444,108	-1,377,430	-5,563,560
Model 3: Rationalisation list: Renewal demand (Only 50%)	288,697	414,258	470,380	382,113	889,375	668,709	160,943	3,274,474
Projected renewal GAP if only 50% of everything are being renewed	-1,456,908	-1,201,348	-1,145,225	-1,233,493	-726,230	-946,897	-1,454,662	-8,164,762

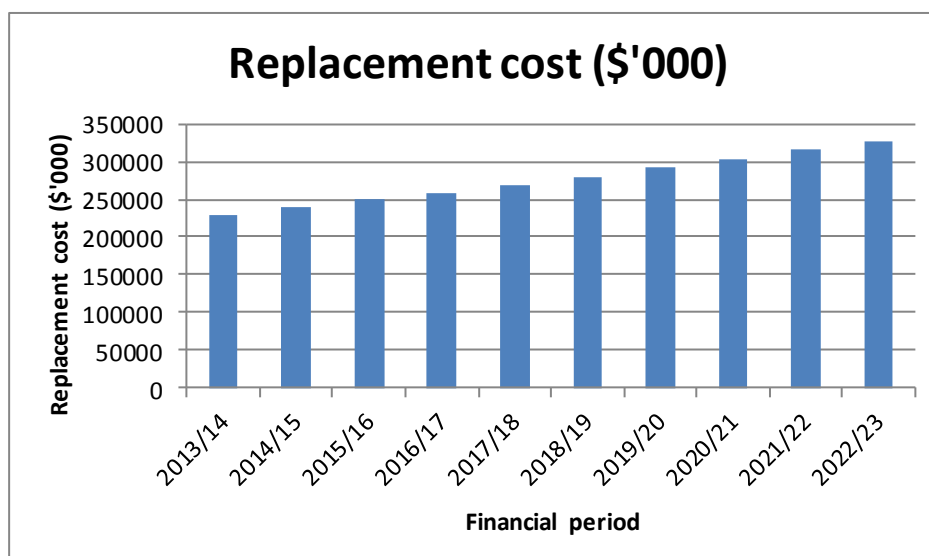
6.2 Funding Strategy

Projected expenditure identified in Section 6.1 is to be funded from Council's operating and capital budgets. The funding strategy is part of Council's Long Term Financial Plan.

6.3 Valuation Forecasts

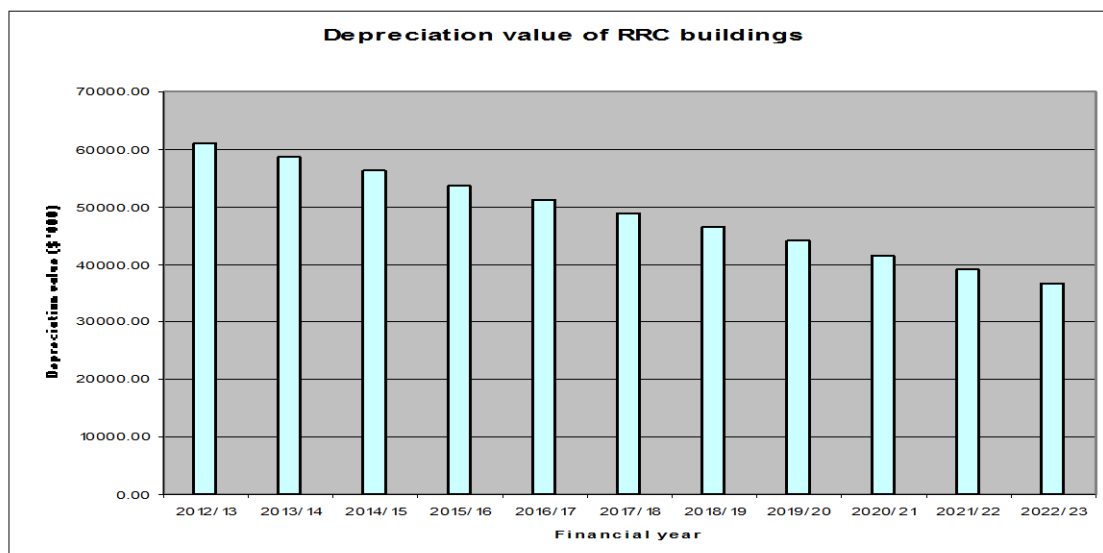
Asset values are forecast to increase with inflation adjustments. The cost of maintaining assets (and existing backlogs) will continually increase.

The 10 year replacement forecast is based on an annual increase of 4%.

Table 6.3.1 Projected 10 year replacement value

The depreciation of the building assets will progressively decrease as the asset is consumed. The assumption has been made that there were no asset renewals and no new assets created.

Figure 6.3.1: Theoretical depreciation of building assets



6.3.1 Key Assumptions made in Financial Forecasts

The accuracy of financial forecasts for the operating and capital expenditure as well as asset values, depreciation expense and other estimates relies on assumptions that were made on future growth, inflation etc. .

Key assumptions that affect the accuracy of forecasts are:

- Use of existing inventory data
- Use of existing valuations and estimate useful life
- Operating and maintenance expenditures assumed as a percentage of replacement cost in line with the average recent expenditure ratios from Toowoomba Regional Council.

Average	Operating	1.0%
Average	Maintenance	1.0%

The next three years renewals are set at \$3.5M, \$4M and \$4.5 which includes asset management plan renewals and staff assessment renewals. No funding has been allocated for Communities and Facilities for New and Upgrade Works for next three financial years.

Accuracy of future financial forecasts may be improved in future revisions of this asset management plan by the following actions.

- Updating the Asset Register
- Maintaining the Asset Register
- Reviewing useful life for assets as appropriate
- Improved tracking of operation / maintenance and rehabilitation costs

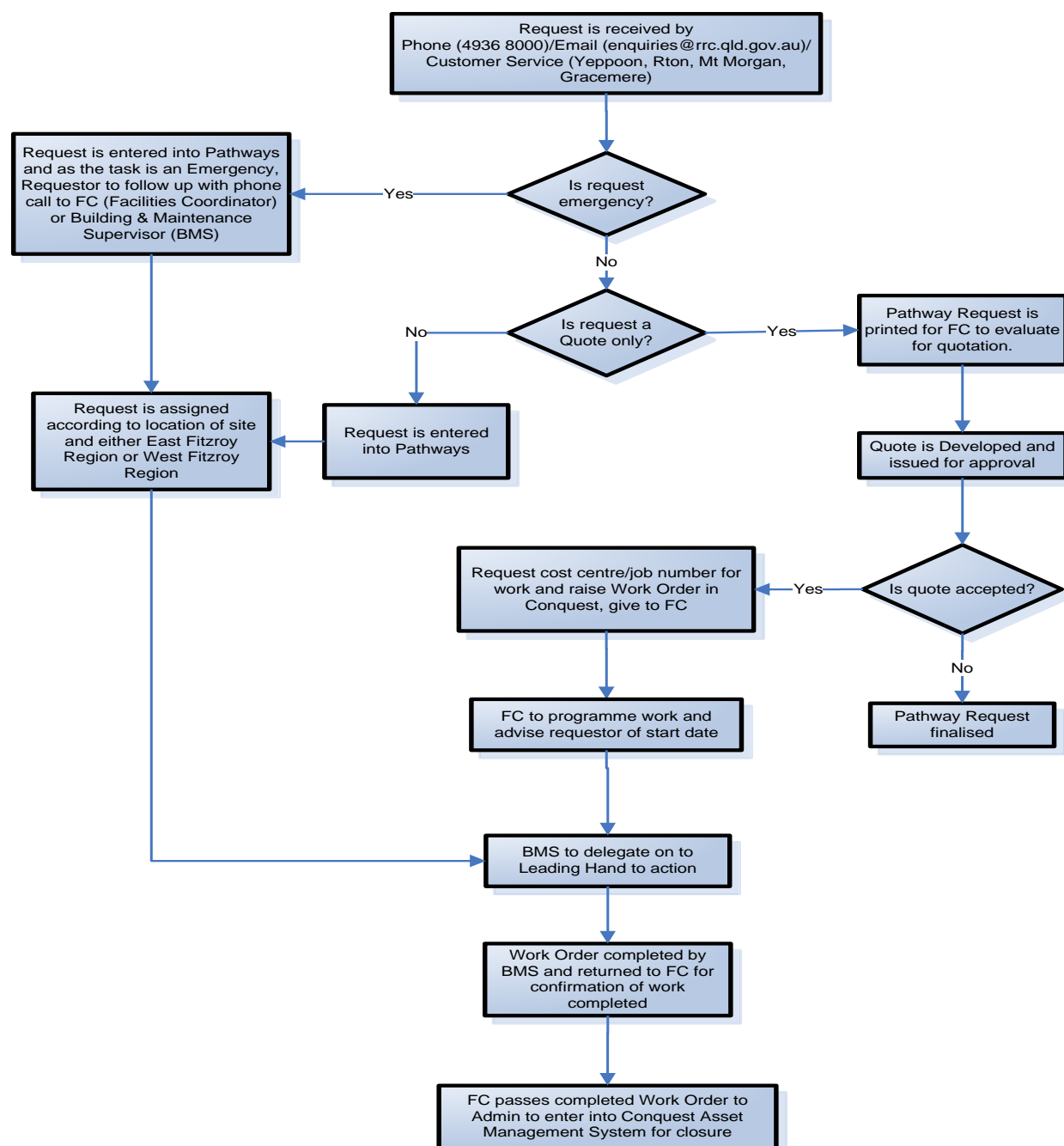
7. ASSET MANAGEMENT PRACTICES

This section outlines the practices currently used by Council to determine Council's building portfolio, and the allocation of funding to the activities:

- Short and long term planned and reactive maintenance
- Short and long term capital renewal, upgrade and replacements
- Capital projects.

The ultimate objective this BAMP is to ensure that all Councils buildings are managed, and services provided in a cost effective manner.

Figure 2.7.3: The business process flowchart



7.1 The Building Asset Management system

The building asset management system consists of the following components:

- Conquest is Council's asset register and has the following data: asset inventory, building condition, valuation data, building inspection reports, photos, lease documents etc. The following actions happens in Conquest:
 - **Financial actions**
 - Add new assets, and track asset related transactions (purchases, newly identified assets, disposals, replacements etc.)
 - Depreciation of all assets and asset classes.
 - Report of asset movements.
 - Feed Finance One, and create cost centres.
 - **Maintenance management actions**
 - Keep a list of assets to be maintained
 - Set up repeatable and/or cyclic actions to compile projected planned maintenance programs
 - Create and issue Work Orders
 - Complete routine inspections and keep a history of inspections and their details
 - Record defects against assets with time periods which can be tracked via actions
 - Produce detailed KPI and utilisation reports
 - Maintain logbooks for equipment and proactively predict when a vehicle will be due for service based on usage
 - Create user views to view all of your actions, assets, requests or projects easily and action them straight from the view
 - Receive asset related customer requests from pathways
 - Create internal requests for work to be done
 - **Management of the capital works program**
 - Create new projects and submit them for approval
 - Create a projects in Finance One and regularly update these projects from Conquest
 - Track a projects funding approvals over multiple years

- Balance multiple projects to allocated budgets
- Produce detailed reports on projects with cost break downs
- Gecko, Council's GIS system should be linked to Conquest system to enable users to identify assets on the GIS screen without needing to know the asset ID or description to be able to extract all information about the asset, either spatially or by text fields.
- Pathway: Council records all incoming customer requests using its Pathway customer request system. Conquest, through the Maintenance Asset Register receives this information and allows Work Orders to be issued against assets in Conquest.
- Various spread sheets and informal documentation for planned maintenance and capital works.
- A self-developed building inspection system

7.2 Accounting / Financial systems

Council's financial management and accounting system (Finance One) has a number of general purpose or specific purpose general ledgers, and has a unique user defined account structure that includes:

- General ledgers;
- Accounts receivable ledgers;
- Accounts payable ledgers;
- Budgets ledgers;
- Forecast ledgers;
- Commitments ledgers;
- Project cost ledgers; and
- Statistical ledgers.

Incorporated into Finance One are facilities to manage the deployment of fixed assets across the organisation with extensive functionality and reporting across the full life cycle of the assets. The lifecycle reporting provides full transparency, from acquisition to disposal. The system also provides a total and comprehensive purchasing solution, encompassing of controlling, maintaining and streamlining of purchasing activities across the organisation.

7.3 Information Flow Requirements and Processes

The key information contained in this BAMP:

- The asset registers data on size, age, value, remaining life of the assets;
- The unit rates for categories of work/material;
- The adopted service levels;
- Projections of various factors affecting future demand for services;

- Correlations between maintenance and renewal, including decay models;
- Data on new assets acquired by council.

The information that is produced by this plan includes:

- Planned maintenance programs
- Capital works programs
- Budget, valuation and depreciation projections;
- Asset life cycle requirements.

These will impact the LTFP, Strategic Business Plan, annual budget and departmental business plans and budgets.

Conquest is designed to hold the entire asset register for Council. Included in the data held is unit rates, valuations, remaining useful lives, economic life, replacement value, depreciation etc.

Integration between Finance One, Conquest and Gecko is very important as all the systems need to provide linked information relating to the asset. Financial information is used to determine future budgets for asset lifecycle maintenance costs, capital renewal and rehabilitation, and new capital projects.

Cost expenditure needs to be allocated to the correct cost centre to reflect the true expenditure on maintenance activities to assist in more accurate estimations and budget forecasts. The tracking of planned and reactive maintenance work orders will also indicate areas for future improvement and will provide the basis for future budgets.

New assets are realised in the following ways:

- Contributions to Council from developers
- Constructed as part of a Council project
- Installed by Council.

The project manager responsible for the project must ensure that detailed information on the new asset is provided to Council in accordance with standards and specifications.

7.4 Standards and guidelines

The key documents that support this Asset Management plan are:

RRC Asset Capitalisation Policy POL.F1.10

RRC Asset Disposal Policy POL.F4.6

RRC Asset Management Policy - Whole of Council Infrastructure POL.14.1

RRC Strategic Documents including Plans

RRC Building Infrastructure Management Framework 2013

8. PLAN IMPROVEMENT AND MONITORING

8.1 Performance Measures

The effectiveness of the Asset Management Plan is measured in the following ways:

- The degree to which the required cash flows identified in the plan are incorporated into Council's budget, LTFP and Strategic Management Plan
- The degree to which 1-5 year detailed works programs, budgets, business plans integrate with the works programs provided in the plan

8.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown in Table 8.2.

Table 8.2 Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1.	All building assets are listed, and have the required information	Technical / Assets	Current	04/2014
2.	A prioritised building inspection regime	Assets	Current	03/2014
3.	Inspection data for all buildings is current	Assets	Current	12/2014
4.	Prioritised planned maintenance list for execution	Assets	Current	12/2014
5.	Accurate reactive maintenance forecasts	Communities & Facilities	Current	05/2014
6.	Capitalisation and capital upgrade program in place	Assets / Custodian / Finance	Current	05/2014
7.	Approved new capital works program	Custodian / Finance/ Assets	Current	05/2014
8.	Expenditure accurately recorded	Communities & Facilities, Finance	Current	06/2014
9.	Service level extent conformation	Custodian	Current	05/2014
10.	Long term and strategic financial plans in place	Communities & Facilities, Finance, Assets	Current	05/2014
11.	Benchmark of Facilities funding	Assets	Current	10/2013
12.	Identify and quantify funding gaps	Communities & Facilities, Assets	Current	05/2014
13.	Review asset lives and depreciation rates	Assets / Finance	Current	05/2014
14.	Revalue assets as per revaluation program (Water, sewer, site improvements and lands completed in 2014)	Assets / Finance	Current	05/2014

15.	Standardise expenditure reporting to be consistent with infrastructure categories and report in terms of expenditure type (Operations, Maintenance, Renewal, Upgrade or Expansion). A high confidence level on the expenditure breakdown will be essential for improving the next asset management plans.	Communities & Facilities, Finance	Current	07/2014
16.	Business plans for all newly proposed capital programs	Custodian in consultation with Communities & Facilities	Current	04/2013
17.	Strategic review of community needs to identify existing resources or requirement for a new facility.	Custodian , Communities & Facilities, Assets	Current	06/2014
18.	Carry out customer satisfaction surveys and report as per below table	Custodian	Current	05/2014
19.	Rationalisation of assets and disposal of surplus stock.	Custodian, Communities & Facilities, Assets	Current	06/2014

8.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget process and amended to reflect changes in service levels and/or resourcing and to provide services

9 Conclusions and opportunities

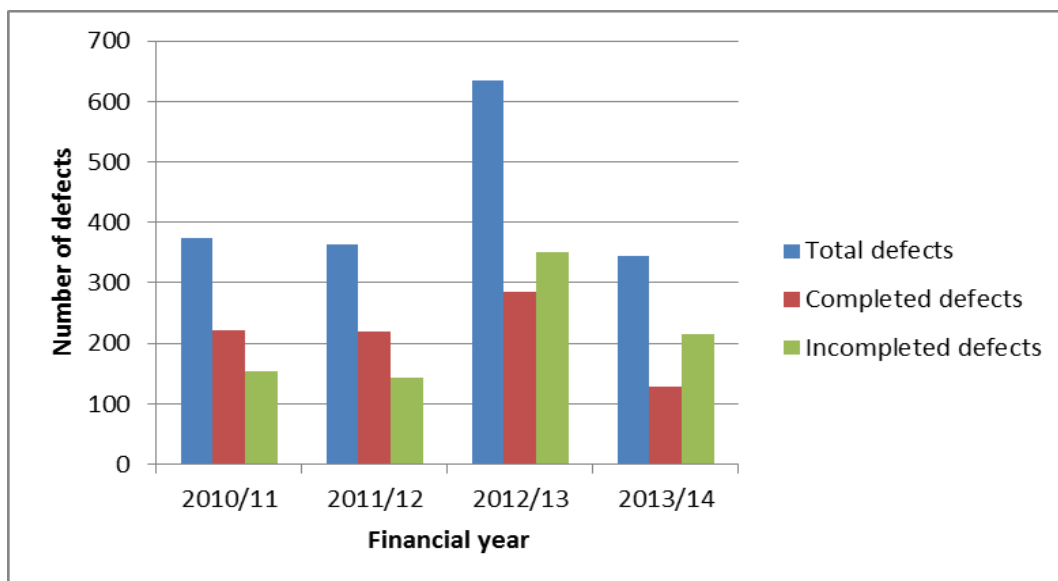
9.1 Defects

Defects for the previous 4 year have been analysed to determine whether a pattern forms. Defects recorded for buildings owned by the business units have not been considered, as their building inspections have only started recently.

Table 9.1: Defects for buildings (excluding business units)

	Total defects		Completed defects		Incomplete defects		Percentage uncompleted defects	Percentage completed defects
	Number defects	Value defects	Number defects	Value defects	Number defects	Value defects		
2010/11	375	42,550	221	2,090	154	40,460	41%	59%
2011/12	363	2,014,420	219	156,385	144	1,858,035	40%	60%
2012/13	635	2,241,670	285	351,250	350	1,890,420	55%	45%
2013/14	344	1,027,500	128	110,300	216	917,200	63%	37%
Total	1717	5,326,140	853	620,025	864	4,706,115	50%	50%

Figure 9.1: Historical defect allocations



Conclusions:

- The number of uncompleted defects have increased by more than 20% over the last 4 years, hence a growth of around 5% per year, reasons are:
 - The amount of defects have grown significantly (the decline in defects recorded during 2013/14 is the result of the De-Amalgamation)
 - Council does not invest enough in the recapitalisation of its building assets resulting in an ever escalating number of defects. The positive GAP mentioned in Chapter 7 is false and is artificially created by the extension of the useful lives of assets due to expire.
 - The number of completed defects is also on the decline, because defects tend to get more extensive.

- The line between maintenance and recapitalisation is becoming more blurred and vague.
- Reactive maintenance expenditure is becoming more expensive measured against larger capital expenditure (Council continue to get less for the same investment).
- The overall majority of the uncompleted defects cannot be completed efficiently within the scope of reactive maintenance, they will therefore be remedied through recapitalisation works.
- The average number of defects fixed per year for the past 4 years is 430.
- The average cost to fix a defect measured over 853 defects over the past 4 years is \$3,102 per defect, which is an indication of the significant cost involved in the mitigation of individual defects.
- The number of defects recorded will increase as the condition of buildings deteriorates due to insufficient renewal.
- Council will probably get to the stage where individual components of an asset will be replaced (e.g. sheets on a leaking (past its useby date) roof) at a premium cost instead of replacing the entire roof sheeting for less.

9.2 Maintenance funding allocation

9.2.1 Reactive maintenance expenditure

The reactive maintenance funding allocation address request for maintenance as well as the mitigation of defects to be fixed in the short term. The following conclusions:

- The reactive maintenance allocation has decreased (**Table 2.8.2.3: Historical reactive maintenance expenditure**), but the percentage reactive maintenance allocation (from the total maintenance allocation) has stayed the same between 15% and 20% of the total maintenance allocation.
- Requests for maintenance and defects recorded during inspections has increased (demand for reactive maintenance)
- The reactive maintenance expenditure per square meter is the lowest when benchmarked against other Councils (around \$6/m², **Figure 5.8.2.6: Benchmarked reactive maintenance**).

9.2.2 Planned maintenance

The planned maintenance funding allocation address the mitigation of medium to long term asset maintenance needs. **The following conclusions:**

- Funding allocations for planned maintenance have reduced by approximately 40%, and is around 20% of the total maintenance funding allocation.
- With reactive and planned maintenance adding up to between 35% and 45% of the total maintenance allocation, the remaining 65% to 55% are allocated to mandatory compliance maintenance requirements. The mandatory requirements are ever increasing hence the increase in compliance funding.

- The need for maintenance funding can only reduce if the maintenance demand reduces, and the quality of buildings improves due to an increase in re capitalisation expenditure.
- The demand for maintenance expenditure will only reduce for the number of buildings reduces, or the condition of the buildings improve, and need for maintenance reduce.

9.3 Capital expenditure

9.3.1 New buildings

The budget allocated for the construction of new buildings has decreased with approximately 35%, and will continue to reduce in future years.

The rationalisation of existing building assets into multi use facilities by a wider range of the community reduce the demand for assets to provide a service, but does not reduce the service levels.

New assets increase maintenance demands, and reduce the funding available for maintenance and capital works requirements.

9.3.2 Upgrade of buildings

Refer to par. 5.9.2.5 for more detail.

The budget for the upgrade of existing buildings has decreased significantly over the past few years, but will increase in future years as more existing assets gets upgraded in favour of new buildings obtained to provide a service.

It is expected that the budget for the upgrade of existing buildings is to increase with at least 30% per year.

Upgrading of existing buildings will result in a lower maintenance demand for future years.

9.3.3 Renewal of buildings

Council currently spend around \$12/m²/year on the renewal of existing building infrastructure, which is very low when benchmarked against other Council's and commercial ventures.

Table 9.3.3: Capital renewal

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	7 YEAR Plans:
								Total project Cost (\$)
Renewal requirements based on true asset age and consumption from Conquest (\$)	6,307,005	746,731	3,403,379	2,534,863	11,712,925	787,986	6,816,345	32,309,234
Renewal demand spread equally over the 7 years (\$/year)	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	4,615,605	32,309,235
Renewal budget allocation (\$) (The allocation is realistic and not per the custodians needs)	2,870,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	20,870,000
Projected renewal GAP (\$) (Real renewal demand vs. renewal funding allocation)	-1,745,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-1,615,605	-11,439,235
Model 1: Rationalisation list (full renewal demand)	577,394	828,515	940,760	764,225	1,778,750	1,337,417	321,886	6,548,947
Projected renewal GAP if the rationalisation list is implemented to its full extent	-1,168,211	-787,090	-674,845	-851,380	163,145	-278,188	-1,293,719	-4,890,288
Model 2: Rationalisation list (0/substruct), (50%super)	444,734	788,155	917,100	749,105	1,566,909	1,171,497	238,176	5,875,676
Projected renewal GAP if 0%for substructure and 50%for superstructure are used	-1,300,871	-827,450	-698,505	-866,500	-48,696	-444,108	-1,377,430	-5,563,560
Model 3: Rationalisation list: Renewal demand (Only 50%)	288,697	414,258	470,380	382,113	889,375	668,709	160,943	3,274,474
Projected renewal GAP if only 50%of everything are being renewed	-1,456,908	-1,201,348	-1,145,225	-1,233,493	-726,230	-946,897	-1,454,662	-8,164,762

When renewal expenditure is reviewed over the longer term (7 years), the conclusions are different as those for the short term assessment.

There is an average shortfall of \$1.2m per year over the next 7 years if the building renewal requirement across all Council's building accept for the buildings owned and maintained by the business units is averaged out over the next 7 years, if more funding is not allocated to renewals:

- The renewal demand will grow and 'balloon' in certain years
- The maintenance demand will grow due to asset components that are extended beyond their functioning lives.

9.4 The Way Forward

It is understood that community expectations are difficult when it comes to rationalising the number of buildings and working towards reducing the funding gap. To facilitate some recommendations for Council an internal working group has been formed to evaluate the following options for Council's building stock.

- Option 1: Consolidate buildings asset base
- Option 2: Demolish or sell buildings that are not optimally utilised
- Option 3: Upgrade all council owned buildings to a level that ensures effective and efficient maintenance
- Option 4: Lease the building out to the occupant / user under terms and conditions that makes them responsible for the maintenance (or limited maintenance) of the facility
- Option 5: Transfer the ownership of the building to the existing user occupier

- **Option 6: Maintenance is the responsibility of the user of the building, and a maintenance fee (the subject of an agreement between the owner and the user) is paid over to the user**
- **Option 7: Maintain and operate leases through public private partnerships where the ownership does not change but private enterprise gains a long term lease**

Progress reports will be presented to Council, with a view to ensuring that the renewal gap is narrowed prior to the next version of the Buildings Asset Management Plan.

REFERENCES

DLGP 2011, *Asset Management Advancement Program 2011-2012 Guideline*. Queensland Government; accessed online 2/2/2012 URL:
<http://dlgp.qld.gov.au/resources/guideline/sustainability/asset-management-advancement-program-2011-12.pdf>

IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au

NAMS Plus AMP template

RRC Annual Plan and Budget

RRC Community Plan 2012-2022

RRC Social Plan 2010-2015

RRC Corporate Plan

RRC Operational Plan

Rawlinsons Australian Construction Handbook

APPENDICES

Appendix A: Information for the RRC building portfolio

Building Class	Estimated Floor Area	Replacement Cost (\$)	Average Expected useful life	Average remaining life	Remaining life as a percentage of expected useful life	Accumulated Depreciation (\$)	Annual Depreciation (\$)	Fair Value (\$)	Number of entries	buildings	Average Expected useful life
Amenities	3,617	7,788,000	50	20	41%	3,921,000	221,429	3,867,000	51	51	46.56863
Childcare	2469	4862000	50	31	61%	2071200	143755	2790800	5	5	50
Community	35906.96	40663000	50	26	52%	15083900	1000626	25579100	54	47	47.12963
Culture	28779.66	48453000	50	25	49%	19503600	1184925	28949400	37	35	51.08108
Admin and Depots	31377.8	57700000	50	21	42%	27701000	1391546	29999000	75	72	43.4
Residential	4247.6	5852000	50	20	41%	3862000	166787	1990000	24	21	50
Sports Facilities	1404.9	2255000	45	20	43%	891700	68034	1363300	12	12	45
Parks and Reserves	10842.8	11804000	35	18	51%	4481200	369024	7322800	104	104	32.11538
Commercial	7320	16151000	50	26	51%	8456900	376597	7694100	19	19	51.31579
Site improvements	143	130000	45	16	34%	94300	3488	35700	3	3	46.66667
Clubhouses	3752.8	6933000	50	22	45%	4161800	198868	2771200	23	18	55.43478
Sheds (not those belonging Parks)	8177	6621000	46	27	58%	3276500	214114	3344500	25	25	46
Airport terminal building	11090	20800000	75	55	73%	3695000	404130	17105000	1	1	75

- Only the airport terminal building has been included, the other commercial buildings e.g. waste, treatment plant etc. has not been included

Appendix B: RRC Building portfolio: Oldest to newest buildings per building class

Building Class	Estimated Floor Area	Replacement Cost (\$)	Average Expected useful life	Average remaining life	Remaining life as a percentage of expected useful life	Accumulated Depreciation (\$)	Annual Depreciation (\$)	Fair Value (\$)	Average Expected useful life	\$/m ² Replacement cost
Site improvements	143	130000	45	16	34%	94300	3488	35700	46.66667	\$909.09
Amenities	3,617	7,788,000	50	20	41%	3,921,000	221,429	3,867,000	46.56863	\$2,152.93
Residential	4247.6	5852000	50	20	41%	3862000	166787	1990000	50	\$1,377.72
Admin and Depots	31377.8	57700000	50	21	42%	27701000	1391546	29999000	43.4	\$1,838.88
Sports Facilities	1404.9	2255000	45	20	43%	891700	68034	1363300	45	\$1,605.10
Clubhouses	3752.8	6933000	50	22	45%	4161800	198868	2771200	55.43478	\$1,847.42
Culture	28779.66	48453000	50	25	49%	19503600	1184925	28949400	51.08108	\$1,683.58
Commercial	7320	16151000	50	26	51%	8456900	376597	7694100	51.31579	\$2,206.42
Parks and Reserves	10842.8	11804000	35	18	51%	4481200	369024	7322800	32.11538	\$1,088.65
Community Sheds (not those belonging Parks)	35906.96	40663000	50	26	52%	15083900	1000626	25579100	47.12963	\$1,132.45
Childcare	8177	6621000	46	27	58%	3276500	214114	3344500	46	\$809.71
Airport terminal building	2469	4862000	50	31	61%	2071200	143755	2790800	50	\$1,969.22
	11090	20800000	75	55	73%	3695000	404130	17105000	75	\$1,875.56

1.1.

Appendix C: RRC Building portfolio: Building condition assessment and inspection prioritization

1. Amenities (To be inspected with the daily cleaning routine, only formally every three years)

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment	Inspection prioritization Jaco new 1-3 + Assessment/2
Big Dam 2 Byrnes Parade	Mount Morgan	Amenities Block (Southern side)	581401	75	71.5
Big Dam 2 Byrnes Parade	Mount Morgan	Amenities Block (Northern side)	581400	75	71.5
Ian Besch Drive	Gracemere	Amenities Block	581311	70	71
Victoria Park, Sir Raymond Huish Drive	Wandal	Amenities Building (Crocodile Design)	1004448	60	66
MM SOA 33 Morgan Street	Mount Morgan	Amenities Block	565004	50	62
Queens Park 63 Glenmore Road	Park Avenue	Amenities Block (Ownership)	1004549	65	57.5
Victoria Park, Lion Creek Road - Adjacent Showground	Wandal	Amenities Block (Fronting Lion Crk Road)	582304	90	57
Conaghan Park 5 Lawrie Street	Gracemere	Amenities Block	581316	55	55.5
CBD Morgan Street	Mount Morgan	Amenities Block	565118	50	54
Joyce Harding Park 437 Moyle Street	Frenchville	Shade Shelter	1004537	80	54
375 Quay Street New Littler Cum-Ingham Park Amenity	Depot Hill	New Amenities Building	583387	70	53
Fraser Park Mt Archer	Mt Archer	Amenities Block	868531	60	48
Ramsden Street - Ski Gardens	Wandal	Amenities Building	582278	40	46
Bridge Street	Berserker	Bencke Park Amenities Building	581480	55	42.5
Leichardt Park - 157 Campbell Street	Rockhampton City	Shelter Shed	582193	70	42
Joyce Harding Park 437 Moyle Street	Frenchville	Amenities Building	581698	50	39
Leichardt Park - 157 Campbell Street	Rockhampton City	Amenities Building	582192	40	27
375 Quay Street Old Littler Cum-Ingham Park Amenity	Depot Hill	Amenities Building	582215	35	24.5
888-96 Yaamba Road	Parkhurst	Amenities Building Not being used	953708	45	24.5

2. Childcare

Street Address	Suburb	Building Detail	Asset no..	Building condition assessment 11/12/2013	Inspection prioritization Jaco new 1-3 + Assessment/2
City Childcare Centre 189 Alma Street	Rockhampton City	Metal Garage at Childcare Centre	993537	80	60
City Childcare Centre 189 Alma Street	Rockhampton City	Child Care Centre 67-73 William st	564593	65	52.5
32 Thompson Avenue	Mount Morgan	Child care Centre	564592	70	52
Stover Street	Gracemere	Child Care Buildings	868483	70	52
130 Elphinstone Street	Berserker	Elfin House Child Care centre	564594	40	37

3. Community

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
230 Bolsover st	South Rockhampton	New Library & Coffee Shop 230 Bolsover st	583403	80	88
230 Bolsover Street	Rockhampton City	School Of Arts Building	564713	80	85
503 Quay Street	Depot Hill	Demountable/Donga	564576	80	77
154 Berserker Street	Berserker	Library	564677	65	73.5
Curtis Park, Gladstone Road	Allenstown	Disabled Amenities Building	582106	75	72.5
67-73 William Street	Rockhampton City	History Library 67-73 William st	564681	55	70.5
6-12 Barry Street	Gracemere	New Community Hall	564634	60	68.5
Showgrounds - 1-47 Exhibition Road	Wandal	Robert Schwarten - Multipurpose Building 2008/10	583404	70	67.5
21 Hartington Street	Lakes Creek	Lunch room	564707	75	67.5
Armstrong Street, waste water complex	Gracemere	Dog Pound Building	564580	75	67.5
33 Morgan Street	Mount Morgan	School of Arts Building	564645	70	67
237 Berserker Street	Berserker	'Bauhinia House' Senior Citizens Centre	564623	65	65.5
21 Hartington Street	Lakes Creek	Administration Building	564804	60	65
21 Hartington Street	Lakes Creek	Machinery Shed	564798	70	65
Showgrounds - 1-47 Exhibition Road	Wandal	Robert Schwarten - Open Pavilion	564928	65	63
Showgrounds - 1-47 Exhibition Road	Wandal	Cattle Sheds - Wash Bays	564906	75	63
Nth Rockhampton Cemetery 350-360 Yaamba Road	Norman Gardens	Office & Lunch room	564791	70	62
Showgrounds - 1-47 Exhibition Road	Wandal	James Lawrence Pavilion	564896	60	61.5
33 Morgan Street	Mount Morgan	Municipal Library	564678	35	59.5

Gracemere Cemetery Bland Street	Gracemere	Shade Shelter	565165	90	59
208 Quay Street	Rockhampton City	Customs House	564714	55	57.5
176 Gladstone Road	Allenstown	Tourist Information Centre	564601	40	56
Showgrounds - 1-47 Exhibition Road	Wandal	Amenities Block (adj. McCamley Pavilion)	868488	60	55.5
Showgrounds - 1-47 Exhibition Road	Wandal	Robert Archer Grandstand	564917	60	55.5
Showgrounds - 1-47 Exhibition Road	Wandal	Walter Pierce Pavilion	564919	45	54
Showgrounds - 1-47 Exhibition Road	Wandal	Gazebo	564900	60	53.5
201 Bolsover Street	Rockhampton City	Schotia Place 201 Bolsover st	564611	40	53
Showgrounds - 1-47 Exhibition Road	Wandal	Office Building	564807	50	52.5
Showgrounds Road	Mount Morgan	5th Light horse Regiment	565064	80	52.5
503 Quay Street	Depot Hill	Cat Cages	564575	30	52
Showgrounds - 1-47 Exhibition Road	Wandal	McCamley Hall Pavilion	564910	50	50.5
Showgrounds - 1-47 Exhibition Road	Wandal	Peoples Bar	564920	50	50.5
Showgrounds Road	Mount Morgan	Amenities Block	564999	70	50.5
Showgrounds - 1-47 Exhibition Road	Wandal	Cattle Club	564921	55	49
Showgrounds - 1-47 Exhibition Road	Wandal	Exhibition Pavilion	564916	55	49
Showgrounds - 1-47 Exhibition Road	Wandal	Primac Building/Agricultural Hall	564922	60	48.5
504 Quay Street/Rosel Park	Depot Hill	Amenities Block	582254	65	47.5
503 Quay Street	Depot Hill	Kennels	564577	20	47
Mt Morgan Cemetery East st	Mount Morgan	Amenities Block	584726	65	46.5
Showgrounds Road	Mount Morgan	Demountable Office	564872	60	45.5
Showgrounds Road	Mount Morgan	George Mullins Pavillion	590435	60	45.5
Showgrounds Road	Mount Morgan	Canteen	564603	60	45.5
Barry Street	Gracemere	Training Room Shed	564750	70	45
Nth Rockhampton Cemetery 350-360 Yaamba Road	Norman Gardens	Amenities Building	565003	60	44
Showgrounds - 1-47 Exhibition Road	Wandal	Dog Pavilion	564898	40	43.5
Showgrounds Road	Mount Morgan	Dog Pound Wash Shed	564579	60	42
Showgrounds - 1-47 Exhibition Road	Wandal	Poultry Pavilion/Kele	564908	40	41.5
Showgrounds Road	Mount Morgan	Stables	565065	50	40.5
Showgrounds - 1-47 Exhibition Road	Wandal	Stud Cattle Pavilion	564923	25	38
Showgrounds Road	Mount Morgan	William MacKinlay Pavillion	564897	45	38
East Street	Rockhampton City	Stage Area & Canopy	564587	60	37
Showgrounds - 1-47 Exhibition Road	Wandal	Horticultural Pavilion	564915	35	36
Showgrounds Road	Mount Morgan	Nessie Chardon Pavillion	590434	40	35.5
Showgrounds Road	Mount Morgan	Demountable Amenities Building	565123	40	35.5
30 Thompson Avenue	Mount Morgan	Welfare Clubhouse	564642	45	35
Elizabeth Park 85 Foster Street	Berserker	Woodworkers Guild	564632	40	30
Hinchcliff Street - Munro Street	Kawana	Parkana Hall	589331	40	30
72 Glenmore Road	Park Avenue	72 Glenmore Road	954521	40	30
Showgrounds - 1-47 Exhibition Road	Wandal	Dwelling Managers Residence 1-47 Exhibition Road Wandal	565029	50	29

208 Quay Street	Rockhampton City	Old Stables Building/Amenities Block	564731	20	28
208 Quay Street	Rockhampton City	Bond Store	564727	20	28
36 Thompson Avenue	Mount Morgan	Youth Centre	564633	35	27.5
Showgrounds - 1-47 Exhibition Road	Wandal	Kennel Club Dog Display	564905	20	27
Showgrounds Road	Mount Morgan	Showgrounds Bar	590436	20	25.5
38 Morgan Street	Mount Morgan	Commonwealth Bank	564821	35	24.5
Graff Road	Nerimbera	Steel frame awning	564652	45	22.5
Church Park 161-171 Glenmore Road	Park Avenue	Park Avenue CWA	564604	30	18
36 Thompson Avenue - Caretakers Cottage	Mount Morgan	Dwelling 36 Thompson Avenue	565020	5	7

4. Culture

Street Address	Suburb	Building Detail	Asset no..	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
62 Victoria Parade	Rockhampton City	Art Gallery (next to Pilbeam Theatre)	564590	70	74
62 Victoria Parade	Rockhampton City	Art Gallery (Air Con Plant Room)	563388	65	73.5
296 Boundary Road	Parkhurst	Reception Amenities Block	565119	80	72
296 Boundary Road	Parkhurst	Amenities Block	564698	70	70.5
62 Victoria Parade	Rockhampton City	Pilbeam Theatre	564586	50	70
Cnr East & Derby Street	Rockhampton City	Walter Reid Centre Cnr East & Derby st	564583	50	67
296 Boundary Road	Parkhurst	Reception Building	564716	65	66.5
296 Boundary Road	Parkhurst	Wool Shearing Shed Functions	564682	60	64.5
296 Boundary Road	Parkhurst	Herb Garden Gazebo	564702	65	63
296 Boundary Road	Parkhurst	Restoration Shed-Heritage Village	1004845	70	59.5
296 Boundary Road	Parkhurst	Carpenters & Storage Shed	888372	70	59.5
296 Boundary Road	Parkhurst	Office	564762	60	58
296 Boundary Road	Parkhurst	Horse Yards and Stables	564701	50	51.5
Monier Road	Parkhurst	Igloo Storage Building	564689	75	50.5
296 Boundary Road	Parkhurst	Machine Shed/Awning	1004853	40	46.5
296 Boundary Road	Parkhurst	Ampitheatre	564722	30	45.5
Railway Parade	Mount Morgan	Railway Station Complex	564887	35	45.5
296 Boundary Road	Parkhurst	Pump House	564715	25	43
Railway Parade	Mount Morgan	Kitchen (Railway Station Complex)	565066	30	43
Railway Parade	Mount Morgan	Glenmore Signal Shed	565179	25	40.5
Railway Parade	Mount Morgan	Goods Shed	565062	25	40.5
296 Boundary Road	Parkhurst	Watchmakers Donga	993590	25	35.5
Fitzroy Street	Rockhampton City	Square Dance Hall	584733	45	34.5
296 Boundary Road	Parkhurst	Donga Office	564694	20	33.5
296 Boundary Road	Parkhurst	Dwelling Boundary Rd	565025	55	31.5
607-701 Yaamba Road	Parkhurst	Kiosk entry and gates (sold ?????)	564589	50	27

607-701 Yaamba Road	Parkhurst	Amenities Block (soundshell sold by tender)	564585	50	27
607-701 Yaamba Road	Parkhurst	Sound Shell (sold)	564588	50	27
Railway Parade	Mount Morgan	Dwelling Railway Station	565148	15	26.5
296 Boundary Road	Parkhurst	Donga Public Amenities may have been demolished	564704	20	14.5

5. Admin and Depots

Street Address	Suburb	Building Detail	ASSET NO.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
City Hall - 232 Bolsover Street	Rockhampton City	City Hall 232 Bolsover st	564738	55	72
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Demountable Poison & Vector office excl awning)	564753	70	68
1 Ranger Street	Gracemere	Administration Building	564755	70	66
Old Capricorn Highway	Gracemere	Pump Station	564784	70	66
Johnson Road	Gracemere	Pump Shed	564749	70	66
Dooley St Depot - 13 Dooley Street	Park Avenue	Main Workshop and Stores Building	564773	65	65
Dooley St Depot - 13 Dooley Street	Park Avenue	Fleet & Workshop Administration Office	564788	65	64
Mt Morgan SES - Pattison Street	Mount Morgan	SES Shed/Garage	564826	70	63
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Workshop	564736	55	62
Dooley St Depot - 13 Dooley Street	Park Avenue	Cedric Jones - Chemical Shed	868489	60	61
Dooley St Depot - 13 Dooley Street	Park Avenue	Workshop Meeting Room	564777	85	60
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	General Building Lunch Room (CEC DOBBS) w/ awning to demountab	564785	50	59
Gracemere SES -Barry Street	Gracemere	SES Building	564737	60	58
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Store Building	564754	45	57
Dooley St Depot - 13 Dooley Street	Park Avenue	Administration Office & Amenities	564780	45	57
Dooley St Depot - 13 Dooley Street	Park Avenue	Garbage Truck Wash-down Canopy	564655	50	56
Dooley St Depot - 13 Dooley Street	Park Avenue	Vehicle Storage Shed/Awning	564776	45	54
Mt Morgan Depot 32 Hall Street	Mount Morgan	Stores Building	564878	40	53
Nth Rockhampton SES - 90 Charles Street	Berserker	SES Building	564766	45	53
Nth Rockhampton SES - 90 Charles Street	Berserker	Storage Shed	564741	50	53
Dooley St Depot - 13 Dooley Street	Park Avenue	Face Sheds & Lunchroom	564797	40	52
Dooley St Depot - 13 Dooley Street	Park Avenue	Double Garage Shed (Robison St)	564771	40	51
Dooley St Depot - 13 Dooley Street	Park Avenue	Rocky Recycling Depot	564764	40	51
Thompson Avenue Rugby Oval	Mount Morgan	Rural Fire Services Shed	564824	80	51
Gracemere SES -Barry Street	Gracemere	SES Shed	564596	45	51
Mt Morgan Depot 32 Hall Street	Mount Morgan	Council Office	564877	40	50
Armstrong Street, waste water complex	Gracemere	Office/Awning	834548	65	50
Gracemere Depot Cnr Saleyards Road and Kelly Road	Gracemere	Shade House (Igloo)	564732	73	50
Dooley St Depot - 13 Dooley Street	Park Avenue	Light Shed	564775	30	46

Dooley St Depot - 13 Dooley Street	Park Avenue	Garbage Truck Storage Building	564661	30	46
Mt Morgan SES - Pattison Street	Mount Morgan	SES Building	564876	35	46
Mt Morgan Depot 32 Hall Street	Mount Morgan	Council Chamber Extensions (Demountable)	564885	35	44
Mt Morgan Depot 32 Hall Street	Mount Morgan	Road Crew Shed	564823	20	43
Mt Morgan Depot 32 Hall Street	Mount Morgan	Workshop	564822	20	43
Mt Morgan Depot 32 Hall Street	Mount Morgan	Foremans Building (Demountable)	564873	60	43
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Awning Weedsprayers	564742	55	41
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Awning Parks and Gardens Storage	564743	55	41
Dooley St Depot - 13 Dooley Street	Park Avenue	Acrow Shed	564799	15	39
Dooley St Depot - 13 Dooley Street	Park Avenue	Recycling House	564767	45	39
Armstrong Street, waste water complex	Gracemere	Amenities/Store (demountable)	834531	50	38
Street Cleaner Depot 45 Reaney Street	The Common	Garage	564765	45	36
Dooley St Depot - 13 Dooley Street	Park Avenue	Grace Bros Shed	564806	25	35
Mt Morgan Depot 32 Hall Street	Mount Morgan	Lunch Room - Outside Workforce	581416	40	32
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	Foreman's Building (Demountable)	564759	35	31
Armstrong Street, waste water complex	Gracemere	Shed	834549	20	22
Gracemere Depot - Cnr Saleyards Road and Kelly Road	Gracemere	First Aid Demountable with awning	993550	15	20
Mt Morgan Depot 32 Hall Street	Mount Morgan	Parks & Gardens Shed	581417	10	18

6. Residential

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
261 Hook Street	Berserker	Dwelling	583386	90	48
261 Hook Street	Berserker	Metal Garage	993552	80	43
190 Rush Street	Koongal	Accommodation Units (x 3) 190 Rush st	565035	60	36
28 Pattison Street	Mount Morgan	Aged Persons Accomodation - 28 Pattison Street	637948	50	31
29 Darcy Street	Mount Morgan	Aged Persons Accomodation - 29 Darcy Street Units	565147	50	31
261 Hook Street	Berserker	Covered outdoor deck	993551	40	23
15 Cooper Street	Koongal	Dwelling Cooper St	565033	25	18.5
2 Byrnes Parade	Mount Morgan	Dwelling 2 Byrnes Parade	565146	20	16
58 Victoria Parade	Rockhampton City	Residential Building, Adjoins Art Gallery	564584	30	15
Fletchers Creek	Mount Morgan	Dwelling Fletcher Creek	565021	10	11
Fletchers Creek	Mount Morgan	Garage/Laundry at Dwelling Fletcher Creek	993914	5	8.5
Off Harman Street	Wandal	Dwelling Off Harman S Tdemolished	582339	0	0

7. Sport and recreation

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
Newman Oval - Thompson Avenue	Mount Morgan	Amenities Building Demountable.	1004634	95	77.5
Southside Pool 1A Lion Creek Road	Wandal	New Pump Shed	997273	70	71.5
Victoria Park Tennis Courts	Wandal	Tennis Complex Clubhouse	973368	65	70
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Swimming Pool Change Rooms / Amenities	565060	60	57
Southside Pool 1A Lion Creek Road	Wandal	Amenities Demountable (Disabled Access)	639373	75	57
Cedric Archer Park Gracemere CubsFisher Street	Gracemere	Club House/ Amenities (Gracemere Cubs)	581310	50	56
Rovers Hockey Club Mason Street	Koongal	Rovers Cricket and Hockey Clubhouse	868462	60	54
Jardine Park 82-88 Wandal Road	Wandal	Amenities Block (near Netball Ovals)	582156	65	54
Newman Oval - Thompson Avenue	Mount Morgan	Canteen	564597	45	52.5
128 Western Street	West Rockhampton	Brothers AFL Clubhouse	564631	70	51
Northside Pool 330-360 Berserker Street	Frenchville	Kiosk & Amenities Building	565037	40	50
2-26 Reaney Street	The Common	Amenities Block and Canteen (Rockhampton Panthers)	564996	45	49.5
Duthie Park 314-324 Marsh Avenue	Frenchville	Amenities and Clubhouse Building	581590	60	49
Underwood Park 32A Hollingsworth Street - BMX	Kawana	Amenities Block	581985	60	49
Mc Leod Park 85-135 Dean Street & Rodboro Street	Berserker	Amenities Building (Male)	587515	70	48
Kenrick Tucker Velodrome Berserker st	North Rockhampton	Kenrick Tucker Velodrome Club House	951751	40	47
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Swimming Pool Canteen	564599	40	47
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Stand 1 - Swimming Pool - Boyd Park	1004617	40	47
Mc Leod Park 85-135 Dean Street & Rodboro Street	Berserker	Amenities Building (Female)	587516	65	45.5
45 Reaney Street	The Common	Grand stand and changerooms	565162	30	43
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Swimming Shed (behind wading pool)	565048	30	42
Jardine Park 82-88 Wandal Road	Wandal	Pavilion (next to Netball Courts)	564630	40	41.5
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Stand 2 - Swimming Pool - Boyd Park	1004625	40	41
888 -96 Yaamba Road	Parkhurst	Clubhouse Tennis	953707	75	40.5
Southside Pool 1A Lion Creek Road	Wandal	Demountable/Donga	639374- is this still here?	80	40
Southside Pool 1A Lion Creek Road	Wandal	Kiosk & Amenities Building	565038	40	39.5
Juds Park 460 Norman Road	Norman Gardens	Amenities Building	581709	30	39
Kettle Park - 12 Elizabeth Street	Allenstown	Clubhouse and awning	564624	50	39

Newman Oval - Thompson Avenue	Mount Morgan	Changerooms	565058	15	37.5
Athelstane Bowls Club Ward Street	South Rockhampton	Greenkeepers Shed	583402	45	37.5
Voss Park 32/8 West Street	The Range	Club House and Amenities Voss Park	951754	50	37
Northside Pool Dwelling Robinson Street	Frenchville	Dwelling Robinson St	565158	45	36.5
128 Western Street	West Rockhampton	Clubhouse / Amenities Block (Rton & District Rugby League)	564937	40	36
Athelstane Bowls Club Ward Street	South Rockhampton	Amenities / Office building	583400	40	36
Athelstane Bowls Club Ward Street	South Rockhampton	Club house Building	583401	40	36
45 Reaney Street	The Common	Clubhouse / Amenities	565521	15	35.5
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Shed over heated pool	587530	65	35.5
Lion Creek Road	Wandal	Shed Amenities / Changerooms.	959438	35	34.5
Juds Park 460 Norman Road	Norman Gardens	Norths Cricket Clubhouse	564609	20	34
Athelstane Bowls Club 6-32 Melbourne Street	South Rockhampton	Amenities Building	582386	35	33.5
Saleyards Park - 1-45 John Street	Allentown	Amenities / Kiosk and Changerooms	564610	25	31.5
Kettle Park - 12 Elizabeth Street	Allentown	Amenities Buildings	868527	30	29
Southside Pool 1A Lion Creek Road	Wandal	Sodium Hypochlorite Store	565046 - disposed	50	25
Michael O'hanlon Park 2-6 Synge Street	Lakes Creek	Clubhouse House Michael O Hanlon park	581849	20	23
Lion Creek Road	Wandal	Cricket clubhouse	564626	15	20.5
Applegarth Park 114 Wandal Road	Wandal	Club House & Amenities Bldg	564628	30	18
Elizabeth Park 85 Foster Street - Tigers Football	Berserker	Amenities Block	581628	10	17
Mt Morgan Pool 36 Thompson Avenue	Mount Morgan	Heated Pool Pump Shed	565063	20	13
Southside Pool 1A Lion Creek Road	Wandal	Storage Shed	565044 - disposed	25	12.5
Southside Pool 1A Lion Creek Road	Wandal	Pump House	565039 - to be demolished	20	10

8. Parks

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
Quay Street	Rockhampton City	Shelter Shed and BBQ (near bridge)	582250	85	82
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter (South)	1004456	90	81
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter (West)	1004481	90	81
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter (North east)	1004505	90	81
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter & BBQ (South) Ownership ??	1004469	90	81
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter & BBQ (North east)	1004493	90	81

Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter & Fishing Platform 2 (Middle, opposite Huish Drive playground)	1004368	90	81
Quay Street	Rockhampton City	Shelter Shed and BBQ	582248	80	79.5
100 Spencer Street	West Rockhampton	Quarantine Shed	993539	85	78
100 Spencer Street	West Rockhampton	Baboon Cage and Macaw Cage	582428	80	77.5
100 Spencer Street	West Rockhampton	Macaque Enclosure	1004829	80	77.5
100 Spencer Street	West Rockhampton	Flight Aviary Dome	582422	80	77.5
Moore's Creek Road	Park Avenue	Amenities Building (Sandstone)	581734	80	77.5
100 Spencer Street	West Rockhampton	Murray Lagoon Viewing Platform	987833	70	75
100 Spencer Street	West Rockhampton	Chimpanzee Enclosure (new)	1004837	75	75
Moore's Creek Road	Park Avenue	Shade Shelter Sandstone (Vietnam Memorial)	943260	85	75
100 Spencer Street	West Rockhampton	Shade Shelter & BBQ near Kiosk	582433	60	74
100 Spencer Street	West Rockhampton	Cassowary Enclosure	582274	70	72.5
100 Spencer Street	West Rockhampton	Koala enclosure	582410	70	72.5
100 Spencer Street	West Rockhampton	Koala Sanctuary main Bldg	582425	70	72.5
100 Spencer Street	West Rockhampton	Chimpanzee Enclosure (original)	582411	70	72.5
100 Spencer Street	West Rockhampton	Administration & Interpreter Centre	582403	60	72
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter (Far North)	1004521	75	70.5
100 Spencer Street	West Rockhampton	Amenities Block (adjoins Kiosk)	582436	50	69
Moore's Creek Road	Park Avenue	Monorail Tunnel	581736	60	67.5
Curtis Park, Gladstone Road	Allenstown	Shade Shelter (Northern end)	938889	65	66.5
Quay Street	Rockhampton City	Promenade and Lookout shelter (Southern end)	582249	60	66
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter & Fishing Platform 1 (Nearest to Barrage)	1004353	90	66
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter & Fishing Platform 3 (Nearest Rail Bridge - Cooker Park)	1004376	90	66
2 Macaree Street	Berserker	Shed (Tractor)	868528	70	65
Big Dam - 2 Byrnes Parade	Mount Morgan	Shade Shelter adjoining lake	581403	75	64.5
Big Dam - 2 Byrnes Parade	Mount Morgan	Shade Shelter adjoining lake	605602	75	64.5
100 Spencer Street	West Rockhampton	Bird Aviary #1	582416	70	64
100 Spencer Street	West Rockhampton	Kiosk	582398	35	60.5
Moore's Creek Road	Park Avenue	A.L.P. Rotunda near Monorail	943261	75	60
100 Spencer Street	West Rockhampton	Curators Office	582404	70	58
2 Macaree Street	Berserker	Amenities & Lunch Room Building	581898	55	57.5
2 Macaree Street	Berserker	Amenities & First Aid Building	581899	55	57.5
Big Dam - 2 Byrnes Parade	Mount Morgan	Shade Shelter at Boat Ramp	605601	60	57
100 Spencer Street	West Rockhampton	Shelter Shed near Animals	582429	55	56.5
100 Spencer Street	West Rockhampton	Orchid House	582424	55	56.5
Moore's Creek Road	Park Avenue	Shade Shelter Sandstone & Barbecues (High st carpark)	581735	70	56.5
100 Spencer Street	West Rockhampton	Bat Cage	582420	50	54
100 Spencer Street	West Rockhampton	Aviary and Hay store behind monkeys	582421	50	54

Curtis Park, Gladstone Road	Allenstown	Shade Shelter (Centre)	938888	40	54
Moore's Creek Road	Park Avenue	Seat Shelter Sandstone	581732	65	54
Breakspear Street	Gracemere	Shade Shelter (Dog Area)	581334	80	54
Johnson Road	Gracemere	Shade Shelter (Northern side)	581324	70	53
2 Macaree Street	Berserker	Nursery Complex Workshop	581897	45	52.5
100 Spencer Street	West Rockhampton	Bird Aviary #2	582414	45	51.5
100 Spencer Street	West Rockhampton	Shed behind Curators (Gardens Works Shed)	582400	70	51
Ian Besch Drive	Gracemere	Shade Rotunda	590895	65	50.5
Eric and Edna Johnson Park Blyth Street	Gracemere	Shade Shelter w/ BBQ	899996	70	50
100 Spencer Street	West Rockhampton	Carpet Python enclosure	582417	40	49
100 Spencer Street	West Rockhampton	Glass House	582423	40	49
Victoria Park, Sir Raymond Huish Drive	Wandal	Shade Shelter (Behind tennis courts facing Huish dr)	951783	55	48.5
100 Spencer Street	West Rockhampton	Garage and Workshop	582407	60	48
2 Macaree Street	Berserker	Council Nursery Complex Igloo Nursery	581895	70	48
Moore's Creek Road	Park Avenue	Shade Shelter next to Playground	581733	20	47.5
Moore's Creek Road	Park Avenue	Shade Shelter	951976	20	47.5
Moore's Creek Road	Park Avenue	Seat Shelter near Monorail	951980	20	47.5
100 Spencer Street	West Rockhampton	Bird Aviary next to carpet pythons	582415	35	46.5
100 Spencer Street	West Rockhampton	Shade Shelter (Gable roof at Lake)	582431	35	46.5
100 Spencer Street	West Rockhampton	Bird Aviary	582409	30	44
Stover Street	Gracemere	Shade Shelters	564591	60	43
Big Dam - 2 Byrnes Parade	Mount Morgan	Shade Shelter Large	605599	30	42
Fraser Park Pilbeam Drive	Mt Archer	Shade Shelter over Information Wall	943270	60	42
100 Spencer Street	West Rockhampton	Bird Aviaries Adjoins old Macaque Cage	582419	25	41.5
100 Spencer Street	West Rockhampton	Donga near wombats	993538	50	41
Big Dam - 2 Byrnes Parade	Mount Morgan	Shade Shelter (Large next to BBQ)	605600	25	39.5
Jack Allenby Park 9 Rodger Street	Park Avenue	Awning over playground	565477	50	39
Rigalsford Park 191 Rush Street & Elphinstone Street	North Rockhampton	Shade Shelter	925927	20	38
2 Macaree Street	Berserker	Council Nursery Complex Main Nursery Building	581901	15	37.5
100 Spencer Street	West Rockhampton	Small Donga (behind Chimps)	582402	20	33
100 Spencer Street	West Rockhampton	Donga	582406	30	31
100 Spencer Street	West Rockhampton	Dwelling Spencer Street Gates	582435	40	30
100 Spencer Street	West Rockhampton	Bush House (Hugo Lassen Fernery)	582426	10	28
Queens Park 63 Glenmore Rd	Park Avenue	Shade Structure (Northbound)	1004577		28
Queens Park 63 Glenmore Road	Park Avenue	Shade Structure - Stage	1004561		28
Queens Park 63 Glenmore Road	Park Avenue	Shade Structure (Southbound)	1004605		28
Ann Street	The Range	Dwelling Ann Street Gates	582434	50	28
100 Spencer Street	West Rockhampton	Building (behind Chimps)	582401	10	27
Conaghan Park 5 Lawrie Street	Gracemere	Shade Shelter over Playground	1004658		26
Big Dam - 2 Byrnes Parade	Mount Morgan	Storage Shed	564827	45	24.5

Fisher Street	Gracemere	Shelter	1004674		14
Eddie Baker Park 8-26 Currawong Street	Norman Gardens	Large Shade Shelter	1004642		13
100 Spencer Street	West Rockhampton	Minor Buildings in Compound	582408		13
Big Dam - 2 Byrnes Parade	Mount Morgan	Nursery Office	564871	20	13
Kirby Street	Koongal	Metal Shade Shelter. Shade Structure	1004650		11
Lion Creek Road	Wandal	Shade Shelter (Facing Lion ck rd)	582303	15	10.5
2 Macaree Street	Berserker	Nursery Complex Guard Dog Kennels (to be disposed) sold	581896		3

9. Commercial

Street Address	Suburb	Building Detail	Asset no.	Building condition assessment 11/12/13	Inspection prioritization Jaco new 1-3 + Assessment/2
152 Lakes Creek Road	North Rockhampton	Foreman's Office - Amenities	993917	90	87
152 Lakes Creek Road	North Rockhampton	Recycling Drop Off Area	888255	90	84
152 Lakes Creek Road	North Rockhampton	Foreman's Office 2	993916	85	82.5
152 Lakes Creek Road	North Rockhampton	Foremans Office 1 - Includes sails and deck	993915	95	78.5
Rockhampton Ridgeland Road	Alton Downs	Refuse Site Office	564666	75	76.5
152 Lakes Creek Road	North Rockhampton	Recycling Area Shed (Large Open)	564663	80	74
Belmont Road	Parkhurst	Mechanical Shed	834555	70	73
Belmont Road	Parkhurst	Technical Area	868450	75	72.5
Belmont Road	Parkhurst	Reticulation/Stores Shed	834556	70	71
152 Lakes Creek Road	North Rockhampton	Foremans Office/Gatehouse	564662	75	67.5
152 Lakes Creek Road	North Rockhampton	Trendy Trash Building (New)	888254	85	66.5
Agnes Street (water reservoir compound)	South Rockhampton	Building	583407	75	65.5
Belmont Road	Parkhurst	Electrical Shed	834554	55	64.5
Lucas Street	Gracemere	Office and Depot Buildings (Fred Thorsen Park)	868455	50	60
152 Lakes Creek Road	North Rockhampton	Trendy Trash Building (Original)	564658	70	59
Thozet Road (water reservoir compound)	Frenchville	Amenties Block	884733	60	59
Lucas Street	Gracemere	Office	564667	45	58.5
Frazer Park	Mt Archer	Mt Archer - Coffee Shop	981411	85	57.5
16 Saleyards Road	Gracemere	Office and unisex toilets with awning	993544	80	57
16 Saleyards Road	Gracemere	Gracemere Exhibition Centre	564890	70	55
16 Saleyards Road	Gracemere	Austadium	564895	70	54
Belmont Road	Parkhurst	Amenities Block	834557	60	51
16 Saleyards Road	Gracemere	Dwelling	565156	65	49.5
Lakes Creek Memorial Park 21 Hartinton Street	Lakes Creek	Awning over Pump Station	564792	80	45
Quay Street	Rockhampton City	Enterprise Centre Building (42.82 %)	584713	55	42.5
16 Saleyards Road	Gracemere	Awning over holding yard near Exhibition Arena	993541	60	41
34 Belmont Road	Parkhurst	Dwelling 34 Belmont Rd	834553	50	41

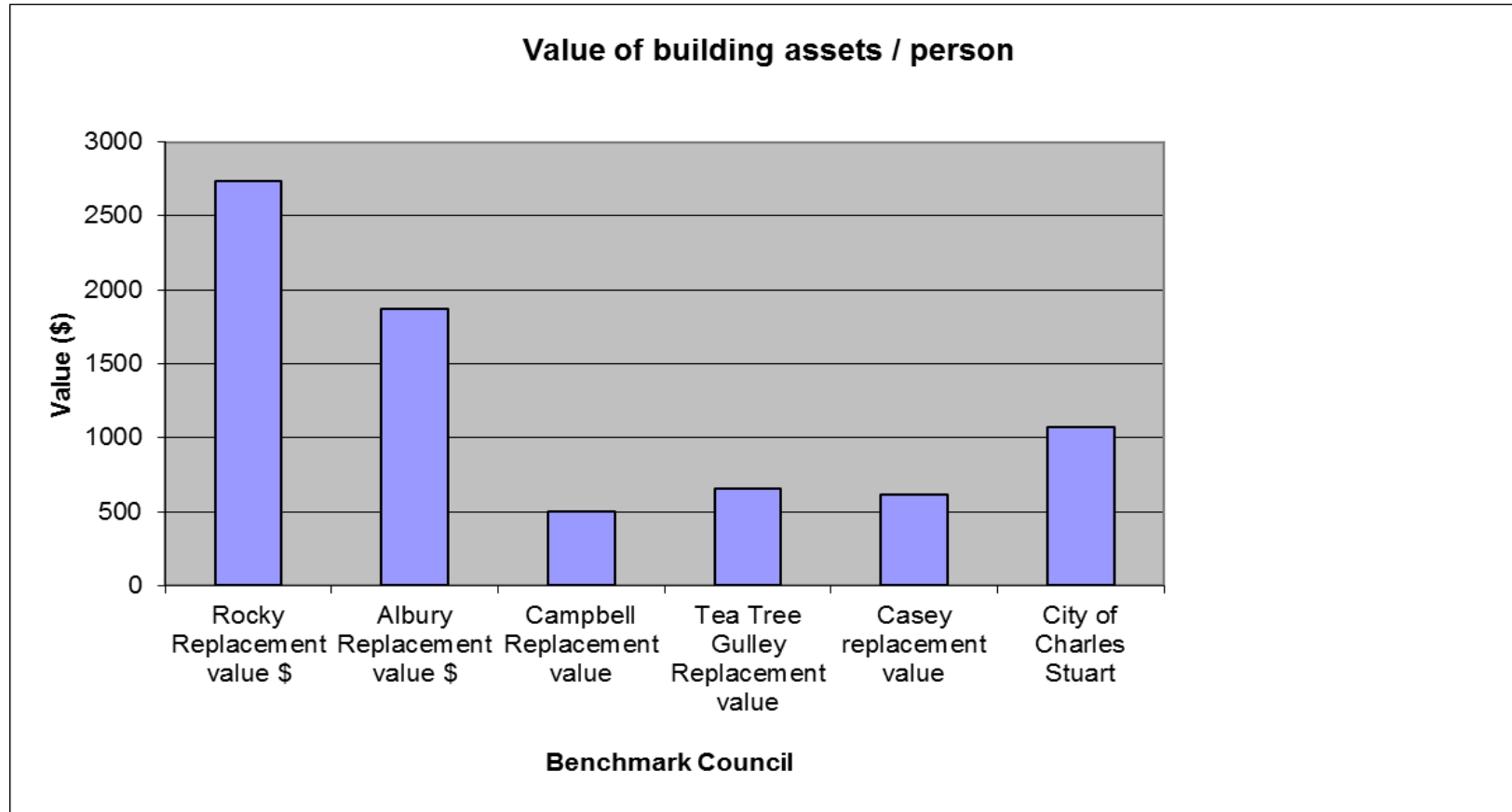
Pattison Lane	Wandal	Storage Shed (Barrage)	834561	60	41
16 Saleyards Road	Gracemere	Awning over Spray Run/Dip	993545	65	39.5
16 Saleyards Road	Gracemere	Stables Complex	564892	50	38
189 Quay Street	Rockhampton City	Restaurant	564600	40	38
16 Saleyards Road	Gracemere	Scale Room	564782	35	34.5
16 Saleyards Road	Gracemere	Demountables (ablutions) at stable Complex	564770	25	34.5
32 Belmont Road	Parkhurst	Dwelling 32 Belmont Rd .	565032	45	33.5
16 Saleyards Road	Gracemere	Deliveries Donga	993546	25	31.5
16 Saleyards Road	Gracemere	Hay/Feed Shed	564779	25	29.5
16 Saleyards Road	Gracemere	Workshop Compound - Workshop and awning	564783	45	29.5
16 Saleyards Road	Gracemere	Awning - Loading Stalls	993543	40	27
Lucas Street	Gracemere	Shade Shelter	605595	20	23
16 Saleyards Road	Gracemere	Workshop Compound - Garage	993542	10	20
16 Saleyards Road	Gracemere	Workshop Compound - Awning opposite workshop	993540	25	17.5
16 Saleyards Road	Gracemere	Shed Worm Farm	564781	20	16
152 Lakes Creek Road	North Rockhampton	Bird Viewing Tower	564660	20	13

Appendix D: Building portfolio (per building class) condition rating

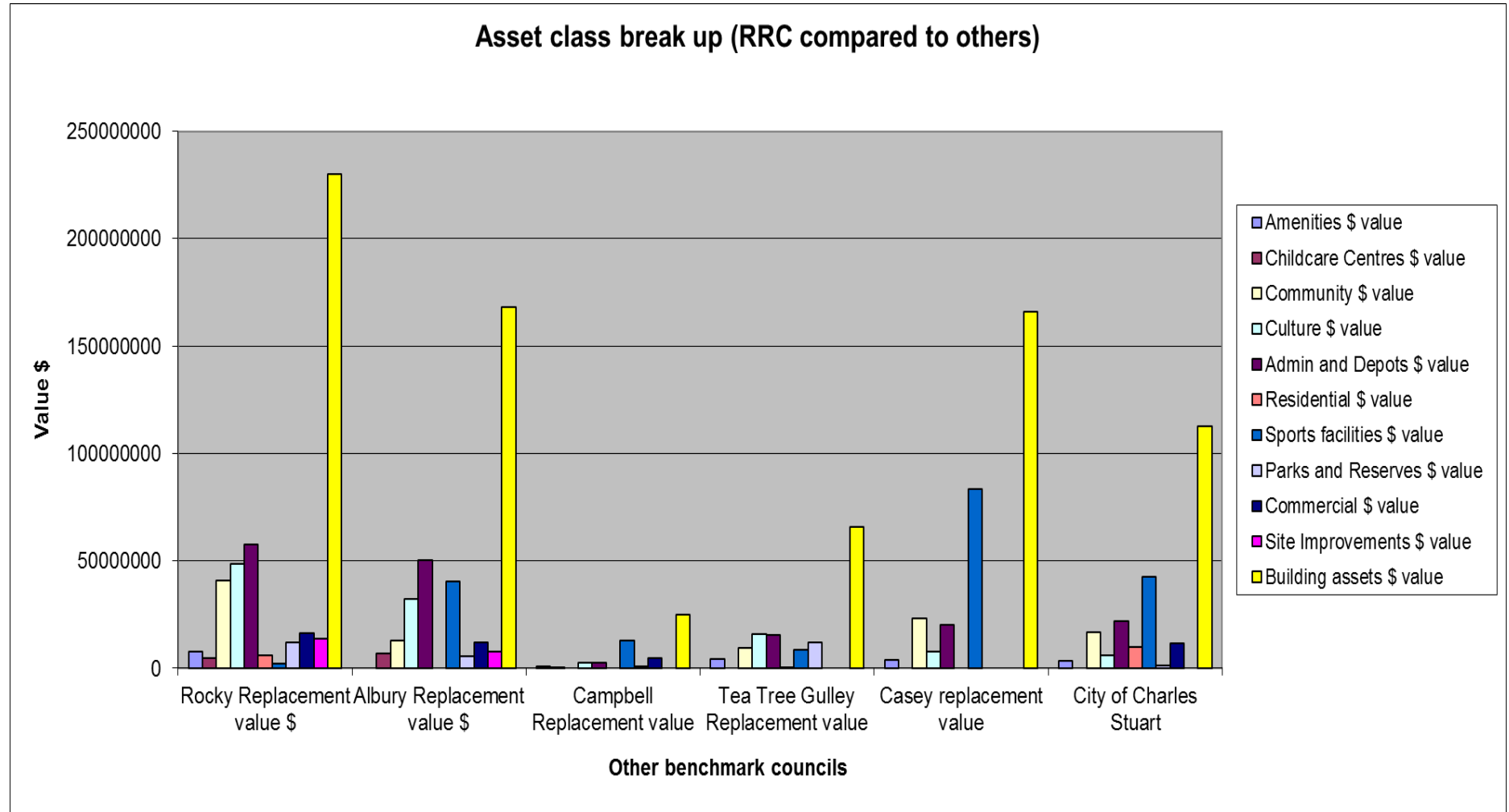
Building Class	Average condition for the building type (weighted average)	Replacement Cost (\$)	Average remaining life	Remaining life as a percentage of expected useful life
Amenities	54	7,788,000	20	41%
Childcare	58	4862000	31	61%
Community	49	40663000	26	52%
Culture	48	48453000	25	49%
Admin and Depots	55	57700000	21	42%
Residential	40	5852000	20	41%
Sports Facilities	43	2255000	20	43%
Parks and Reserves	58	11804000	18	51%
Commercial	53	16151000	26	51%
Site improvements	28	130000	16	34%
Clubhouses	40	6933000	22	45%
Sheds (not those belonging Parks)	55	6621000	27	58%
Airport terminal building	70	20800000	55	73%
Total or average	50.10%	230,012,000	25	49%

Appendix E: Benchmarking against other Council's and private industry

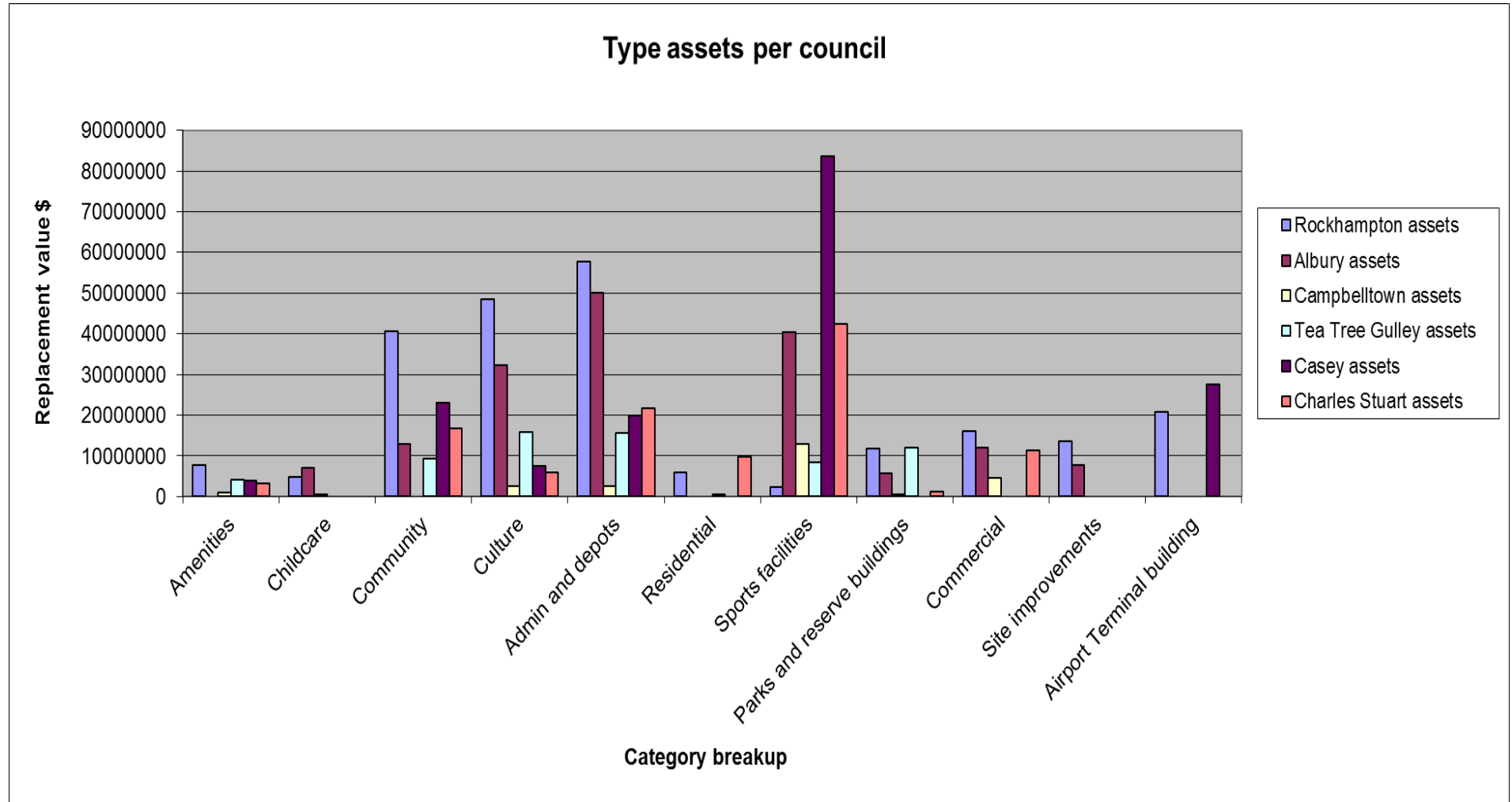
Appendix E.1: Value of building assets per person in the RRC Council area



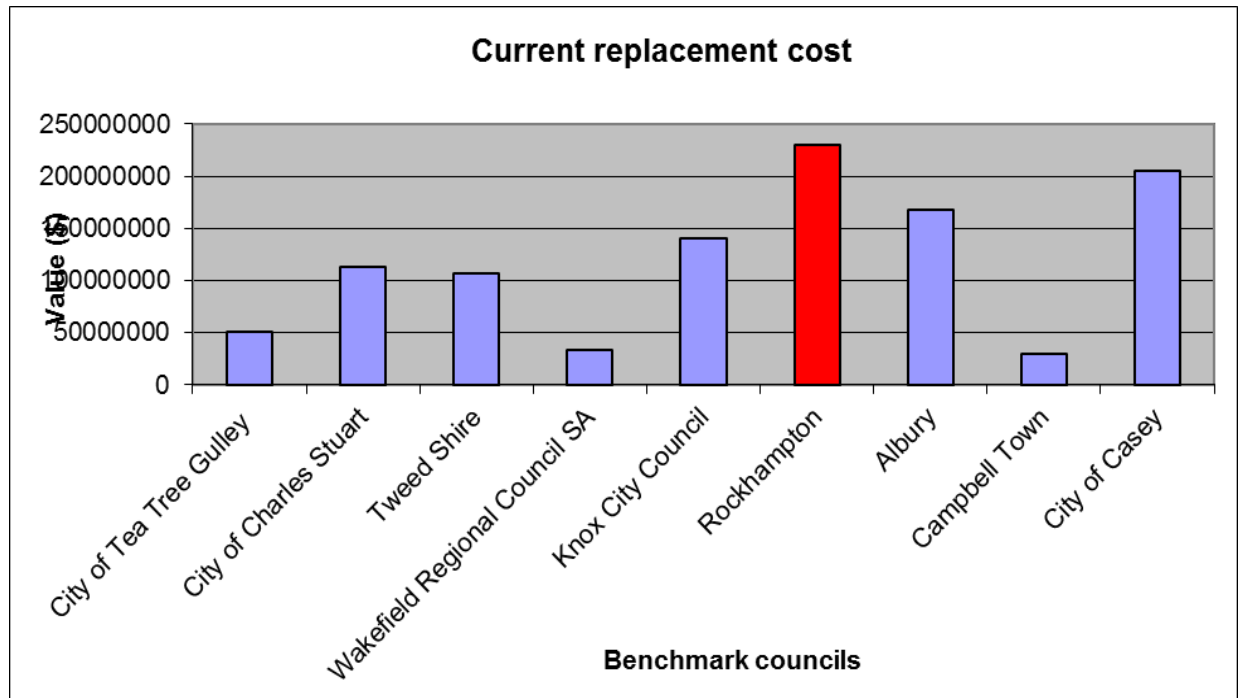
Appendix E.2: Asset ownership: RRC compared with other Councils



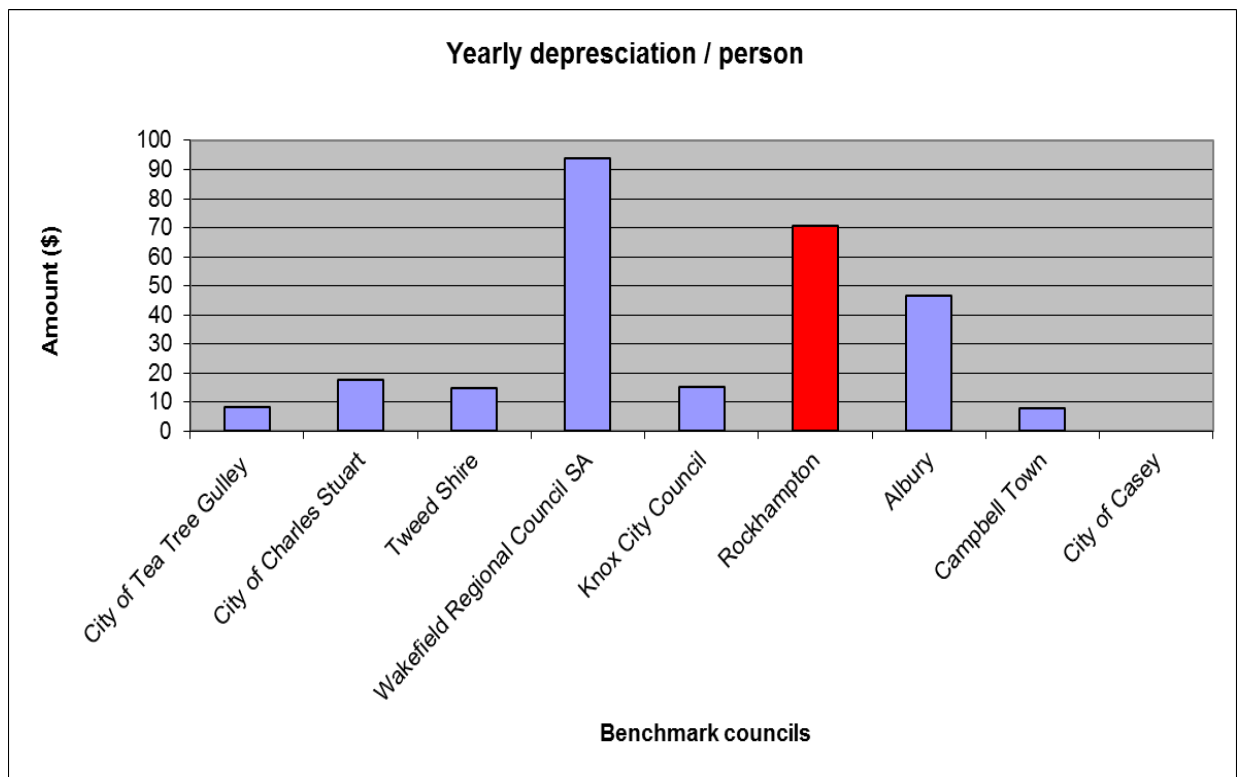
Appendix E.3: Type of building asset: RRC compared with other Councils



Appendix E.4: Replacement cost: RRC compared against other Councils

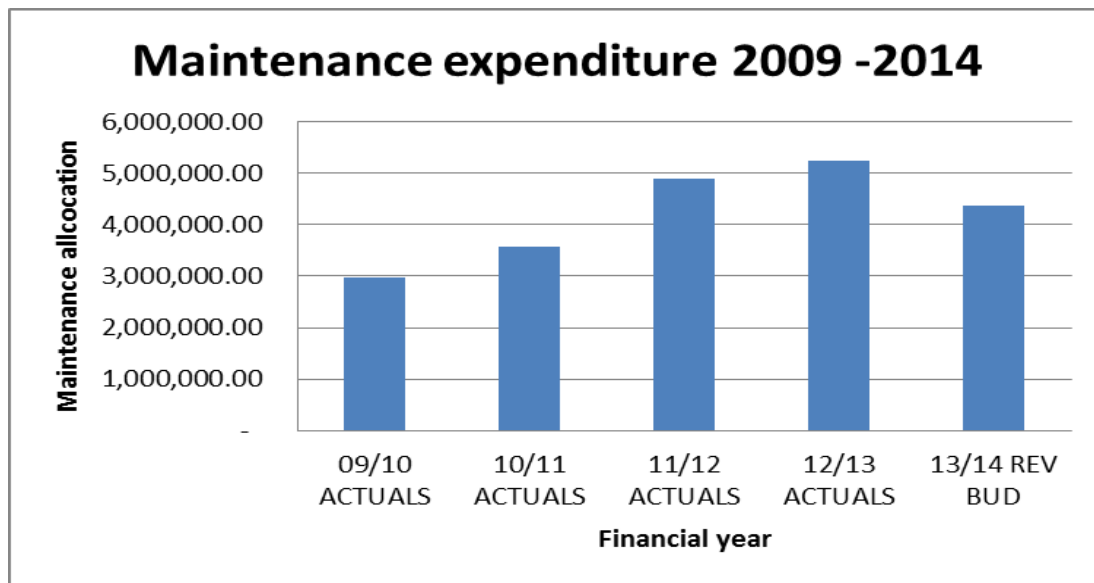


Appendix E.5: Yearly depreciation per person: RRC compared with others

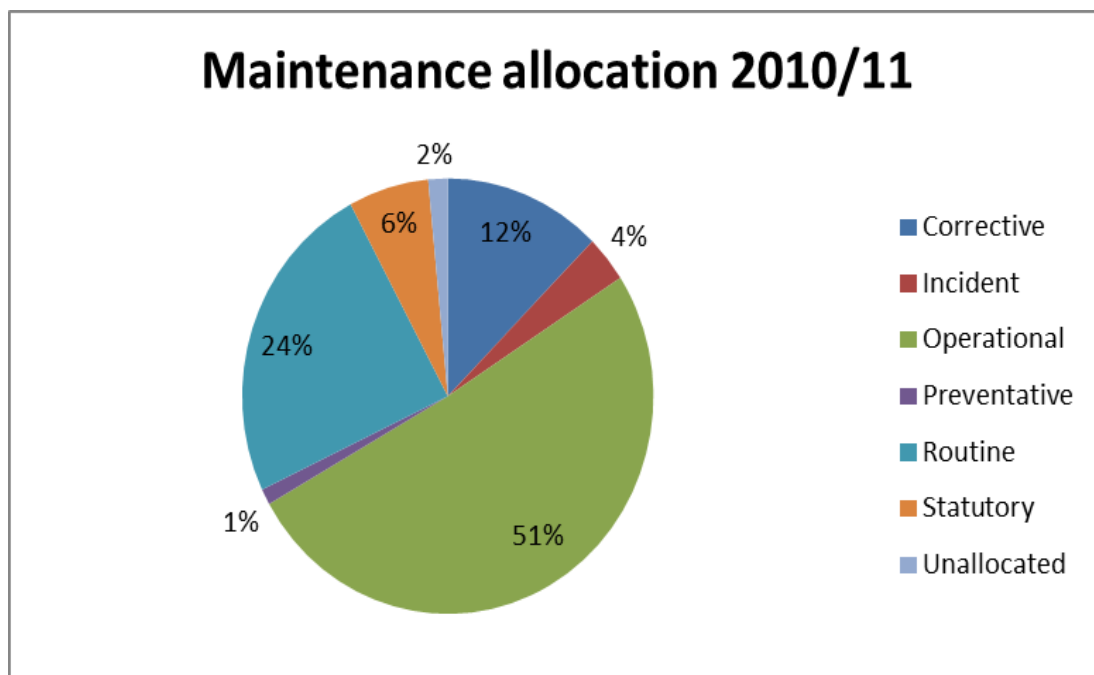


Appendix F: Maintenance expenditure

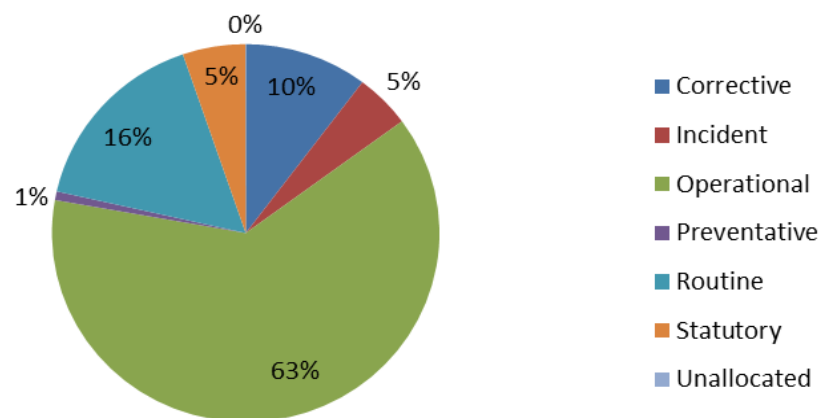
Appendix F.1: Historical maintenance expenditure 2009-2014



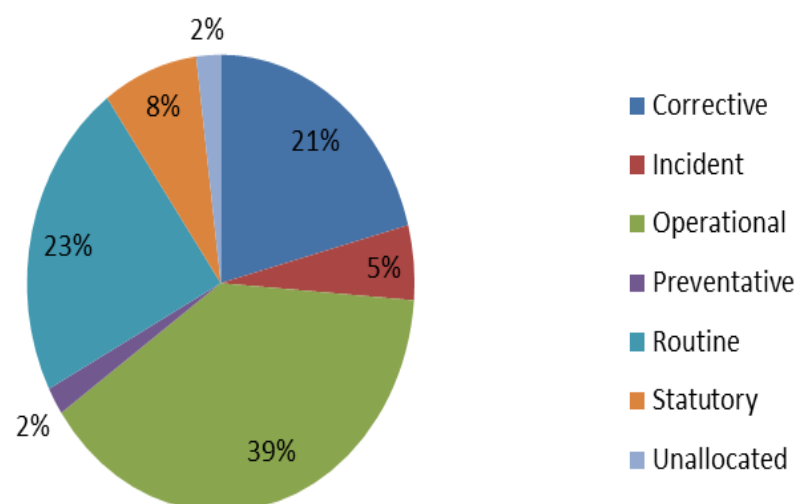
Appendix F.2: Historical maintenance expenditure per maintenance type

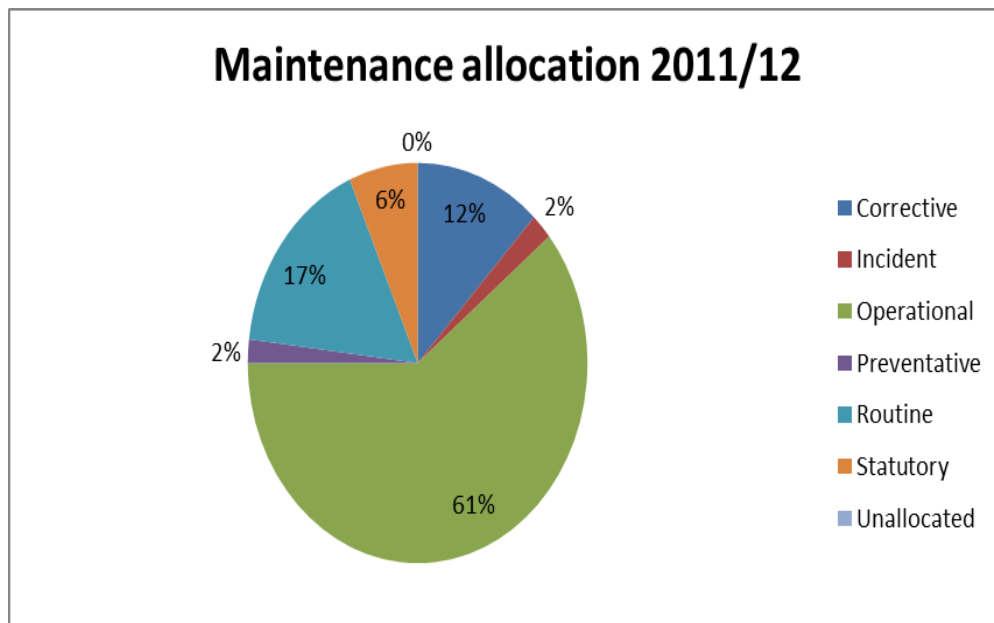


Maintenance allocation 2012/13

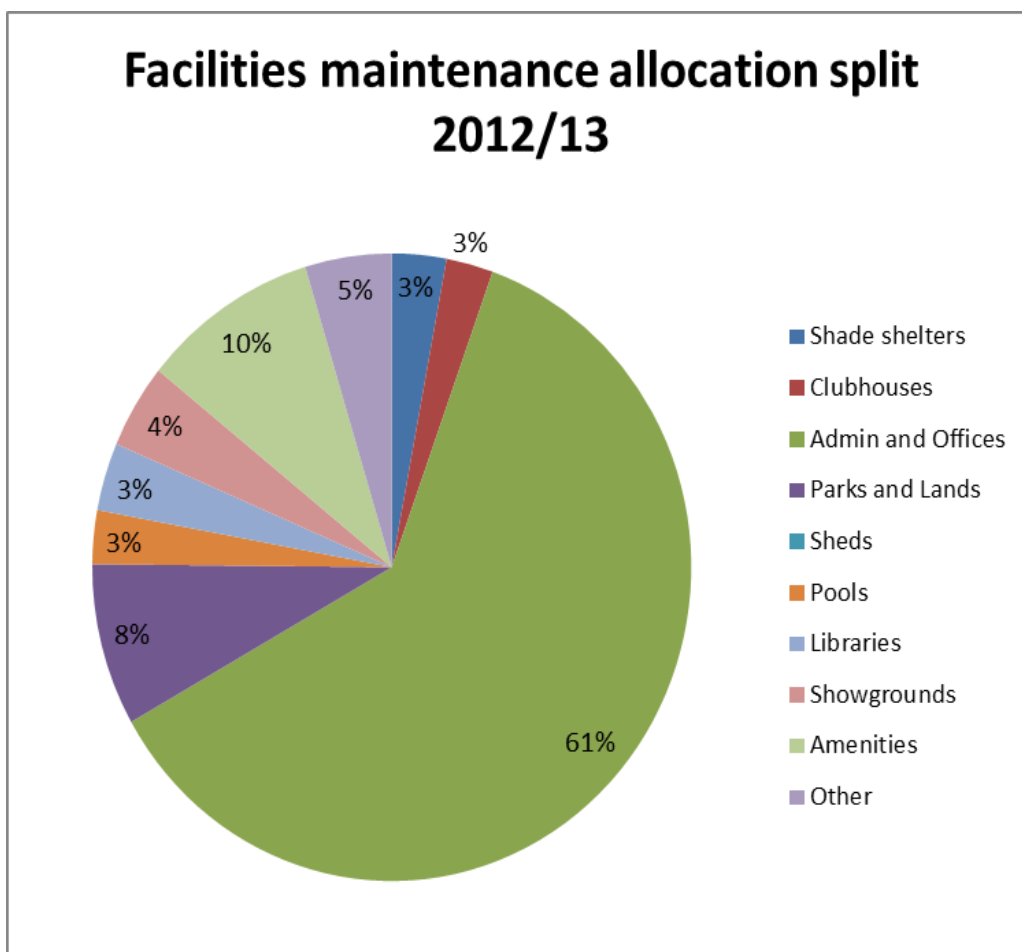


Maintenance allocation 2009/10





Appendix F.3: maintenance spending for the individual building classes



Appendix F.4: Projected Maintenance over the next four years

Increase preventative maintenance with 10% per year and reduce Incidental, routine and corrective maintenance each with a third of the figure.

	2013/14 (Revised budget)	2014/15 (Projected budget)	2015/16 (Projected budget)	2016/17 (Projected budget)	2017/18 (Projected budget)
Maintenance Type					
Corrective	565,639	477,809	476,441	474,936	473,280
Incident	165,400	120,863	119,495	117,990	116,334
Operational	2,733,461	2,187,964	2,187,964	2,187,964	2,187,964
Preventative	45,972	41,045	45,150	49,665	54,631
Routine	631,874	492,102	490,734	489,229	487,573
Statutory	239,739	196,443	196,443	196,443	196,443
Unallocated	0				
(blank)	0				
Total	4,382,085	3,516,226	3,516,227	3,516,227	3,516,225

Appendix G: Capital expenditure

Appendix G.1: Projected Capital Expenditure

Appendix G.1.1: New Capital works

GL Control Code (CP number)	Project ID/Number	Project New/Existing	Project Description (Project name)		Project Description (Body - project overview)	Asset Classes	New	Upgrade	Renewal	Program med year
CP424	688569	Existing	Rockhampton Regional	n	Construction of a new Rockhampton Regional Council Pound	Buildings	100	-	0	2015-16
CP424	971890	Existing	Memorial Pool Redevelopment	n	There was \$349,773 spent in the 2011/12 FY	Buildings	90	10	0	
CP424	583257	Existing	Administration Building -	n	Collins \$400,000 14/15 and \$10,400,000 15/16	Buildings	100	-	0	
CP450	976078	Existing	Cultural Centre Install Security	n	Walter Reid Cultural Centre Install security Cameras	Buildings	0	-	100	2014-15
CP450	988009	Existing	Theatre Rockhampton -	n	Install security system to improve security access to the building and	Buildings	100	-	0	
CP450	988014	Existing	Rockhampton Show Grounds	n	Rockhampton - install GPRS unit system around Robert Schwarden	Buildings			100	
CP450	988028	Existing	Amenties block for Boyd Park	n	New Amenties block for Boyd Park Mt Morgan	Improve ments	100	-	0	2016-17
CP450	1017163	Existing	Power Optimisation	n	Supply and install voltage power optimisation unit to City Hall Precinct	Buildings	100	-	0	
CP450	1017164	Existing	Power Optimisation	n	optimisation unit to Pilbeam Theatre and Art Gallery	Buildings	100	-	0	
CP450	1017165	Existing	Power Optimisation	n	optimisation unit to Dooley Street Depot	Buildings	100	-	0	
CP450	987818	Existing	Ablutions Facility at	n	accommodate the temporary siting of ablution blocks at Robert	Improve ments	100	-	0	2016-17
CP450		Existing	purchase new site and	n	site) which has adequate facility to meet the requirements of the Mt	Buildings	100			2014-15
CP450	1025144	Existing	Railway Bridge Demolition	n		Buildings	100	-	0	

Appendix G.1.2: Upgrade Capital works

GL Control Code (CP number)	Project ID/Number	Project New/Existing	Project Description (Project name)	Project Description (Body - project overview)	Asset Classes	New	Upgrade	Renewal	Year programmed
CP424	688569	Existing	Regional Council Pound - as advised by Michael	Rockhampton Regional Council Pound	Buildings	100	-	0	2015-16
CP450		Existing	BBQ areas and accessways	recreational areas including seating, footpaths, carparks,	Buildings		70	30	2015-16
CP450	943086	Existing	Hydrant System- Upgrade existing non	fire hydrants throughout the Heritage Village	Buildings	0	100	0	2014-2016
CP450			[U] Rockhampton City Hall - Lift Upgrade	Lift Upgrade	Buildings	0		100	2015-16
CP450	976048	Existing	Workshop Proposed Skillion Roof Storage	To provide covered storage area	Buildings	0	100	0	2015-16
CP450		Existing	[U] Mt Morgan Green Shed (Youth Centre)	have been identified in a condition assessment by Dave Barnett and	Buildings	0	40	60	2015-16
CP450	976042	Existing	External access from James Lawrence Pavilion	from James Lawrence Pavilion to meet access compliance and	Buildings	0	100	0	2016-17
CP450	976043	Existing	Workshops Rebuild Mezzanine Floor	Rebuild Mezzanine Floor. Floor failed three years ago and new	Buildings	0	100	0	2019-20
CP450	987819	Existing	Communications Fit Out at Robert Schwarden	with necessary IT and Communications equipment to	Buildings	100		0	2016-17
CP450	987827	Existing	protection to Robert Schwarden Pavilion	Protection to openings in Robert Schwarden Pavilion to enhance it's	Buildings	100		0	2016-17
CP450	987829	Existing	Coordination Centre (City Hall) Fit Out Stage 2	Installation of additional and improved equipment in LDCC	Buildings	0	100	0	
CP450		Existing	Showground Floodlighting/Site	include review/upgrade lamps, switchboard upgrades for lighting	Buildings			100	2016-17
CP450	1022080	Existing	[U] Walter Reid Staff Relocation				100		
CP450			Art Gallery - Strategic Plan	master plan for the Pilbeam Theatre operation and maintenance	Buildings	100			2014-15
CP450			Supply and install a new chilled water buffer tank	servicing of the air-condition units , Works are to supply and install a	Buildings	0	60	40	2014-15
CP450			[U]Pilbeam theatre - BMS Upgrade	Upgrade to BMS	Buildings	0	100		2014-15

Appendix G.1.3: Renewal works

GL Control Code (CP number)	Project ID/Number	Project New/Existing	Project Description (Project name)	Project Description (Body - project overview)	Asset Classes	New	Upgrade	Renewal	Year
CP450			[R] Archer Park Rail Station	Refurbishment	Buildings	0		100	2015-16
CP450	983912	Existing	[R] Pool Chromation Plant Including Filters Pumps and	[R] Pool Chromation Plant Including Filters Pumps and Pipework. Swift Renewal	Buildings	0	-	100	2015-16, 19-20, 21-22
CP450		Existing	[R] Mt Morgan Library	drainage beneath building, ceiling & roof framework	Buildings			100	2015-16
CP450	987997	Existing	[R] Mt Morgan Pool Plant Renewal	requires upgrading to improve water quality and meet	Buildings	0	-	100	2015-16
CP450			Pavilion - Various defects	Stud Cattle Pavilion - Various defects	Buildings	0	100		2015-16
CP450	976053	Existing	Backstage Facilities Renewal	Pilbeam Theatre Backstage Facilities Renewal	Buildings	0	-	100	2015-16
CP450			[R] Kershaw gardens igloo nursey	portal design with corrugated iron roofing to the northern	Buildings	0	40	60	2015-16
CP450			Depot - Acrow Shed - Various Defects	Acrow Shed - Various Defects	Buildings	0		100	2015-16
CP450			[R] Mt Morgan 30m Pool	Mount Morgan Swimming Pool by Stevenson &	Buildings	0	20	80	2015-16
CP450	976101	Existing	[R] Mt Morgan Pool New Filters	condition assessment highlighted the need to	Buildings	0	-	100	2015-16
CP450		Existing	Information Centre - 176 Gladstone Road	works to be scoped based on building elements nominated	Buildings			100	2015-16
CP450		Existing	Clubhouse 460 Norman Road	slab, replace rotted/damaged external weather boards, sand	Buildings			100	2015-16
CP450	976085	Existing	Showgrounds Switchboard	Switchboard enclosure upgrade. Switchboards have	Buildings	0	-	100	14-15, 16-17, 17-18
CP450			[R] North Rockhampton Library	As identified in condition assessment	Buildings	0		100	2015-16
CP450			Depot Administration - Lift	Lift Upgrade	Buildings	0		100	2015-16
CP450		Existing	[R] Mt Morgan Depot Stores Building	condition and requires the maintenance to upgrade the	Buildings			100	2015-16
CP450	976069	Existing	[R] Pilbeam Theatre Pathway upgrade	Pilbeam Theatre Pathway upgrade	Buildings	0	-	100	2015-16
CP450	943056	Existing	Program Renew and Upgrade	Possible . Upgrade Septic Systems Mt Morgan Cemetery	Buildings	0	-	100	14-15, 16-17
CP450		Existing	Peoples Bar, Rton showgrounds	Peoples Bar, Rton showgrounds - Various defects	Buildings	0		100	2015-16
CP450	976060	Existing	Stores Building Upgrade	building. Existing ramp slippery and does not meet	Buildings	0	-	100	2015-16
CP450		Existing	McCamley Hall Pavilion - Various	McCamley Hall Pavilion - Various Defects	Buildings	0		100	2015-16
CP450		Existing	[R] Walter Reid Replace Carpet	Replace work carpets to level 1 and level 2 commond areas	Buildings			100	2015-16
CP450		Existing	Shearing Shed - Heritage Village	[R] Reseal Floor Shearing Shed - Heritage Village	Buildings			100	2015-16
CP450		Existing	[R] 15 Cooper Street	works to be scoped based on building elements nominated	Buildings			100	2015-16
CP450		Existing	[R] Athelstane Bowls Club	Repairs to carpark	Buildings	0	100		2015-16
CP450		Existing	Exhibition Pavilion - Various Defects	Exhibition Pavilion - Various Defects	Buildings	0		100	2015-16

CP450			[R] Mount Morgan SES - Various Defects	r	Mount Morgan SES - Various Defects	Buildings	0		100	2015-16
CP450			gardens/ Amenities & lunchroom	r	Botanical gardens/ Amenities & lunchroom - Various defects	Buildings	0	100		2015-16
CP450			Manager's Residence - 1-47 Exhibition] -	r	Exhibition Road - Wandal - Various Defects	Buildings	0		100	2015-16
CP450		Existing	buildings within zoo compound behind	r	carry out relevant work to renew services, finishings,	Buildings			100	2015-16
CP450		Existing	[R] Mt Morgan SES Building	r	internal walls, newnew aspects of kitchen and	Buildings			100	2015-16
CP450		Existing	{R} City Hall IT Carpet Upgrade	r	replace worn carpets	Buildings			100	2015-16
CP450		Existing	amenities/ Kiosk and changerooms	r	Kiosk and changerooms - Various defects	Buildings	0	100		2015-16
CP450		Existing	Showgrounds bar - Various Defects	r	Mount Morgan Showgrounds bar - Various Defects	Buildings	0		100	2015-16
CP450	976074	Existing	Heritage Village Supply & Install	r	Supply and replace worn carpet	Buildings	0	-	100	2015-16
CP450		Existing	[R] City Hall Finance Carpet Upgrade	r	replace worn carpets	Buildings			100	2015-16
CP450			- Meeting Room Aircon	r	Gracemere Admin - Meeting Room - Aircon replacement	Buildings	0		100	2015-16
CP450		Existing	Building Behind Chimps - Zoo	r	Demoition of donga	Buildings			100	2015-16
CP450		Existing	Poultry Pavilion/Kele -	r	Poultry Pavilion/Kele - Various Defects	Buildings	0		100	2015-16
CP450			Callers Box - Various Defects	r	Race Callers Box Showgrounds - Various Defects	Buildings	0		100	2015-16
CP450	988044	Existing	doors with auto slide ground floor	r	slide ground floor walkway - Rton Library and SOA	Buildings	0	100	0	2015-16
CP450	976039	Existing	Showgrounds Robert Schwarten Pavilion	r	Schwarten Pavilion Down Pipes failed/broken and	Buildings	0	-	100	2016-17
CP450	976071	Existing	CEO Office Area Carpet Replacement	r	Replace work carpet in CEO Office areas	Buildings	0	-	100	2016-17
CP450	976082	Existing	Department Carpet Replacement	r	Finance Dept carpet replacement	Buildings	0	-	100	2016-17
CP450	976089	Existing	Depot - Reseal access roads	r	Reseal access roads based on prioritised program provided	Buildings	0	-	100	2014-15
CP450	983926	Existing	Renewal Program - North Rockhampton	r	[R] Cemeteries Renewal Program	Buildings	0	-	100	17,17-18,18-
CP450	983939	Existing	Shaped Table Renewal Program (	r	[R] Boardroom Shaped Table Renewal Program	and Equipme	0	-	100	
CP450	983941	Existing	Development Renewal Program	r	[R] Community Development Renewal Program	Buildings	0	-	100	2016-17 onward
CP450	983956	Existing	Finance Archive Room Renewal	r	[R] Shelving - Finance Archive Room Renewal Program	Buildings	0	-	100	2017-18
CP450	983963	Existing	[R] Dog Pounds Renewal Program	r	[R] Dog Pounds Renewal Program	Buildings	0	-	100	2018-19
CP450	985132	Existing	[R] Hugo Lassen Fernery Rectification	r	specified in structural report and scoped by Quantity	Buildings	0	-	100	
CP450	987969	Existing	Gallery Replace carpet in public areas	r	Replace carpet in public areas Rockhampton Art Gallery	Buildings	0	-	100	2016-17
CP450	987995	Existing	Welfare House refurbishment	r	activities include repainting exterior to preserve building	Buildings	0	-	100	2016-17
CP450	983908	Existing	[R] Customer Service Renewal Program	r	to return to original colour scheme : common areas &	Buildings			100	2013-14, onward
CP450			Building Façade Refurbishment	r	Façade refurbishment to rectify rising and fall damp	Buildings	0		100	2013-14
CP450	976096	Existing	Gallery - Refurbish Anderson Room	r	Anderson Room to increase show space including change	Buildings	0	-	100	2016-17

CP450	3909	Existing	Management Renewal Program	r	[R] Disaster Management Renewal Program	Buildings	0	-	100	17,18-19,20-21
CP450	983910	Existing	Management Renewal Program -	r	superstructure and substructure	Buildings	0	-	100	2016-17 onwards
CP450		Existing	[R] Mt Morgan Basketball Court	r	Renew lighting and upgrade switchboard	Buildings	0	-	100	2016-17
CP450	983915	Existing	Events program (\$18,100 for Ag Hall,	r	[R] Venue & Events Renewal Program	Buildings	0	-	100	2016-17 onwards
CP450		Existing	[R] Child Care Renewal Program	r	Program remove - work completed in 2012 (29,136)	Buildings	0	-	100	2018-19
CP450	983920	Existing	Renewal Program - Amenities and	r	[R] Gardens & Zoo Renewal Program	Buildings	0	-	100	2016-17 onwards
CP450	983921	Existing	Renewal Program renewal	r	[R] Libraries Renewal Program	Buildings	0	-	100	2018-19 onwards
CP450		Existing	Management Plan information in	r		Buildings			100	2017-18 onwards
CP450		Existing	Management Plan information in	r		Buildings			100	2017-18 onwards
CP450		Existing	Management Plan information in	r		Buildings			100	2017-18 onwards
CP450	1011388	Existing	Rockhampton Depot Admin	r		Buildings	0	-	0	
CP450			Chambers - Heritage Listed Building ID -	r	Borough Chambers floor is progressively getting worse	Buildings	0	100		2013-14
CP450			Replacement of Grand stand	r	identified in a condition accessment carried out for	Buildings	0		100	2013-14
CP450			Riverfront Promenade and	r	accessment the steel work to promenade is rusting and	Buildings	0		100	2013-14
CP450			[R] Community Hall Gracemere	r	hazards have been identified in a condition assessment of	Buildings	0		100	2013-14
CP450			Replacement of leaking roof	r	Roof replacement	Buildings	0		100	2013-14
CP450		Existing	Caretakers cottage - 36 Thompson Ave	r	Making Building safe	Buildings	0		100	2013-14
CP450			Administration Building	r	Rusted Box gutters and damaged soffits	Buildings	0		100	2013-14
CP450			[R] Botanic Gardens Kiosk	r	Botanic Gardens Kiosk Various defec retification	Buildings	0		100	2013-14
CP450			James Lawrence Pavilion	r	James Lawrence Pavilion - Various defects	Buildings	0	100		2013-14
CP450			[R] Agricultural Hall Showgrounds	r	Agricultural Hall Showgrounds - Various defects	Buildings	0	100		2013-14
CP450		Existing	Robert Schwarten Pavilion	r	Robert Schwarten Pavilion - Various defects	Buildings	0		100	2015-16
CP450		Existing	[R] Showgrounds Cattle Club Building	r	Cattle Club Building - Various Defects	Buildings	0		100	2015-16
CP450			Horticultural Pavilion - Various	r	Horticultural Pavilion - Various Defects	Buildings	0		100	2013-14
CP450			Walter Pierce Pavilion - Various	r	Walter Pierce Pavilion - Various Defects	Buildings	0		100	2013-14
CP450			Robert Archer Grandstand - Various	r	Robert Archer Grandstand - Various Defects	Buildings	0		100	2015-16
CP450			Kennel Display - Various Defects	r	Kennel Display - Various Defects	Buildings	0		100	2013-14
CP450		Existing	Hideaway Bar Toilets - Various Defects	r	Hideaway Bar Toilets - Various Defects	Buildings	0		100	2015-16
CP450		Existing	showgrounds Canteen - Various	r	Mount Morgan showgrounds Canteen - Various Defects	Buildings	0		100	2015-16
CP450			Rail complex - Various Defects (	r	Mount Morgan Rail complex - Various Defects	Buildings	0		100	2015-16

CP450		Existing	Office & Amenities Dooley St Depot -	r	Amenities Dooley St Depot - Various defects	Buildings	0		100	2013-14
CP450			(Garage and Workshop Site) -	r	Workshop site) -Various defects	Buildings	0		100	2013-14
CP450			(Garage and Workshop Structure)	r	Workshop Structure) -Various defects	Buildings	0		100	2013-14
CP450			Residence - Refurbishment	r	Ann Street Residence - Refurbishment	Buildings	0		100	2013-14
CP450			Resurface parquetry floor	r	Bauhinia House - Resurface parquetry floor	Buildings	0		100	2013-14
CP450			Residence - Various Defects	r	Spencer Street Residence - Various Defects	Buildings	0		100	2013-14
CP450		Existing	Replacement of stage curtains	r	Mt Morgan SOA - Replacement of stage curtains	Buildings	0		100	2015-16
CP450			Façade refurbishment	r	Bond store - Façade refurbishment	Buildings	0		100	2013-14
CP450			Office - Resurface of Bitumen	r	Showground Office - Resurface of Bitumen	Buildings	0		100	2013-14
CP450			[R] Pilbeam Theatre Roof	r	Painting / water proofing of roof	Buildings	0		100	2013-14
CP450			[R] Old southside Library - Roof Leaks	r	Painting / water proofing of roof	Buildings	0		100	2013-14
				r						
			Exhibition Pavilion - Repaint roof &	r	Pavilion - Repaint roof & replace roof fixing	Buildings	0	100		2015-16
			Replacement of Box gutters	r	Bauhinia House - Replacement of Box gutters	Buildings	0		100	2015-16
			Refurb of Façade (Façade not	r	Schotia Place - Refurb of Facade	Buildings	0		100	2015-16
			[R] Mt Morgan SOA - Internal refurb	r	Mt Morgan SOA - Internal refurb	Buildings	0		100	2015-16
			Facilities Shed - Refurbishment of	r	Refurbishment of lunch room and amenities	Buildings	0		100	2015-16

Appendix G.2: Historical capital expenditure

Appendix G.2.1: Historical new capital works expenditure

Description	2009/10	2010/11	2011/12	2012/13	2013/14
0580542 - Haig Park Rockhampton - Demolish Redunda	8,000	0	0	0	0
0580569 - Walter Reid Cultural Centre - Install Sa	80,000	0	0	0	0
0580575 - Walter Reid Cultural Centre - Install Sm	0	0	0	0	0
0580592 - Yeppoon - Sustainable Domestic Dwelling	0	0	0	0	0
0580593 - R'Ton City Hall - Fire Detection System	500	0	0	0	0
0580599 - Dooley St Depot Rockhampton - Proposed A	0	0	0	0	0
0580637 - BARPO Yepp - install covered area at rea	0	0	0	0	0
0580645 - R'Ton Showgrounds - Relocate Kennel Club	0	0	0	0	0
0580646 - R'Ton Showgrounds - Additional Fencing	0	0	0	0	0
0580648 - Pilbeam Theatre - Install Additional FI	54,261	0	0	0	0
0580649 - Pilbeam Theatre - Install Safety Walkwa	176,600	160,000	396,361	0	0
0580864 - CD&S James Street - finish cement pathwa	5,000	0	0	0	0
0580885 - Memorial Gardens - Fire Proof Storage	25,200	0	0	0	0
0580886 - Memorial Gardens - Genealogy Room	6,300	0	0	0	0
0590539 - Cordingley St Depot Generator Shed for D	76,300	95,000	0	0	0
0943053 - Dooley St Fuel Storage Redundancy and Ne	0	128,000	141,600	5,185	0
0943059 - Zilzie Esplanade Demolish Redundant Amen	0	20,000	0	0	0
0943063 - COCC New Wall Storage cabinetry 3-5 yrs	0	15,000	0	0	0
0943064 - COCC New kitchen cabinetry to toddlers a	0	12,000	0	0	0
0943067 - Hill St Yeppoon Demolish Shops for tempo	0	120,000	0	0	0
0943074 - Farnborough North Amenities block demoli	0	20,000	30,268	0	0
0943082 - Mt Morgan Railway Station CCTV System Up	0	30,000	0	0	0
0943084 - Haig Park Demolish Redundant Amenities B	0	40,000	0	0	0
0943099 - Ag and McCamley Pavilion Removal	0	30,000	0	0	0
0971851 - Construct new toilet Block Zilzie	0	0	130,000	135,000	135,000
0971853 - [N] Marlborough Pool-Shade over children	0	0	0	14,079	0
0971854 - Poison and Vector Control Office - Cec J	0	0	90,000	0	0
0971867 - Conservation Management Plans	0	0	0	11,260	0
0976056 - [R] Rockhampton Dog Pound new guard dog	0	0	0	31,000	0
0987817 - [N] Back - Up Generator for Robert Schwa	0	0	0	225,000	225,000
0987828 - [U] Local Disaster Coordination centre (	0	0	0	65,000	65,000
0987829 - [U] Local Disaster Coordination Centre (	0	0	0	0	60,000
0988054 - [R] 108 Lakes Creek Road Dwelling Demoli	0	0	0	30,808	0
1017163 - [N] Voltage Power Optimisaton Unit (CEEP	0	0	0	0	111,283
1017164 - [N] Voltage Power Optimisaton Unit (CEEP	0	0	0	0	65,880
1017165 - [N] Voltage Power Optimisaton Unit (CEEP	0	0	0	0	55,940
1017173 - [R] Marlborough SES Building	0	0	0	0	139,503
1017174 - [N] Storage Shed - Cambridge St	0	0	0	0	120,000
Sub Total	432,161	670,000	788,229	517,332	977,606

Appendix G.2.2: Historical Upgrade capital works

Description	2009/10	2010/11	2011/12	2012/13	2013/14
0580542 - Haig Park Rockhampton - Demolish Redunda	8,000	0	0	0	0
0580547 - Rockhampton Airport - Upgrade Fire Detec	16,000	0	0	0	0
0580548 - Rockhampton Airport - Upgrade Sound Syst	16,000	0	0	0	0
0580550 - Heritage Village - Upgrade Emergency Lig	3,800	0	0	0	0
0580552 - Walter Reid Cultural Centre - Upgrade Fi	50,000	0	0	0	0
0580553 - Walter Reid Cultural Centre - Upgrade No	10,300	0	0	0	0
0580554 - R'Ton Showgrounds - Upgrade Fire Alarm S	17,000	0	0	0	0
0580555 - Pilbeam Theatre - Upgrade Fire Detection	138,100	0	0	0	0
0580556 - Pilbeam Theatre - Upgrade Emergency Ligh	25,000	0	0	0	0
0580557 - Pilbeam Theatre - Upgrade Non-Compliant	50,000	0	0	0	0
0580558 - Northside Library - Upgrade Fire Detecti	12,000	0	0	0	0
0580559 - R'Ton Art Gallery - Upgrade Fire Detecti	35,000	0	0	0	0
0580560 - R'Ton Art Gallery - Upgrade Emergency Li	6,000	0	0	0	0
0580561 - R'Ton Art Gallery - Upgrade Non-Complan	6,900	0	0	0	0
0580562 - Dooley St Depot Complex - Upgrade Fire D	80,000	0	0	0	0
0580563 - Dooley St Depot Complex - Upgrade Emerge	30,000	0	0	0	0
0580564 - Dooley St Depot Complex - Upgrade Non-Co	9,250	0	0	0	0
0580565 - R'Ton City hall - Upgrade Fire Detection	130,000	0	0	0	0
0580566 - Gracemere Council Office - Upgrade Fire	31,540	0	0	0	0
0580580 - Scotia Place - Upgrade Emergency Lightin	4,800	0	0	0	0
0580594 - Dooley St Depot Facilities - Upgrade Fir	50,800	50,800	0	0	0
0580605 - R'Ton Showgrounds - Upgrade Various Pavi	80,000	0	0	0	0
0580638 - Bell Park Stall Stand - Upgrade Strutur	40,050	1,012	0	0	0
0580914 - City Hall Glass & Security - Improve Cit	125,000	0	0	0	0
0688547 - Rockhampton Showgrounds - Ergon Power Up	0	0	0	0	0
0943051 - Capricorn Coast Beach Access Upgrades	0	25,000	0	0	0
0943052 - Park Shelters - Renew and Upgrade	0	38,591	0	0	0
0943055 - Southside Pool Facility Upgrades	0	165,000	0	0	0
0943056 - [R] Amenities Program Renew and Upgrade	0	150,000	132,916	50,000	75,000
0943057 - Cooe Bay Swimming Pool upgrade pool pum	0	26,797	0	0	0
0943058 - Mt Morgan Swimming Pool-upgrade main poo	0	34,613	0	0	0
0943066 - Rockhampton Art Gallery Lift Safety Upgr	0	10,500	0	0	0
0943069 - Southside Pool Male and Female Amenities	0	60,000	0	0	0

0943072 - City Hall Air Conditioning Upgrade	0	55,000	55,000	69,361	0
0943076 - Yeppoon SES Group-Building Extension	0	380,000	363,973	50,000	0
0943077 - City Hall - Lift Upgrade	0	0	0	0	0
0943078 - 189 Quay Street upgrade of stairs	0	10,000	0	0	0
0943085 - Pilbeam Theatre Roof Access to service A	0	44,448	0	0	0
0943086 - [U] Heritage Village Hydrant System-Upgr	0	50,000	44,000	88,000	82,935
0943087 - Rockhampton Showgrounds-Upgrade switchbo	0	50,000	50,000	0	0
0971852 - Dooley Street Face Shed-upgrade to toile	0	0	13,000	1,223	0
0971857 - Rock Pool - Upgrade amenities and paint	0	0	28,000	58,000	0
0971859 - Mt Morgan Aged Units upgrade	0	0	83,000	0	0
0971861 - [R] Mt Morgan Pool Change Rooms Upgrade	0	0	53,000	81,823	0
0971865 - Walter Reid Passenger Lift Upgrade	0	0	300,000	297,500	300
0971869 - [U] Schotia Place Façade Repairs & Refur	0	0	175,000	200,000	0
0976052 - [R] Rton Showgrounds Toilet Upgrade Exhi	0	0	0	0	50,000
0976058 - [R] Gracemere Depot Workshop Upgrade of	0	0	0	40,191	0
0976093 - [U] Walter Reid Install RCD Protection i	0	0	0	0	40,000
0980769 - Refund Robert Schwarten Pavilion Upgrade	0	0	0	0	0
1014493 - [U] Customs House Lift upgrade	0	0	0	0	284
1017172 - [U] [R] Fisherman's Beach Toilet - Conne	0	0	0	0	30,000
1022080 - [U] Walter Reid Staff Relocation	0	0	0	0	460,000
Sub Total	975,540	1,151,761	1,297,889	936,098	738,519

Appendix G.2.3: Historical Renewals Capital works

Description	2009/10	2010/11	2011/12	2012/13	2013/14
0580542 - Haig Park Rockhampton - Demolish Redunda	8,000	0	0	0	0
0580543 - Mt Morgan Welfare House - Disabled Ramp	143,900	2,615	0	0	0
0580544 - City Hall - Repair/replace steel column	30,000	0	0	0	0
0580545 - Mt Morgan Depot - Rationalisation and Ma	6,000	0	0	0	0
0580551 - Heritage Village - Design and Document H	6,000	0	0	0	0
0580568 - Mt Morgan Showgrounds - Power and Water	3,800	0	0	0	0
0580571 - Pilbeam Theatre - Replace Wall Mount Uni	0	0	0	0	0
0580572 - Scotia Place - Replace Brickwork to Fron	5,500	0	0	0	0
0580573 - Mt Morgan Depot - Male & Female Toilets	10,000	0	0	0	0
0580576 - Walter Reid Cultural Centre - Refurbish	1,000	14,305	0	0	0
0580577 - Walter Reid Cultural Centre - Reinstate	2,000	0	0	0	0
0580578 - Kershaw Gardens Depot - Termite Damage R	12,600	0	0	0	0
0580579 - Pilbeam Theatre - Roof Access to Service	7,200	0	0	0	0
0580582 - Gracemere Works Depot - Female/Unisex To	36,000	0	0	0	0
0580583 - Dooley St Depot Complex - Provide Staff	33,090	0	0	0	0
0580588 - Rockhampton Show Grounds - Repair the C	43,000	0	0	0	0
0580597 - Various Sites - Air Conditioning Replace	74,000	7,975	0	0	0

0580600 - Gracemere Depot - Rationalisation and M	7,000	0	0	0	0
0580601 - Cordingley St Depot - Rationalisation a	2,800	0	0	0	0
0580607 - Kettle Pk Rockhampton - Cricket Shelters	7,000	0	0	0	0
0580609 - Curtis Pk Rockhampton - Replace gutterin	500	0	0	0	0
0580611 - Victoria Pk Cricket shelters - Replace r	5,000	0	0	0	0
0580615 - Marlborough SES - Roof/guttering replace	16,000	0	0	0	0
0580619 - Mt Morgan SES - storage shed	150	0	0	0	0
0580620 - Mt Morgan SES - Pathway & Drive way	50	0	0	0	0
0580621 - Mt Morgan SES - Upgrade Rollerdoor	100	0	0	0	0
0580622 - Mt Morgan SES - Replace white ant damage	3,300	0	0	0	0
0580635 - R'ton pound - modifications to fencing a	24,900	0	0	0	0
0580639 - Mt Morgan Communities Precincty - Refurb	170,800	8,462	0	0	0
0580641 - Hugo Lassen Fernery - Repair Termite Dam	81,920	0	0	0	0
0580643 - R'Ton City Hall - Brickwork Repointing	4,750	0	0	0	0
0580647 - Gracemere Depot - Lean to Roof For Work	0	0	0	0	0
0580654 - Daniel Park - Repaint Amenity Block	11,000	0	0	0	0
0580655 - Appleton Park - Yeppoon - Repaint Amenit	4,300	0	0	0	0
0580656 - Yeppoon SLSC - Repaint Amenity Block	4,000	0	0	0	0
0580657 - Beaman Park - Repaint Amenity Block	4,100	0	0	0	0
0580658 - Farnborough North - Repaint Amenity Blo	2,400	0	0	0	0
0580849 - Rockhampton Showgrounds-Robert Schwarten	250,000	30,000	28,913	0	0
0580854 - Mount Morgan - Repair to stage area - Mt	20,000	6,331	0	0	0
0580857 - St. Christopher's Chapel - Restoration w	5,000	0	0	0	0
0580875 - Bill Kingell Caravan Park - Camp Kitchen	3,000	0	0	0	0
0580891 - Mount Morgan Rail - Office redesign	7,000	0	0	0	0
0580900 - Swimming Pools - Coeee Bay Filter Refurb	47,500	0	0	0	0
0580901 - Swimming Pools - Mount Morgan Filter Ref	30,000	0	0	0	0
0580903 - Swimming Pools - Rock Pool First Aid Roo	0	0	0	0	0
0590532 - Works Other Units - Mt Morgan Rugby Leag	77,400	0	0	0	0
0590533 - Works Other Units - Beachside Caravan Pa	50,700	10,756	0	0	0
0590534 - Works Other Units - Heritage Village - F	0	228,734	26,235	0	0
0605571 - Swimming Pools - Rock Pool Waterpark - P	14,300	0	0	0	0
0834098 - Mt Morgan School of Arts & Library Refur	21,600	586,000	467,426	0	0
0943054 - Cordingley St Depot Roof Leak	0	25,000	0	0	0
0943060 - Emu Park Pool Re roof Amenities Building	0	23,428	0	0	0
0943061 - Bus Shelters Renew and Upgrade	0	50,000	50,000	0	0
0943062 - Mt. Morgan Heritage Railway Station Pat	0	65,000	0	0	0
0943065 - Marlborough Pool replace shade cover ove	0	26,000	0	0	0
0943068 - Yeppoon Library Roof repairs-Internal ce	0	40,000	0	0	0
0943070 - Rockhampton CBD Refurbish-Canopy Umbrell	0	0	0	0	0
0943071 - Rockhampton CBD Refurbish	0	80,000	0	0	0
0943073 - Dooley St Carpenters workshop fit out	0	21,000	0	0	0
0943075 - North side Pool Refurbish Seating	0	9,350	0	0	0
0943079 - Southside Pool-Replace shade covering ov	0	0	0	0	0
0943080 - Emu Park Pool Amenities	0	15,000	0	0	0
0943081 - Mt Morgan Library Centre	0	0	0	0	0
0943083 - Repainting Program Stage 1 - 2nd of 7 ye	0	50,000	55,000	0	0
0943381 - St Christophers Chapel - Revenue from Ma	0	0	0	0	0
0954604 - RLCIP Revenue Facilities - Regional Loca	0	0	0	0	0
0958398 - St Christophers Chapel Refurbishments ex	0	0	0	0	0

0971710 - Dooley St Workshop Lights	0	0	25,000	0	0
0971855 - Cordingley St Dpt-Replace roof over old	0	0	42,000	0	0
0971856 - Cordingley Street Depot Carpenter Worksh	0	0	34,000	0	0
0971858 - Mt Morgan Pool Grandstand Reroof	0	0	19,600	0	0
0971860 - RRC Botanic Gardens Japanese Gardens She	0	0	29,000	0	0
0971862 - Gracemere Administration Building Roof R	0	0	41,000	0	0
0971863 - CD&S Building Yeppoon Replacement of Car	0	0	10,000	0	0
0971864 - Quay Street Heritage Lighting	0	0	22,000	0	0
0971866 - City Hall Façade Repairs & Referbishment	0	0	310,000	0	0
0971868 - Painting Program High profile buildings	0	0	55,000	0	0
0976028 - [R] Queen Street Hall Yeppoon Repair str	0	0	0	0	0
0976033 - [R] Emu Park Pool - roof over patio refu	0	0	0	115,000	0
0976040 - [R] Gracemere Depot Plant Washdown Area	0	0	0	0	0
0976085 - [R] Rton Showgrounds Switchboard enclosu	0	0	0	50,000	0
0976100 - [R] Disabled Lift CDC 78 John Street Yep	0	0	0	0	0
0983908 - [R] Customer Service Renewal Program	0	0	0	#####	0
0983909 - [R] Disaster Management Renewal Program	0	0	0	24,000	0
0983910 - [R] Facilities Management Renewal Progra	0	0	0	0	0
0983911 - [R] Open Space and Sport & Recreation Re	0	0	0	433,674	0
0983912 - [R] Pool Chlorination Plant Including Fi	0	0	0	230,000	0
0983913 - [R] Pool Cleaner Renewal Program	0	0	0	10,000	0
0983914 - [R] Property Renewal Program - Spencer S	0	0	0	0	0
0983915 - [R] Venue & Events Renewal Program	0	0	0	59,393	0
0985131 - IT Building Agnes St Air Conditioning	0	0	0	0	0
0985132 - [R] Hugo Lassen Fernery Rectification	0	0	0	0	0
0985133 - Emu Park Heated Pool	0	0	0	0	0
0985134 - Mt Morgan Wading Pool Replacement	0	0	0	0	0
0987989 - [R] Rockhampton Botanic Gardens Administ	0	0	0	105,000	0
0987996 - [R] Memorial Gardens office and chapel -	0	0	0	0	0
0988005 - [R] Cordingley Street Mechanics Workshop	0	0	0	0	0
0988006 - [R] Cooe Bay Pool Resurface heated pool	0	0	0	61,000	0
0988012 - [R] Replace Roof Walter Pierce Pavilion	0	0	0	125,000	0
0988018 - [R] Rton Showgrounds Peoplea Bar loading	0	0	0	34,500	0
0988051 - [R] New fuel bowsers Cordingley St Depot	0	0	0	41,215	0
0988052 - [R] New fuel bowser at Gracemere Depot	0	0	0	41,215	0
0993978 - [R] Lion Crk Rd Dwelling Open Space and	0	0	0	0	0
0993979 - [R] Harman St Dwelling Open Space and Sp	0	0	0	0	0
0993981 - [R] Northside Pool Improvements Open Spa	0	0	0	0	0
0993982 - [R] Sondra Lena Pk Improvements Open Spa	0	0	0	0	0
0993983 - [R] Cooe Bay Pool Lighting Open Space a	0	0	0	0	0
0993984 - [R] Boundary Rd HV Dwelling Venue & Even	0	0	0	0	0
0993985 - [R] Mt Mrgn Showgrounds Rodeo Venue & Ev	0	0	0	0	0
0997131 - Pilbeam theatre repair non compliant ste	0	0	0	0	0
1011385 - [R] Emu Park Cultural Hall - replace gla	0	0	0	0	0
1011386 - [R] Heritage Village Shearing Shed	0	0	0	0	0
1011387 - [R] Rockhampton Showgrounds Mother's Roo	0	0	0	0	0
1011388 - [R] North Rockhampton Depot Admin	0	0	0	0	0
1011389 - [R] Mt Morgan Big Dam Amenities Refurbis	0	0	0	0	0
1011390 - [R] Mt Morgan Showgrounds Grandstand Ref	0	0	0	0	0
1011391 - [R] Robert Schwarten Pavilion Defective	0	0	0	0	0

1011392 - [R] Mt Morgan CBD Amenity Refurbishment	0	0	0	0	0
1011393 - [R] Heritage Village Office Refurbishmen	0	0	0	0	0
1011394 - [R] North Rockhampton Library Replace Da	0	0	0	0	0
1011395 - [R] Yeppoon Foreshore Lighting	0	0	0	0	0
1011406 - [R] North Rockhampton Cementery	0	0	0	0	0
1017162 - [R] Rton Showgrounds Toilet Upgrade Main	0	0	0	0	0
1017166 - [R] Replacement of Air Condition units (	0	0	0	0	0
1017167 - [R] Replace Roof on Dog Kennel Pavilion	0	0	0	0	0
1017168 - [R] Pilbeam Theatre - Repairs to damaged	0	0	0	0	0
1017169 - [R] WRCC Air Conditioning Access	0	0	0	0	0
1017170 - [R] Regional Library Air Conditioning Ac	0	0	0	0	0
1017171 - [R] Refurbish Fleet Office Cordingley St	0	0	0	0	0
Sub Total	1,298,660	1,299,956	1,215,174	2,346,997	0

9 STRATEGIC REPORTS

9.1 SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2015

File No: 8148

Attachments:

1. Income Statement - September 2015
2. Key Indicator Graphs - September 2015

Authorising Officer: Ross Cheesman - General Manager Corporate Services

Author: Alicia Cutler - Manager Finance

SUMMARY

The Finance Manager presenting the Rockhampton Regional Council Summary Budget Management Report for the period ended 30 September 2015.

OFFICER'S RECOMMENDATION

THAT the Rockhampton Regional Council Summary Budget Management Report for the Period ended 30 September 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 30 September 2015), Attachment 1.
2. Key Indicators Graphs, Attachment 2.

Council should note in reading this report that normally after the completion of the first three months of the financial year, operational results should be approximately 25% 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 totaling \$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 41%. 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 18%. 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 62%. 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.
- Interest Revenue is ahead of budget at 30%. Interest Revenue historically remains ahead of budget for the first six months of the financial year and then moves closer to budget during the second half of the financial year.
- Other revenue items are all in proximity to budget year to date.

Total Operating Expenditure is at 29% of budget with committals, or 24% of budget without committals. Key components of this result are:

- Contractors and Consultants expenditure is ahead of budget at 45%. This is solely due to committed expenditure, as actual expenditure is only 20% of budget.
- Materials and Plant is at 29% of budget. Similar to Contracts and Consultants, this result is heavily influenced by committals as actual expenditure is 21% of budget.
- Asset Operational Expenditure is ahead of budget at 36%. Again, committals are driving up the year to date percentage as the actual result is 29% of budget. Actual costs are above budget as Council has already paid annual insurance premiums.
- Administrative Expenses are ahead of budget at 38%. Committals for some annual contracts are influencing the year to date percentage as the actual result is 23% of budget.
- Finance Costs are in proximity of budget 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 33%. 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 14% 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 35% of budget with committals, or 15% of budget without committals.

Total Investments are approximately \$109.2M as at 30 September 2015 up from \$89.0M reported in August 2015. This is mostly due to the cash inflows from the General Rates and Utility Charges levy, for the six months ending 31st December 2015, during September.

Total Loans are \$152.5M as at 30 September 2015.

CONCLUSION

Operational Income is ahead of budget mainly due to the levying of the General Rates and Utility Charges for the six months ending 31st December 2015. Operational Expenditure is in line with budget at 24%, excluding committals.

Capital Revenue is behind budget at 14% and Capital Expenditure excluding committed expenditure is currently at 15% of budget. This is partly attributable to the carry-over capital addition to budget. It is anticipated that Capital Expenditure will continue to gain momentum with the ongoing roll out of the capital works program for 2015/16.

SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2015

Income Statement - September 2015

Meeting Date: 27 October 2015

Attachment No: 1

Income Statement
For Period July 2015 to September 2015
25% of Year Gone

Adopted Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Adopted Budget
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\$	\$	\$	\$	
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OPERATING

01
03

Revenues

Net rates and utility charges	(127,976,985)	(56,832,641)	0	(56,832,641)	44% A	44.4%
Fees and Charges	(26,435,224)	(6,951,435)	34,430	(6,917,005)	26% A	26.3%
Private and recoverable works	(7,475,280)	(1,366,786)	0	(1,366,786)	18% A	18.3%
Rent/Lease Revenue	(2,940,659)	(732,898)	0	(732,898)	25% A	24.9%
Grants Subsidies & Contributions	(12,994,007)	(8,047,973)	0	(8,047,973)	62% A	61.9%
Interest revenue	(2,136,031)	(633,583)	0	(633,583)	30% A	29.7%
Other income	(6,263,674)	(1,409,869)	0	(1,409,869)	23% A	22.5%
Total Revenues	(186,221,860)	(75,975,185)	34,430	(75,940,755)	41% A	40.8%

Expenses

Employee Costs	72,845,534	17,462,538	191,208	17,653,746	24% A	24.0%
Contractors & Consultants	15,894,785	3,165,751	4,007,509	7,173,259	45% A	19.9%
Materials & Plant	11,812,191	2,456,072	944,890	3,400,963	29% A	20.8%
Asset Operational	18,362,005	5,304,383	1,319,719	6,624,102	36% A	28.9%
Administrative Expenses	11,856,429	2,752,974	1,773,348	4,526,323	38% A	23.2%
Depreciation	45,569,453	11,392,363	0	11,392,363	25% A	25.0%
Finance costs	8,854,931	2,308,813	0	2,308,813	26% A	26.1%
Other Expenses	1,249,087	412,610	673	413,283	33% A	33.0%
Total Expenses	186,444,415	45,255,505	8,237,347	53,492,852	29% A	24.3%

Transfer / Overhead Allocation

Transfer/Overhead Allocation	(7,751,277)	(2,074,251)	0	(2,074,251)	27% A	26.8%
Total Transfer / Overhead Allocation	(7,751,277)	(2,074,251)	0	(2,074,251)	27% A	26.8%

TOTAL OPERATING POSITION (SURPLUS)DEFICIT

(7,526,723)	(32,793,932)	8,271,777	(24,522,155)	326% A	435.6%
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CAPITAL

Adopted Budget	August Revised (inc Carry Forward)	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Revised Budget
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Total Developers Contributions Received	(3,783,250)	(3,783,250)	(856,916)	0	(856,916)	23%	22.7%
Total Capital Grants and Subsidies Received	(15,419,307)	(16,696,307)	(1,983,956)	0	(1,983,956)	12%	11.9%
Total Proceeds from Sale of Assets	0	0	(1,455)	0	(1,455)	#DIV/0!	
Total Capital Income	(19,202,557)	(20,479,557)	(2,842,327)	0	(2,842,327)	14%	13.9%
Total Capital Expenditure	69,974,704	87,064,352	13,198,904	17,620,121	30,819,025	35%	15.2%
Net Capital Position	50,772,147	66,584,795	10,356,577	17,620,121	27,976,698	42%	15.6%

TOTAL INVESTMENTS

109,229,550

TOTAL BORROWINGS

152,456,576

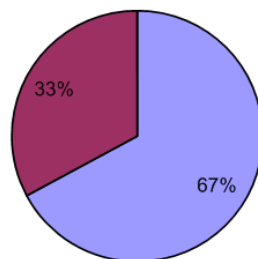
SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2015

Key Indicator Graphs - September 2015

Meeting Date: 27 October 2015

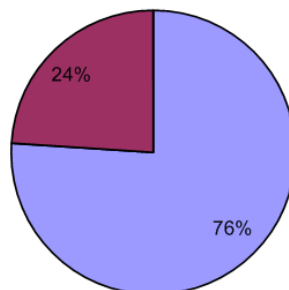
Attachment No: 2

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



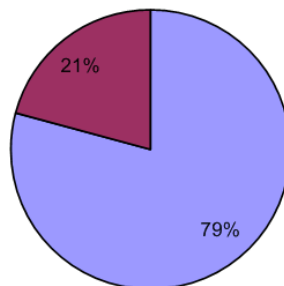
■ Uncollected
Operating
Revenue
■ Collected
Operating
Revenue

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

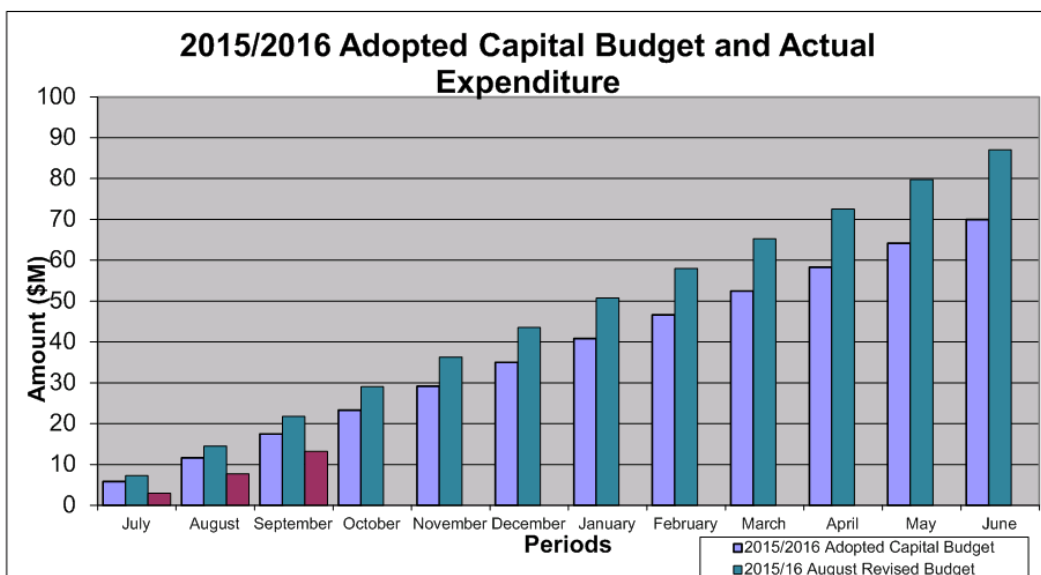
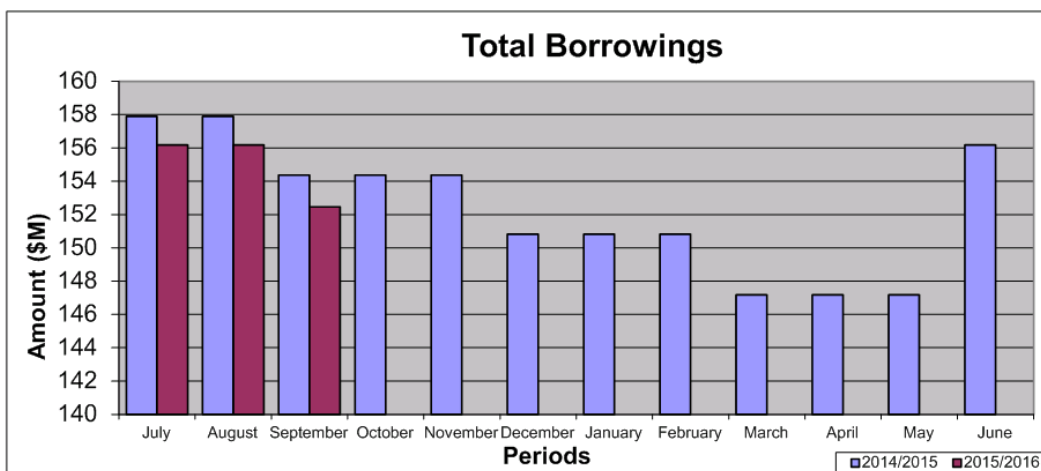
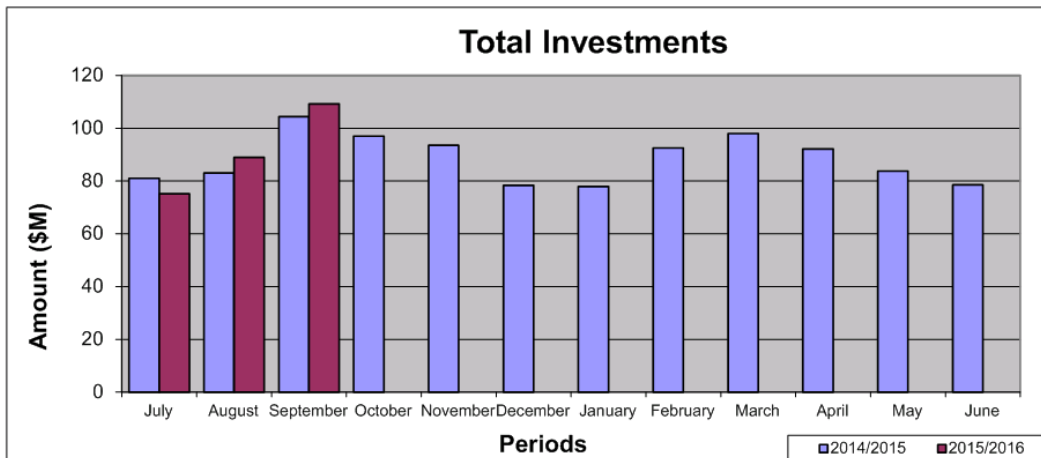


■ Unspent
Employee
Costs

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



■ Unspent
Materials &
Plant



9.2 REGIONAL DEVELOPMENT - MONTHLY REPORT SEPTEMBER/OCTOBER 2015**File No:** 1830**Attachments:** 1. Regional Development monthly report -
September/October 2015**Authorising Officer:** Evan Pardon - Chief Executive Officer**Author:** Russell Claus - Executive Manager Regional
Development

SUMMARY

This report provides information on the activities of the Regional Development Unit for the September/October 2015 period.

OFFICER'S RECOMMENDATION

THAT the Regional Development monthly report be received.

COMMENTARY

Activities through September and October are described in the attached document.

CONCLUSION

It is recommended that the monthly report for the Regional Development Unit be received.

**REGIONAL DEVELOPMENT -
MONTHLY REPORT
SEPTEMBER/OCTOBER 2015**

**Regional Development Monthly Report
- September/October 2015**

Meeting Date: 27 October 2015

Attachment No: 1

MONTHLY OPERATIONS REPORT

REGIONAL DEVELOPMENT UNIT

Period Ended 16 October 2015

REGIONAL DEVELOPMENT

Riverfront & CBD Revitalisation

- Participating in finalisation of design pursuant to start of construction on Tuesday, 20 October 2015.
- Staff undertook a parking utilisation survey along the lower and upper bank (Quay – William Street to Fitzroy Street and Denham Street) and surveyed patrons using the lower bank car park. The results were presented at the combined Riverbank project Group and Steering Committee meeting Thursday, 15 October 2015. Survey indicated considerable existing parking vacancies and general support for proposed riverfront improvements.
- Meetings have been undertaken with different business owners and stakeholders throughout the month to discuss CBD & Riverfront revitalisation plans and receive ideas and concerns.
- Working with Drew Stevenson on definition and delivery of Smart City concepts

ECONOMIC DEVELOPMENT

Economic Development Strategy

- The Economic Development Strategy Draft document has been finalised. The strategy will be presented at a Council workshop on October 30 pursuant to formal consideration by in November.

Contact with Singapore

- Contact with the Singaporeans has been taking place on a number of levels. The predominant exchange has been on a military level with Exercise Wallaby which is now in full swing. Other discussions have centered around opportunities that might exist for greater exchange through Central Queensland University.

Maranoa Regional Council

- On 12 October 2015, officers from Maranoa Regional Council provided a briefing to Rockhampton Regional Council and ISAAC Regional Council on the difficulties of dealing with gas companies and provided possible solutions to consider.

Gracemere Industrial Area

- Manager Economic Development, Rick Palmer has passed on several prospects to the two active developers in the Gracemere Industrial Area, Gibb Group and Kele Property Group.
- Discussions were facilitated between Council and potential developer, Paul Czisowski, regarding a solution to drainage issues.
- Manager Economic Development, Rick Palmer assisted Gracemere Industry with the possible development of the Bruce Russell Reserve beside the Gracemere Overpass.

Abattoir Road Access

- On 2 October 2015 Manager Economic Development, Rick Palmer attended the Australia Beef Roads Round Table at the Leichhardt Hotel. Council is following up the possibility of improving road access to the two Rockhampton abattoirs in conjunction with the Federal and State Governments.

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
City Slider - Inaugural event	Saturday, 3 October 2015
Christmas Fair 2015 - Currently under development	Saturday, 21 November 2015
Secret Sundays - Michelin Star Chef from New York has been confirmed	Sunday, 22 November 2015
City Slider - Rescheduled due to weather	Saturday, 28 November 2015
New Year's Eve 2015 - Fireworks confirmed - Markets not feasible due to lack of stallholder interest and cost of site - Options currently being explored for rides and food vendor options	Thursday, 31 December 2015
Rocky Rocks 2016 - Site fees being confirmed with Music Bowl management	Sunday, 24 April 2016
Wholly Cow Month - Currently under development	Month of May 2016
Rockhampton River Festival 2016 - Planning and funding applications underway	Friday, 15 July to Sunday, 17 July 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 is being distributed throughout the Region
- The 'My Rockhampton' brand guidelines are currently under development.
- 'Rockhampton Region' brand photo shoot being finalised.
- Development of Social Media Strategy and Action plan.

Additional Projects

- Stage 2 planning and development of Regional Signage project and Way Finding strategy.
- Planning and funding applications being developed for 2016 Rockhampton River Festival.
- Ongoing development and testing of the Regional Website.
- The Commonwealth Games Legacy Working Group has been formed and documentation submitted.
- Currently facilitating discussions between market event coordinators to improve market collaboration and profile.
- Currently managing the Digital Investment Prospectus Project.
- Selection and purchase of promotional material for the Region including giveaway and souvenirs.
- Manager Regional Promotions attended the DestinationQ event held in Townsville 8-9 October 2015. Information regarding tourism development across Queensland was presented by State Government Ministers and Officials, Regional Tourism Organisation's and various tourism operators.

STRATEGIC PLANNING

New Planning Scheme

- Providing service and support for internal and external users on the new planning scheme. Rock E-Plan enhancements have been identified and are currently being investigated.

Major Amendment

- Currently in the process of finalising a scope and program for a possible major amendment to the new planning scheme. This will program will incorporate initial feedback, new mapping, peer reviews, and a possible review of character overlays.

Local Government Infrastructure Plan (LGIP) Amendment

- Currently progressing an external LGIP review to enable the preparation and amendment of the Planning Scheme to include a compliant LGIP. (Separate process to a major amendment).

Priority Development Area for CBD

- A workshop with Economic Development Queensland was facilitated to investigate merits of a Priority Development Area for the CBD. Further briefing to follow.

Redevelopment Framework for CBD

- Currently in the process of finalising the scope and project methodology to prepare a full CBD Redevelopment Framework for the CBD and some surrounding areas.

9.3 UPDATE ON FINANCIAL STATEMENTS 2015-16

File No: 9509
Attachments: Nil
Authorising Officer: Ross Cheesman - General Manager Corporate Services
Author: Alicia Cutler - Manager Finance

SUMMARY

Finance Manager providing report on the Financial Statements and changes that have occurred since the draft Financial Statements that were presented to Council during September 2015

OFFICER'S RECOMMENDATION

THAT the report Update on Financial Statements 2015-16 be received

COMMENTARY

The first draft of the Financial Statements was presented to Performance & Service Committee Tuesday, 22 September, knowing that the Road Revaluation was still to be processed. The delay of the Road Revaluation report (indirectly from delays in inspection times from Tropical Cyclone Marcia) meant that it could not be processed within normal year-end timeframes, so the decision was made to defer until the next year. As information progressed and the change in valuation was substantial, there was a risk for external audit if the implementation did not proceed for the 14/15 year. As a result, the revaluation was loaded and additional times and schedules were organised for Audit. The Audit Committee have been receiving weekly updates of the progress towards completion.

The Second draft Financial Statements were provided to Deloitte on Tuesday 13 October, 2015. Except for cosmetic and minor wording changes, the change relates primarily to the Roads Revaluation that has been updated.

The impact of the Revaluation has seen an increase to Asset revaluation surplus of \$334.3 million. The difference primarily sits with the calculation of earthworks costs in what is termed the 'formation' component of the road. This makes up \$282 million of the increase. The remaining movement of \$52.3 million over pavement, surface, kerbs and floodways represents an 8% increase in value.

The movement in formation unit rate is the result of moving to the Roads Alliance Valuation Project methodology, which essentially has a number of assumptions around the level of earthworks that are required for each stereotype, which was been formed via a panel of experts. Previously the unit rate was a local assessment of assumptions regarding similar processes. The old rate was not incorrect as such, but had different assumptions. The spirit of moving to the RAVP project rates is to enable good comparisons among Local Government as well as provide a tool for assessment of movement in unit rates, which now that the move is made will have future benefit to Council. As earthworks are considered to have an unlimited life, there is no future impact upon depreciation.

Deloitte's will commence their audit of the revaluation in week beginning 19 October, 2015 and it is hoped that all will be finalised by the end of October.

The final statements for signing will be presented to the Audit Committee which is scheduled on Tuesday, 24 November 2015 and then will be presented to Council thereafter. Should any Councillor wish to view these prior to Audit Committee please advise Alicia Cutler. However, once reviewed by Audit Committee they will be presented to Council.

It should also be noted that the 1 month extension of time for Financial Statements and Annual report has been approved by the Minister of Local Government.

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

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

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

SUMMARY

The monthly operations report for the Corporate Services department as at 30 September 2015 is presented for Councillor's information.

OFFICER'S RECOMMENDATION

THAT the Corporate Services Departmental Operations Report as at 30 September 2015 be "received".

COMMENTARY

It is recommended that the monthly operations report for Corporate Services department as at 30 September 2015 be received.

CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT

Finance Monthly Report - September 2015

Meeting Date: 27 October 2015

Attachment No: 1

MONTHLY OPERATIONS REPORT
FINANCE SECTION
Period Ended September 2015

VARIATIONS, ISSUES AND INNOVATIONS***Innovations***

The Road Revaluation has been processed into the Annual Financial Statements and made available to external audit. The aim is to have audit finalization of all matters prior to the end of October, even though an extension has been made available from the Minister of Local Government to the end of November.

Two workshops have been held with Council during October, to address the Water and Sewerage Asset Management Plans – the plan will be now presented to Water committee for adoption.

Notification has been received from the Value General, Mr Neil Bray to advise that a property valuation (for rating) will not be undertaken in 2016. This essentially means that the valuations used for the 14/15 rating will be the same used for the 16/17 rates calculation.

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)	Avg Completion Time (days) Q1
			Received	Completed								
Rates Enquiry	2	2	77	72	5	0	3	0.81	1.46	2.06	1.31	1.41

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
Number of Lost Time Injuries	0	0	0
Number of Days Lost Due to Injury	0	0	0
Total Number of Incidents Reported	0	0	0
Number of Incomplete Hazard Inspections	1	1	1

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	25%	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	25%	Additional consultant efforts employed to tidy footpath data

Legislative Compliance & Standards

Legislative Compliance Matter	Due Date	% Completed	Comments
Audited Statement completed by end of October	31/10/15	80%	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	25%	Ongoing

Legislative Compliance Matter	Due Date	% Completed	Comments
physical assets			
A community financial report must be prepared for the Annual Report	30/10/15	30%	
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	25%	Ongoing
Monthly Financial report prepared for the monthly meeting of Council	30/08/15	25%	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

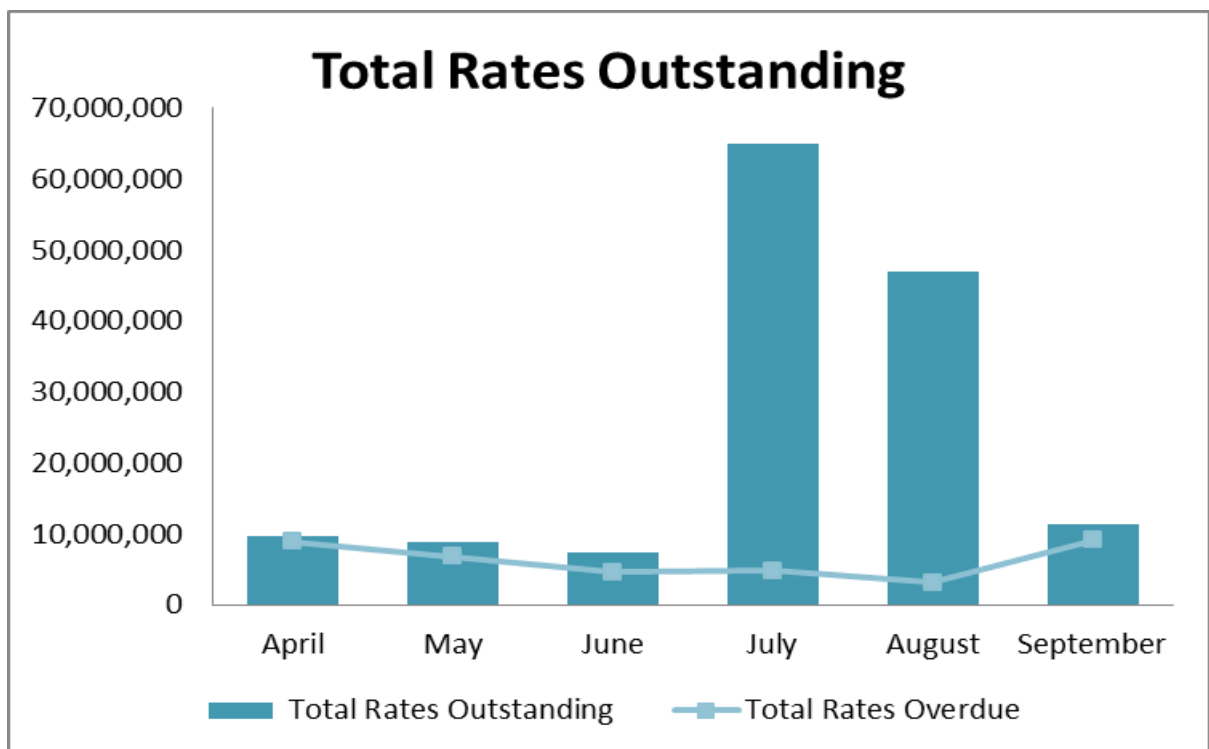
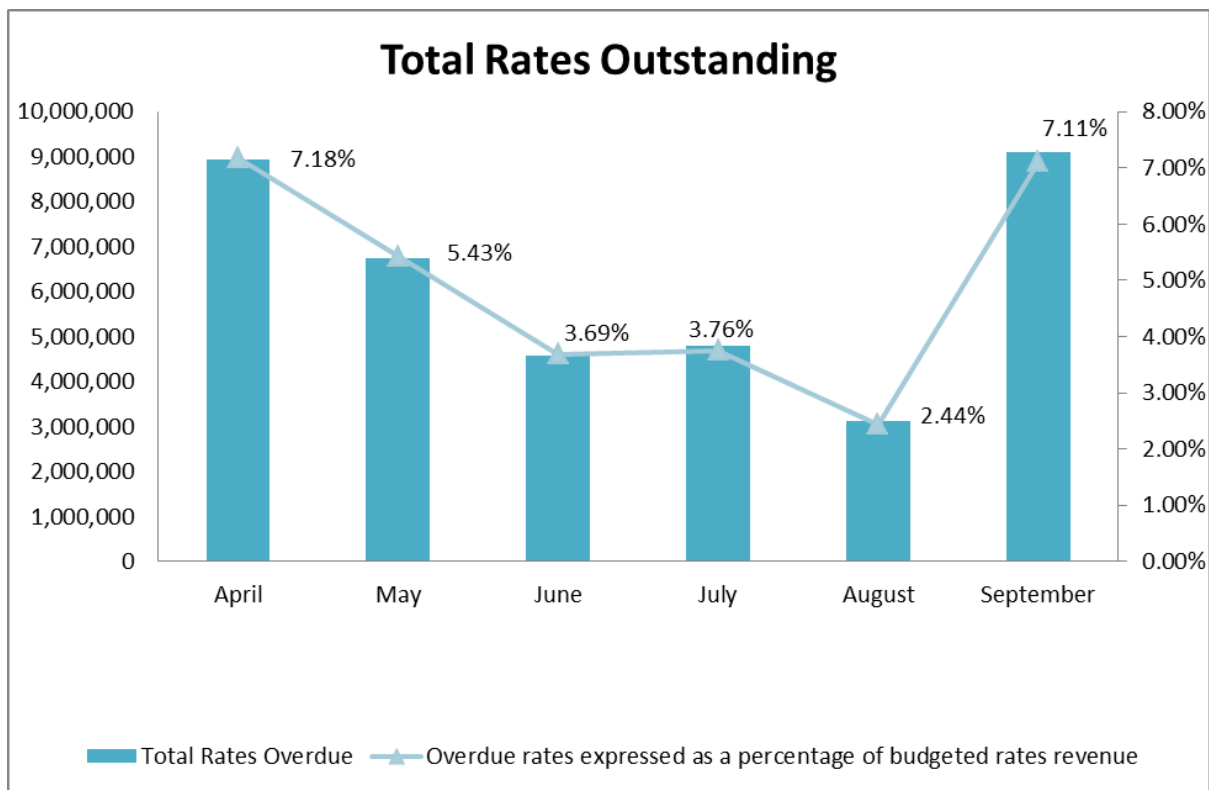
End of Month Job Costing Ledger - (Operating Only) - FINANCE AND BUSINESS



As At End Of September

Report Run: 09-Oct-2015 11:40:55 Excludes Nat Accs: 2802,2914,2917,2924

	Adopted Budget \$	Revised Budget \$	EOM Commitments \$	YTD Actual \$	Commit + Actual \$	Variance %	On target 25% of Year Gone
CORPORATE SERVICES							
FINANCE							
<i>Finance Management</i>							
Expenses	700,228	0	70,768	106,836	177,604	25%	✗
Total Unit: Finance Management	700,228	0	70,768	106,836	177,604	25%	✗
<i>Revenue & Accounting</i>							
Revenues	(458,160)	0	0	(151,214)	(151,214)	33%	✓
Expenses	2,937,430	0	92,807	702,870	795,677	27%	✗
Transfer / Overhead Allocation	9,000	0	0	1,135	1,135	13%	✓
Total Unit: Revenue & Accounting	2,488,270	0	92,807	552,792	645,598	26%	✗
<i>Financial Systems</i>							
Expenses	413,831	0	2,364	100,430	102,794	25%	✓
Transfer / Overhead Allocation	0	0	0	772	772	0%	✗
Total Unit: Financial Systems	413,831	0	2,364	101,202	103,566	25%	✗
<i>Assets & GIS</i>							
Revenues	(5,100)	0	0	(1,313)	(1,313)	26%	✓
Expenses	1,872,358	0	0	394,352	394,352	21%	✓
Transfer / Overhead Allocation	35,770	0	0	8,364	8,364	23%	✓
Total Unit: Assets & GIS	1,903,028	0	0	401,402	401,402	21%	✓
Total Section: FINANCE	5,505,358	0	165,938	1,162,232	1,328,171	24%	✓
Total Department: CORPORATE SERVICES	5,505,358	0	165,938	1,162,232	1,328,171	24%	✓
Grand Total:	5,505,358	0	165,938	1,162,232	1,328,171	24%	✓



CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT

Workforce & Strategy Monthly Report - September 2015

Meeting Date: 27 October 2015

Attachment No: 2

MONTHLY OPERATIONS REPORT
WORKFORCE AND STRATEGY SECTION
Period Ended 30 September 2015

VARIATIONS, ISSUES AND INNOVATIONS

Innovations

Nil to report

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 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)	Avg Completion Time (days) Q1	
			Received	Completed												
Administrative Action Complaints	0	0	0	0	0	0	36	<div><div></div></div>	0.00	<div><div></div></div>	2.00	<div><div></div></div>	5.00	5.00	<div><div></div></div>	0.00
W&S - Complaints Management Process (NOT CSO USE)	2	2	11	10	1	0	30	<div><div></div></div>	2.80	<div><div></div></div>	6.86	<div><div></div></div>	9.49	6.03	<div><div></div></div>	3.76

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:

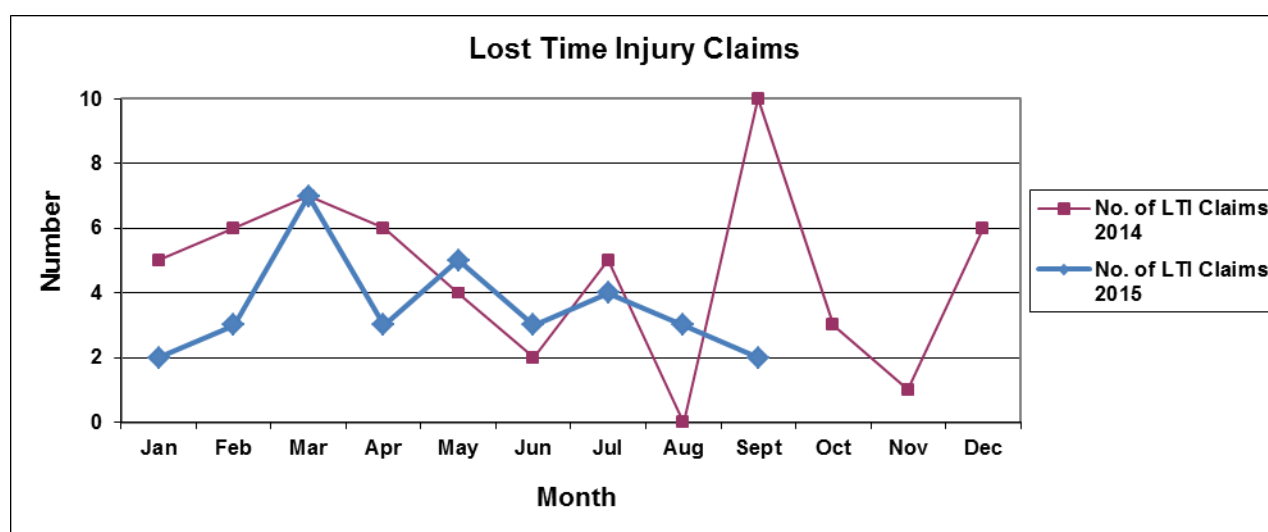
	July 15	August 15	September 15
Number of Lost Time Injuries	0	0	0
Number of Days Lost Due to Injury	0	0	0
Total Number of Incidents Reported	0	2	0
Total number of Incomplete Hazard Inspections	0		

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

	31 July 2015	31 August 2015	30 September 2015
Number of Lost Time Injuries	4	3	2
Number of Days Lost Due to Injury	42	46	50
Total Number of Incidents Reported	34	30	18
Total number of Incomplete Hazard Inspections	32 (16 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 two lost time injury claims lodged for September 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
Corporate Risks					
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 & Safety System Audit.</p> <p>A third Party Workplace Health & Safety system audit due in late 2015.</p> <p>Rectifications resulting from the Workplace Health & Safety system audit will be addressed and assessed in the annual internal audit of the Workplace Health & Safety systems.</p>	December 2015	75%	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.
Section Risks					
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%	Rotation of Payroll staff to learn all duties commenced in July 2015 (2 nd rotation commenced September 2015); 1 Admin and 1 HERO trained in data entry; Payroll Officer satisfactorily performed duties of Payroll Supervisor during recent Annual Leave and will continue to be utilised for acting duties

Legislative Compliance & Standards

Legislative Compliance Matter	Due Date	% Completed	Comments
Prepare and adopt annual 2016/17 operational plan	July 2016	0%	The 2015/16 Plan was adopted by Council at the budget adoption meeting 9 July 2015. The 2016/17 Plan will be adopted at the Special Council meeting together with the budget.
Quarterly written assessment of progress towards implanting the 2015/16 annual operational plan		0%	The first quarter review of the 2015/16 Plan will be presented to the Performance and Service Committee 24 November 2015.
Report on the results of the implementation of the annual operational plan	23 August 2016	0%	This 2015/16 report will be combined with the Quarter 4 assessment and presented to P&S Committee in August 2016. The 2014/15 report was presented to P&S Committee 25 August 2015.
Update of Workplace Health & Safety documents to meet the new legislative requirements	31 December 2015	85%	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	75%	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	84.5%	As at 30 September 2015, 78 out of 504 performance reviews are yet to be completed for 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 September 2015 – 25% of year elapsed.

Project		Explanation
WHS Data Management System		The injury management module is currently being installed and tested. Monthly Action Plans (MAPS) are currently being loading into the system
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 CEO within October 2015.
Service Level Review Project (SLR)		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. 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. Accordingly, an update and information regarding the Parks Maintenance review will be presented to Council approximately April to June 2016.
Aurion Project		Awaiting IRC decision regarding implementation of modern award for Local Government which is expected at end of October. With the subsequent certified agreement negotiations, the timelines for implementation of award interpreter and timekeeper are currently being reviewed. It is anticipated that Web recruitment may follow immediately after Aurion 11 implementation, expected around February 2016. Awareness sessions in Aurion 11 were run in house for HR and Payroll staff in September with positive feedback.
Policy Improvement Project		This project will be led by the CIS unit and involves the amendment to a large number of selected policy documents in accordance with the recommendations made by Councillors at the policy workshop held 12 August 2015. A project plan was prepared by CIS and endorsed by the CEO late September 2015. Subsequently, the project has now commenced.

Project		Explanation
		The project will be undertaken in 5 stages, with stage 1 already in progress. It is anticipated that all stages will be complete by December 2016.
Forms Improvement Project		<p>This project involves the establishment of a working group to review and improve all forms that are accessible by the public, including those associated to policy documents, to ensure they are written in "plain English" and are user-friendly.</p> <p>The project plan was endorsed by CEO late September 2015 and will officially commence mid-October with the first working group meeting being held. Members of the working group were nominated by the CEO.</p>

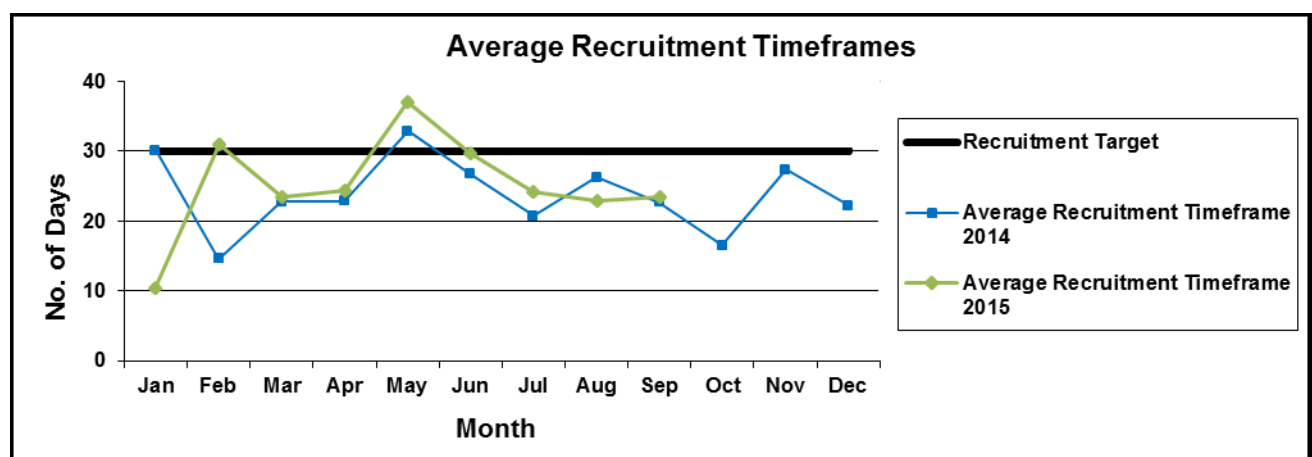
5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS

Service Delivery Standard	Target	Current Month's Performance
Recruitment positions finalised within 30 working days (refer graph below)	100%	67%
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%	99.77%
Hazard Inspections completed as per the adopted Matrix	100%	100%

Recruitment Timeframes

Some delays in recruitment have occurred during the reporting period. Of the 9 positions recruited in the reporting period, 3 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	30 September 2014	32.44	835.86
Previous Month	31 August 2015	34.44	854.42
Current Month	30 September 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 September 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 September 2015.

Changes to Council Establishment

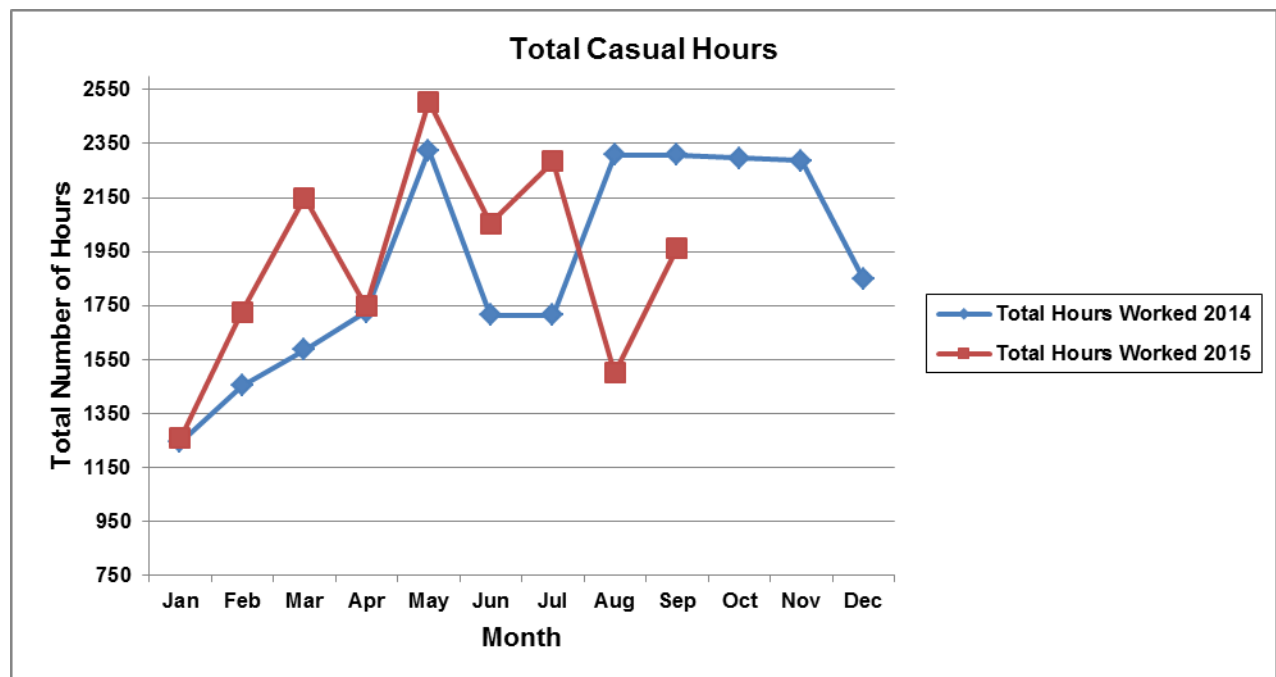
There is no change to the FTE for Council Establishment in September 2015.

FTE Positions Internal / External Split

The percentage split for approved full time equivalent positions excluding casual positions and including approved vacancies currently sits at 57% (483.63) internal and 43% (370.79) external.

Casual Hours – September 2015

There are currently a total of 48 casuals actively employed by Council of which 39 were engaged during the reporting period. The engaged casual employees collectively have worked the total number of 1964.15 hours during the month of September 2015.



Casual Hours by Section – September 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.	92	0%
Arts and Heritage	Heritage Services	Functions staff in Shearing Shed fully recovered.	276.75	100%
Arts and Heritage	Venue Operations	Technical, Front of House Duty Managers and Box Office fully recovered – level of activity reflects venue activity and earned income for the period.	716.25	97.84%
Communities and Facilities	City Child Care Centre	To cover RDOs, annual leave, sick leave and period of recruitment after a resignation.	201.5	
Communities and Facilities	Client Services	To cover RDOs, periods of staff leave and Saturday morning roster for Northside library.	408.25	
Communities and Facilities	Facilities	To cover RDOs, periods of leave for cleaning staff, and Saturday roster.	75.15	
Community Standards and Compliance	Support Services	To assist with dog registration and high volume workload. To also cover periods of staff leave.	64	
Corporate and Technology	Customer Service Centre	To cover periods of leave over the dog registration and rates period.	106.75	
Workforce and Strategy	Human Resources and Payroll	To cover staff absences	16	
Regional Development	Regional Promotions	Assisting with inaugural events.	7.5	
TOTAL			1964.15	

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

Section	Unit	No. of hours
Community Standards and Compliance	Support Services	64
Corporate and Technology	Customer Service Centre	106.75
Workforce and Strategy	Human Resources and Payroll	16
Regional Development	Regional Promotions	7.5
TOTAL		194.25

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 September

Report Run: 14-Oct-2015 14:02:59 Excludes Nat Accts: 2802,2914,2917,2924

	Adopted Budget \$	Revised Budget \$	EOM Commitments \$	YTD Actual \$	Commit + Actual \$	Variance %	On target 25% of Year Gone
CORPORATE SERVICES							
WORKFORCE & STRATEGY							
<u>Human Resources and Payroll</u>							
Expenses	1,464,874	0	50	341,228	341,277	23%	✓
Transfer / Overhead Allocation	8,700	0	0	3,513	3,513	40%	✗
Total Unit: Human Resources and Payroll	1,473,574	0	50	344,740	344,790	23%	✓
<u>Safety & Training</u>							
Revenues	(32,000)	0	0	(18,685)	(18,685)	58%	✓
Expenses	1,286,545	0	105,404	298,211	403,615	31%	✗
Transfer / Overhead Allocation	61,500	0	0	11,550	11,550	19%	✓
Total Unit: Safety & Training	1,316,045	0	105,404	291,075	396,480	30%	✗
<u>Corporate Improvement & Strategy</u>							
Revenues	0	0	0	(942)	(942)	0%	✓
Expenses	457,843	0	10,055	110,535	120,590	26%	✗
Transfer / Overhead Allocation	0	0	0	15	15	0%	✗
Total Unit: Corporate Improvement & Strategy	457,843	0	10,055	109,608	119,663	26%	✗
<u>Workforce & Strategy Management</u>							
Expenses	383,545	0	636	98,027	98,663	26%	✗
Total Unit: Workforce & Strategy Management	383,545	0	636	98,027	98,663	26%	✗
<u>Investigations and Industrial Relations</u>							
Revenues	0	0	0	(4,829)	(4,829)	0%	✓
Expenses	346,841	0	0	99,391	99,391	29%	✗
Total Unit: Investigations and Industrial Relations	346,841	0	0	94,562	94,562	27%	✗
Total Section: WORKFORCE & STRATEGY	3,977,848	0	116,145	938,013	1,054,158	27%	✗
Total Department: CORPORATE SERVICES	3,977,848	0	116,145	938,013	1,054,158	27%	✗
Grand Total:	3,977,848	0	116,145	938,013	1,054,158	27%	✗

CORPORATE SERVICES DEPARTMENT - MONTHLY OPERATIONAL REPORT

Corporate & Technology Monthly Report - September 2015

Meeting Date: 27 October 2015

Attachment No: 3

MONTHLY OPERATIONS REPORT

CORPORATE & TECHNOLOGY SECTION

Period Ended September 2015

VARIATIONS, ISSUES AND INNOVATIONS

Section Update

RTI / IP Application Status:

Three (3) new applications were received under the Right to Information Act/Information Privacy Act this month. One (1) application was completed this month and one was withdrawn, leaving two applications outstanding. Documents were released administratively to one applicant this month. No external reviews were received for the month, leaving two outstanding. All current applications are progressing in accordance with legislative timeframes.

Innovations

Major ICT projects completed July to September 2015:

- Rockhampton Planning Scheme – Role Plan implementation.
- GeoCortex implementation – replacement of former GIS system, providing a responsive (smart device access) corporate geospatial mapping system for Council and public use.
- Council Website replacement – implementation of Council's new responsive public website.
- Implementation of the Workplace Health & Safety system – Riskware safety system for use within Council and remotely via Council's IT networked and mobile devices.
- Council's waste management system, Mandalay, upgrade and kiosk replacement – Replacement / upgrade of the Lakes Creek and Gracemere Landfill Weighbridge IT equipment.
- Council Data Centre air-conditioning and uninterrupted power supply equipment end of life replacement.

Improvements / Deterioration in Levels of Services or Cost Drivers

Australia Post recently provided notice that it was implementing a two stage mail postage price increase as follows:

1. Effective 5 October 2015 – implemented price increase across all business postage types ranging from 1.5% to 5.1% (clean mail 4.7%); and
2. **Proposed** 4 January 2016 – proposed additional price increase across all business postage types ranging from 9.5% to 41.8%. This is related to the proposed basic postage rate / stamp price increase from 70 cents to \$1.00 (42.9%).

Budget impact – The 2015/16 centralised postage budget is \$105K. Based on the implemented and proposed increases, the budget impact on future budgets will be approximately \$50K.

LINKAGES TO OPERATIONAL PLAN

1. COMPLIANCE WITH CUSTOMER SERVICE REQUESTS

The response times for completing the predominant customer requests in the reporting period for September 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)	Avg Completion time (days) Q1
			Received	Completed								
Accounts Payable Enquiry	0	0	0	0	0	0	2	● 0.00	● 0.71	● 0.73	0.44	● 0.00
Bookings Enquiry	1	1	9	9	0	0	5	● 0.44	● 2.23	● 2.18	1.52	● 1.41
Insurance: Mower / Slasher / Whipper / Snipper	2	2	1	0	1	0	90	● 0.00	● 20.53	● 18.77	16.47	● 21.00
Insurance: Personal Accident / Injury	29	0	2	0	31	2	120	● 0.00	● 1.00	● 1.00	115.17	● 1.00
Insurance: Public Liability / Property Damage Public Property	10	3	6	4	9	1	90	● 5.25	● 10.00	● 7.14	11.30	● 5.61
Leased Premises - General Enquiry	1	0	2	2	1	0	5	● 0.50	● 0.67	● 1.15	3.08	● 0.67
Rates Searches	27	27	133	122	11	0	4	● 1.75	● 1.79	● 1.71	1.50	● 1.79

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
Number of Lost Time Injuries	0	1	1
Number of Days Lost Due to Injury	0	1	3
Total Number of Incidents Reported	2	4	1
Number of Incomplete Hazard Inspections	0	0	4

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	15%	Tender awarded. Purchase order approved and initial contractor engagement and final design work underway.
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%	ISSG approved as a project to assess the suitability of either the TechnologyOne or the RiskWare 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)
CAPITAL WORKS PROGRAM					
FLEET (CP440)					
Fleet Asset Renewal Program	1/07/2015	30/06/2016	Ongoing	\$4,890,000	\$1,146,538
Comment: YTD represents 23% of budget expenditure and includes committals.					
INFORMATION TECHNOLOGY (CP230)					
IT Asset Renewal & Upgrade Program	1/07/2015	30/06/2016	Ongoing	\$1,534,400	\$373,202
Comment: YTD represents 24% of budget expenditure and includes committals.					
BUSINESS SUPPORT & DEVELOPMENT (CP630)					
Property Sales	1/07/2015	30/06/2016	Ongoing	\$250,000	-\$5,301
Comment:					

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

As at period ended September 25% of year elapsed.

Project	2015/16 Budget	Actual (incl. committals)	% budget expended	Explanation
Customer Service After Hours Operation	\$60,000	\$12,914	22%	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	15%	ePathway now installed in test, integration tasks to commence before Pathway Mobile Apps trial.
Develop and implement a solution for managing and processing tax invoices in digital format.	August 2015	June 2016	0%	Scheduled

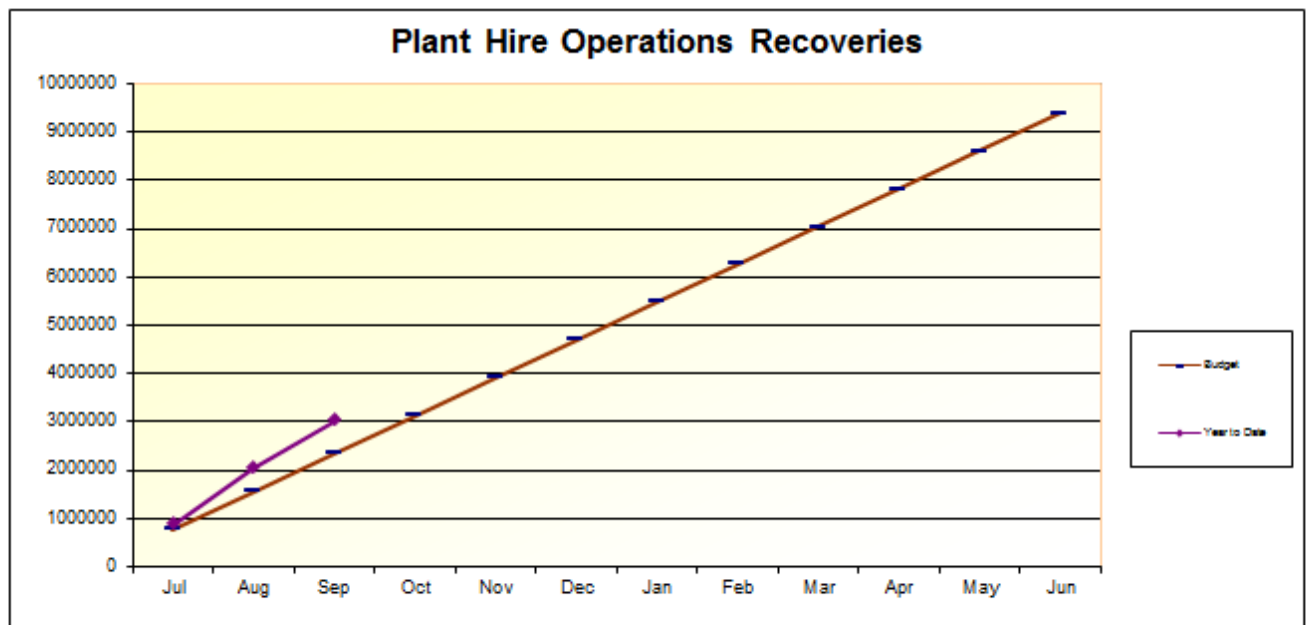
5. DELIVERY OF SERVICES AND ACTIVITIES IN ACCORDANCE WITH COUNCIL'S ADOPTED SERVICE LEVELS

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%	82%
Customer Service Call Centre answering 75% of incoming calls within 45 seconds.	75%	72%
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%	98%

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.



Plant Hire Operations Budget (Surplus)	\$ 9,389,500
Year to Date (Surplus)	\$ 3,006,510

Procurement & Logistics

Contracts Awarded for September: Qty 12

11640 - Supply & Install DMR Radio System - Beaney's Communications - \$512,592
11662 - Major Signage Designer (Stage 2) - Entica Pty Ltd - \$10,375
11679 - Impounding of Livestock and Dead Animal Collection - Jeffrey Phillips - SOR
11693 - Employee Employment Functional Screening Services - Advanced Personnel Management/Kinnect - SOR
11700 - Technical Support for Regional Road and Transport Group - GW Read Pty Ltd - \$42,100
11723 - Structural Sewer Chamber Rehabilitation - Orion Group Australia Pty Ltd - SOR
11746 - Provision of Real Estate Agency Services - Panel - SOR
11750 - Roof and Box Gutter Replacement at Customs House - Justin Roth Plumbing - \$160,020
11756 - Electrical Works for Barrage Crane - Intalect Pty Ltd - \$52,837
11720 - Arthur Street Sewerage Pump Station Dry Well Pump Replacement - Sulzer Pump Wastewater Pty Ltd - \$74,210
11727 - Provision of Veterinary Services (Rockhampton Pound) - Closes 24 August - Evaluation
11781 - Cedric Archer Park Power Reticulation - Rilec Electrical Pty Ltd - \$42,262

Customer Requests Completed Monthly & Top 5 Customer Requests												
	October	November	December	January	February	March	April	May	June	July	August	September
Requests Logged	3415	3171	2717	3747	3702	4643	3853	3521	3354	3732	3883	4056
Same month Completed	2680	2469	2710	2797	2845	3651	2893	2757	2640	3212	3192	3391
% completed same month	78%	78%	99%	74%	76%	78%	75%	78%	78%	86%	82%	84%
Completed Total for Month	3325	3132	2749	3276	3569	4315	3580	3783	3644	3997	3777	4174
Total Pending	1941	1912	1888	2332	2393	2649	2861	2521	2134	1883	1957	1785
Top 5 Requests for Month	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 D/Plan 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	An/Dogr D/Plan Bin RRC W/Ani M/Leak

Total uncompleted customer requests up to 3 months old:	1150	Conquest Work Order & Investigation Long Term up to 3 months old:	311
Total uncompleted customer requests between 3 to 6 months old:	218	Conquest Work Order & Investigation Long Term between 3 to 6 months old:	116
Total uncompleted customer requests greater than 6 months old:	417	Conquest Work Order & Investigation Long Term greater than 6 months old:	191

Request Completed: Requested task or action has been completed (not just work order raised), or complaint has been investigated, action taken and correspondance 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	An/Dogr - Dog Registration 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 September 2015

	Adopted Budget	Revised Budget	EOM Commit	YTD Actual	Commit + Actual	Var	On target 16.6% of Year Gone
	\$	\$	\$	\$	\$	%	
CORPORATE AND TECHNOLOGY							
<u><i>Fleet</i></u>							
Revenues	(266,000)	0	0	(73,920)	(73,920)	28%	✓
Expenses	12,942,760	0	1,430,098	3,278,704	4,708,802	36%	✗
Transfer / Overhead Allocation	(17,053,000)	0	0	(4,539,476)	(4,539,476)	27%	✓
Total Unit: Fleet	(4,376,240)	0	1,430,098	(1,334,692)	95,407	-2%	✗
<u><i>Property & Insurance</i></u>							
Revenues	(591,200)	0	0	(196,864)	(196,864)	33%	✓
Expenses	2,944,667	0	79,230	1,964,195	2,043,425	69%	✗
Transfer / Overhead Allocation	9,740	0	0	4,036	4,036	41%	✗
Total Unit: Property & Insurance	2,363,207	0	79,230	1,771,367	1,850,597	78%	✗
<u><i>Corporate & Technology Management</i></u>							
Expenses	667,268	0	200,169	183,871	384,040	58%	✗
Total Unit: Corporate & Technology Management	667,268	0	200,169	183,871	384,040	58%	✗
<u><i>Information Systems</i></u>							
Revenues	(14,000)	0	0	(5,136)	(5,136)	37%	✓
Expenses	6,473,867	0	559,318	1,919,481	2,478,799	38%	✗
Transfer / Overhead Allocation	21,525	0	0	9,333	9,333	43%	✗
Total Unit: Information Systems	6,481,392	0	559,318	1,923,677	2,482,995	38%	✗
<u><i>Procurement & Logistics</i></u>							
Revenues	0	0	0	(100)	(100)	0%	✓
Expenses	1,568,900	0	1,016	390,697	391,713	25%	✓
Transfer / Overhead Allocation	35,000	0	0	13,609	13,609	39%	✗
Total Unit: Procurement & Logistics	1,603,900	0	1,016	404,206	405,221	25%	✗
<u><i>Customer Service</i></u>							
Revenues	(210,000)	0	0	(47,324)	(47,324)	23%	✗
Expenses	1,734,409	0	4,637	389,078	393,715	23%	✓
Total Unit: Customer Service	1,524,409	0	4,637	341,754	346,391	23%	✓
Total Section: CORPORATE AND TECHNOLOGY	8,263,935	0	2,274,468	3,290,183	5,564,651	67%	✗

**9.5 OPERATIONAL PERFORMANCE REPORT FOR GOVERNANCE SUPPORT UNIT
FOR SEPTEMBER 2015**

File No: 1830
Attachments: 1. Governance Support Operational Report as
at 30 September 2015
Authorising Officer: Evan Pardon - Chief Executive Officer
Author: Shane Turner - Manager Governance Support

SUMMARY

Manager Governance Support presenting the monthly Performance Report for the Governance Support Unit for the period ending 30 September 2015.

OFFICER'S RECOMMENDATION

THAT the monthly Performance Report for the Governance Support Unit for September 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 30 September 2015 is attached for the Councillor's information.

OPERATIONAL PERFORMANCE REPORT FOR GOVERNANCE SUPPORT UNIT FOR SEPTEMBER 2015

Governance Support Operational Report as at 30 September 2015

Meeting Date: 27 October 2015

Attachment No: 1

MONTHLY OPERATIONAL PERFORMANCE REPORT

GOVERNANCE SUPPORT SECTION

Period Ended 30 September 2015

VARIATIONS, ISSUES AND INNOVATIONS

Activity for the Committee Support Unit has been steady during September delivering the Council and Committee agendas, minutes and action sheets for the scheduled meetings, along with a well conducted Citizenship ceremony. There was also an RTI request that took a significant amount of time to compile. The recruitment process is currently underway for a Committee Support Officer role vacated in early September.

Activity for the other Governance Support section units for September has again been challenging for the teams. The Communications and Engagement Units have continued the previous month activities regarding the Riverbank Revitalisation Project as well as commenced a number of new media and engagement activities and media opportunities for the Redevelopment of the Riverfront and Quay Street areas. Kershaw Gardens remediation is continuing with preparations to inform the community of the next phase of the remediation of this significant public use space. We are awaiting the delivery of a concept plan to engage with the community to seek their input into the end product once remediation is finalised.

There are concerns developing with the ability to continue to deliver the services required for these consultations and projects moving into delivery stages with the current staff levels within the Governance Support Unit. The unit only has one Community Engagement specialist and three Media/Communications Officers. The sustained high volume of media and engagement required from projects with significant media and engagement activity required is really impacting on the teams.

The Executive Support Unit have managed the Councillors Pathway requests, diary management and addressed Councillor correspondence within timeframes. There were a couple of Civic events in September that the team facilitated well.


IMPROVEMENTS / DETERIORATION IN LEVELS OF SERVICES OR COST DRIVERS

We are currently at the offer stage for a Committee Support Officer as a staff member took up a new role in Regional Development directorate in early September.

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:



Rockhampton
Regional Council

All Monthly Requests (Priority 3) Governance 'Traffic Light' report September 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)	Avg Completion Time (days) Q1	
			Received	Completed												
Media All Enquiries	0	0	0	0	0	0	1		0.00		5.71		4.00	5.50		1.33
Citizenship Request/Enquiry	0	0	0	0	0	0	5		0.00		0.00		2.00	1.20		0.00
Committee Support - Meetings/Agendas etc	0	0	0	0	0	0	2		0.00		0.00		0.00	0.00		0.00
CEO General Request	1	1	0	0	0	0	1		0.00		2.57		16.25	11.38		2.80
Councillor General Enquiry	0	0	1	1	0	0	2		0.00		1.17		10.83	6.44		1.40
Mayor's Personal (Mayor's General Info)	1	0	3	3	1	0	2		2.33		12.42		10.32	1.72		5.43

Comments & Additional Information

All of the Requests for September have been actioned, with one awaiting finalization once information is received from the unit.

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	0
Number of Days Lost Due to Injury	0	9	0
Total Number of Incidents Reported	0	1	0
Number of Incomplete Hazard Inspections	0	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 SEPTEMBER 2015

No capital projects are relevant to the Governance Support Section; other activity undertaken by the unit for August is listed below.

- Media:
 - 25 Media releases on subjects as varied as Riverfront Redevelopment, Morning Melodies Mayor's Treat, Cedric Archer Park, Gracemere Cemetery, Carols by Candlelight, Kershaw Gardens, Jetgo commencing services & NBL basketball game between Townsville Crocs & Cairns Taipans.
 - 4 Media Opportunities, for Riverfront redevelopment, Kershaw Gardens & Jetgo coming to Rockhampton.

Communication Projects being undertaken by the Communications Section:

- Riverfront Redevelopment
- Kershaw Gardens Remediation
- CBD Redevelopment
- Smart Regional City
- 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. We have also replenished a number of the Corporate Gifts and Promotional Items as stocks were depleted towards the end of last financial year and this is also within budget.

End of Month Job Costing Ledger - (Operating Only) - OFFICE OF CEO							
As At End Of September							
Report Run: 19-Oct-2015 17:28:25 Excludes Nat Accts: 2802,2914,2917,2924							
	Adopted Budget	Revised Budget	EOM Commitments	YTD Actual	Commit + Actual	Variance	On target 25% of Year Gone
	\$	\$	\$	\$	\$	%	
OFFICE CHIEF EXECUTIVE OFFICER							
GOVERNANCE SUPPORT							
<u>Executive Support</u>							
Revenues	(25,900)	0	0	(8,015)	(8,015)	31% ✓	
Expenses	2,005,880	0	7,015	613,558	620,573	31% ✗	
Transfer / Overhead Allocation	125,000	0	0	23,237	23,237	19% ✓	
Total Unit: Executive Support	2,104,980	0	7,015	628,780	635,795	30% ✗	
<u>Office of CEO - Management</u>							
Revenues	0	0	0	(3,528)	(3,528)	0% ✓	
Expenses	283,722	0	19,186	48,320	67,507	24% ✓	
Transfer / Overhead Allocation	0	0	0	961	961	0% ✗	
Total Unit: Office of CEO - Management	283,722	0	19,186	45,753	64,940	23% ✓	
<u>Marketing & Media</u>							
Revenues	(5,000)	0	0	0	0	0% ✗	
Expenses	818,010	0	64,404	181,822	246,226	30% ✗	
Transfer / Overhead Allocation	13,000	0	0	2,487	2,487	19% ✓	
Total Unit: Marketing & Media	826,010	0	64,404	184,309	248,713	30% ✗	
Total Section: GOVERNANCE SUPPORT	3,214,712	0	90,606	858,843	949,448	30% ✗	
Total Department: OFFICE CHIEF EXECUTIVE OFFICER	3,214,712	0	90,606	858,843	949,448	30% ✗	
Grand Total:	3,214,712	0	90,606	858,843	949,448	30% ✗	

10 NOTICES OF MOTION

Nil

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 30 September 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 Chief Executive Officer - Performance Review

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.

13.3 Monthly Report from Chief Executive Officer for period ending 19 October 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 30 SEPTEMBER 2015

File No: 1392

Attachments: 1. Legal Matters - September 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.

SUMMARY

Coordinator Corporate Improvement & Strategy presenting an update of current legal matters that Council is involved in as at 30 September 2015.

13.2 CHIEF EXECUTIVE OFFICER - PERFORMANCE REVIEW**File No:** 6947**Attachments:** Nil**Authorising Officer:** Alicia Cutler - Acting General Manager Corporate Services**Author:** Tracy Sweeney - Manager Workforce and Strategy

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.

SUMMARY

This report will be presented at the meeting for Councillors to consider the 2014/15 annual performance review for the Chief Executive Officer.

13.3 MONTHLY REPORT FROM CHIEF EXECUTIVE OFFICER FOR PERIOD ENDING 19 OCTOBER 2015**File No:** 1830**Attachments:** 1. Monthly Report - October 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.

SUMMARY

Chief Executive Officer presenting monthly report for the period ending Monday 19 October 2015.

14 CLOSURE OF MEETING