



ORDINARY MEETING

AGENDA

5 NOVEMBER 2019

Your attendance is required at an Ordinary meeting of Council to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 5 November 2019 commencing at 9.00am for transaction of the enclosed business.

A handwritten signature in black ink, appearing to be "C. P.", written over a faint circular stamp.

CHIEF EXECUTIVE OFFICER
31 October 2019

Next Meeting Date: 19.11.19

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

Opening prayer presented by Pastor David Alley, Peace Christian Church.

2 PRESENT

Members Present:

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

In Attendance:

Mr E Pardon – Chief Executive Officer

3 APOLOGIES AND LEAVE OF ABSENCE

Councillor Drew Wickerson - Leave of Absence from 31 October 2019 to 17 November 2019

Councillor Rose Swadling - Leave of Absence from 1 November 2019 to 17 November 2019

4 CONFIRMATION OF MINUTES

Minutes of the Ordinary Meeting held 15 October 2019

5 DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

6 BUSINESS OUTSTANDING

Nil

7 PUBLIC FORUMS/DEPUTATIONS

Nil

8 PRESENTATION OF PETITIONS

Nil

9 COMMITTEE REPORTS

9.1 PLANNING AND REGULATORY COMMITTEE MEETING - 29 OCTOBER 2019

RECOMMENDATION

THAT the Minutes of the Planning and Regulatory Committee meeting, held on 29 October 2019 as circulated, be received and that the recommendations contained within these minutes be adopted.

(Note: The complete minutes are contained in the separate Minutes document)

Recommendation of the Planning and Regulatory Committee, 29 October 2019
9.1.1 D/65-2019 - DEVELOPMENT APPLICATION FOR A MATERIAL CHANGE OF USE FOR A DWELLING HOUSE

File No: D/65-2019

Attachments:

1. Site Plan
2. Ground Floor Plan
3. Storage Loft Floor Plan
4. Elevations Plan
5. Locality Plan

Authorising Officer: Tarnya Fitzgibbon - Coordinator Development Assessment
Doug Scott - Manager Planning & Regulatory Services
Aaron Pont - Acting General Manager Community Services

Author: Bevan Koelmeyer - Planning Officer

SUMMARY

Development Application Number: D/65-2019

Applicant: Wendy Lawrence

Real Property Address: Lot 75 on RP603370, Parish of Archer

Common Property Address: 608 Montgomerie Street, Lakes Creek

Area of Site: 1,012 square metres

Planning Scheme: Rockhampton Region Planning Scheme 2015

Planning Scheme Zone: Rural Residential Zone

Planning Scheme Overlays: Airport environs overlay;
Bushfire hazard overlay;
Special management area overlay; and
Steep land overlay.

Existing Development: Vacant Land

Existing Approvals: Nil Applicable

Approval Sought: Development Permit for a Material Change of Use for a Dwelling House

Level of Assessment: Impact Assessable

Submissions: Nil

Referral Agency(s): None Applicable

Infrastructure Charges Area: Charge Area 3

Application Progress:

<i>Application Lodged:</i>	29 July 2019
<i>Confirmation Notice issued:</i>	8 August 2019
<i>Submission period commenced:</i>	15 August 2019
<i>Submission period end:</i>	4 September 2019
<i>Statutory due determination date:</i>	8 November 2019

COMMITTEE RECOMMENDATION

THAT in relation to the application for a Development Permit for a Material Change of Use for a Dwelling House, made by Wendy Lawrence, located at 608 Montgomerie Street, Lakes Creek, described as Lot 75 on RP603370, Parish of Archer, Council resolves to Approve the application subject to the following conditions:

1.0 ADMINISTRATION

- 1.1 The Developer and their employee, agent, contractor or invitee is responsible for ensuring compliance with the conditions of this development approval.
- 1.2 Where these Conditions refer to "Council" in relation to requiring Council to approve or to be satisfied as to any matter, or conferring on the Council a function, power or discretion, that role may be fulfilled in whole or in part by a delegate appointed for that purpose by the Council.
- 1.3 All conditions, works, or requirements of this development approval must be undertaken, completed, and be accompanied by a Compliance Certificate for any Operational Works required by this development approval:
 - 1.3.1 to Council's satisfaction;
 - 1.3.2 at no cost to Council; and
 - 1.3.3 prior to the commencement of the use,unless otherwise stated.
- 1.4 Infrastructure requirements of this development approval must be contributed to the relevant authorities, where applicable, at no cost to Council, prior to the commencement of the use, unless otherwise stated.
- 1.5 The following further Development Permits must be obtained prior to the commencement of any works associated with their purposes:
 - 1.5.1 Operational Works:
 - (i) Access Works.
 - 1.5.2 Plumbing and Drainage Works; and
 - 1.5.3 Building Works.
- 1.6 All Development Permits for Operational Works and Plumbing and Drainage Works must be obtained prior to the issue of a Development Permit for Building Works.
- 1.7 All works must be designed, constructed and maintained in accordance with the relevant Council policies, guidelines and standards, unless otherwise stated.
- 1.8 All engineering drawings/specifications, design and construction works must be in accordance with the requirements of the relevant *Australian Standards* and must be approved, supervised and certified by a Registered Professional Engineer of Queensland.
- 1.9 All conditions, works, or requirements of this development approval relating to the existing non-compliant Dwelling House must be undertaken and completed by obtaining the Development Permits:
 - 1.9.1 to Council's satisfaction;
 - 1.9.2 at no cost to Council; and
 - 1.9.3 by lodging the applications within three (3) months of the date of this development approval, and completion of the works within six (6) months from date of the approval of those works,unless otherwise stated.

2.0 APPROVED PLANS AND DOCUMENTS

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

Drawing/report title	Prepared by	Date	Reference number	Revision/Issue
Cover Page	Plan a Building	8 January 2019	19.01, Sheet 1 of 5	-
Ground Floor Plan	Plan a Building	8 January 2019	19.01, Sheet 2 of 5	-
Storage Loft Floor Plan	Plan a Building	8 January 2019	19.01, Sheet 3 of 5	-
Elevations	Plan a Building	8 January 2019	19.01, Sheet 4 of 5	-
Site Plan	Plan a Building	8 January 2019	19.01, Sheet 5 of 5	-

- 2.2 Where there is any conflict between the conditions of this development approval and the details shown on the approved plans and documents, the conditions of this development approval must prevail.

- 2.3 Where conditions require the above plans or documents to be amended, the revised document(s) must be submitted for approval by Council prior to the commencement of the use or prior to the submission of an application for a Development Permit for Operational Works or Building Works, whichever is the earlier.

3.0 ACCESS WORKS

- 3.1 A Development Permit for Operational Works (access works) must be obtained prior to the commencement of any access works on the development site.

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

- 3.2 The existing access from Montgomerie Street to the development must be upgraded. All access works must comply with the requirements of the *Capricorn Municipal Development Guidelines* and *Australian Standard AS2890 "Parking facilities"*.

4.0 PLUMBING AND DRAINAGE WORKS

- 4.1 All internal plumbing and drainage works must be designed and constructed in accordance with the approved plans (refer to condition 2.1), *Capricorn Municipal Development Guidelines, Water Supply (Safety and Reliability) Act 2008, Plumbing and Drainage Act 2018*, and Council's Plumbing and Drainage Policies.

- 4.2 The development must be connected to Council's reticulated water network.

- 4.3 The existing water connection point(s) must be retained, and upgraded if necessary, to service the development.

- 4.4 On-site sewerage treatment and disposal must be provided in accordance with the *Queensland Plumbing and Wastewater Code* and Council's Plumbing and Drainage Policies.

- 4.5 Structures must not be located within the on-site sewerage treatment and disposal area or conflict with the separation distances, in accordance with the *Queensland Plumbing and Wastewater Code*.

5.0 ROOF AND ALLOTMENT DRAINAGE WORKS

- 5.1 All roof and allotment runoff from the development must be directed to a lawful point of discharge and must not restrict, impair or change the natural flow of runoff water or cause a nuisance to surrounding land or infrastructure.

6.0 ELECTRICITY AND TELECOMMUNICATIONS

- 6.1 Electricity and telecommunications services must be provided to the development in accordance with the standards and requirements of the relevant service providers.

7.0 ASSET MANAGEMENT

- 7.1 Any alteration necessary to electricity, telephone, water mains, sewerage mains, and/or public utility installations resulting from the development or in connection with the development, must be undertaken and completed at no cost to Council.
- 7.2 Any damage to existing stormwater, water supply and sewerage infrastructure, kerb and channel, pathway or roadway (including removal of concrete slurry from public land and Council infrastructure), that occurs while any works are being carried out in association with this development approval must be repaired at full cost to the developer. This includes the reinstatement of any existing traffic signs or pavement markings that may have been removed or damaged.

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

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

NOTE 2. General Environmental Duty

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

NOTE 3. General Safety Of Public During Construction

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

NOTE 4. Property Note (Audit of conditions)

An inspection of the property to ascertain compliance with conditions will be undertaken three (3) months after the approval takes effect. If the works are completed prior to this time please contact Council for an earlier inspection. A property note to this effect will be placed on Council's records.

NOTE 5. Noise and Odour

The lot the subject of this development approval is located within a Special Management Area. This area is expressly identified as being impacted by lawful non-residential uses. In commencing a residential use within the area, the owner(s) acknowledges and accepts that the use will be potentially impacted by emissions from the lawful non-residential uses.

It is the responsibility of the property owner(s) to take all measures necessary to ensure that the proposed dwelling is developed and maintained in such a way as to mitigate odour and noise impacts from the surrounding lawful non-residential uses. These measures must be undertaken at the expense of the property owner(s).

NOTE 6. Infrastructure Charges Notice

Council has resolved not to issue an Infrastructure Charges Notice for this development because the new infrastructure charges arising from the development are less than or equal to the credits applicable for the new development.

Recommendation of the Planning and Regulatory Committee, 29 October 2019**9.1.2 DECISIONS UNDER DELEGATION - SEPTEMBER 2019**

File No: 7028
Attachments: Nil
Authorising Officer: Doug Scott - Manager Planning & Regulatory Services
Colleen Worthy - General Manager Community Services
Author: Tarnya Fitzgibbon - Coordinator Development Assessment

SUMMARY

This report outlines the properly made development applications received in September 2019 and whether they will be decided under delegation or decided by Council.

COMMITTEE RECOMMENDATION

THAT this report into the applications lodged in September 2019 be received, excluding D/90-2019 – MCU for Transport Depot.

COMMITTEE RECOMMENDATION

THAT this report into application D/90-2019 – MCU for Transport Depot be received.

Recommendation of the Planning and Regulatory Committee, 29 October 2019**9.1.3 PIG CONTROL OCTOBER 2019**

File No: 2557
Attachments: Nil
Authorising Officer: Doug Scott - Manager Planning & Regulatory Services
Colleen Worthy - General Manager Community Services
Author: Karen Moody - Coordinator Health and Environment

SUMMARY

This report outlines current activities being undertaken to control feral pigs in the Mt Archer Area of Rockhampton.

COMMITTEE RECOMMENDATION

THAT Council receives this report on pig control.

Recommendation of the Planning and Regulatory Committee, 29 October 2019**9.1.4 MONTHLY OPERATIONS REPORT FOR PLANNING & REGULATORY SERVICES - SEPTEMBER 2019**

File No: 1464
Attachments: 1. Monthly Operations Report for Planning & Regulatory Services - September 2019
Authorising Officer: Aaron Pont - Acting General Manager Community Services
Author: Doug Scott - Manager Planning & Regulatory Services

SUMMARY

The Monthly Operations Report for Planning & Regulatory Services for September 2019 is presented for Councillors information.

COMMITTEE RECOMMENDATION

THAT the Planning & Regulatory Services Monthly Operations Report for September 2019 to be 'received'.

9.2 AIRPORT, WATER AND WASTE COMMITTEE MEETING - 29 OCTOBER 2019**RECOMMENDATION**

THAT the Minutes of the Airport, Water and Waste Committee meeting, held on 29 October 2019 as circulated, be received and that the recommendations contained within these minutes be adopted.

(**Note:** The complete minutes are contained in the separate Minutes document)

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.1 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019****File No: 7028****Attachments: 1. Project Delivery Monthly Report - September 2019****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Andrew Collins - Manager Project Delivery**

SUMMARY*Monthly reports on the projects currently managed by Project Delivery.***COMMITTEE RECOMMENDATION**

THAT the Project Delivery Monthly Report for September 2019 be received.

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.2 ROCKHAMPTON AIRPORT MONTHLY OPERATIONS REPORT - SEPTEMBER 2019****File No: 7927****Attachments: 1. Rockhampton Airport Monthly Operational Report - September 2019****Authorising Officer: Tony Cullen - General Manager Advance Rockhampton****Author: Trevor Heard - Manager Rockhampton Airport**

SUMMARY

The Monthly Operations and Annual Performance Plan Report for the Rockhampton Airport for September 2019 is presented for Councillors' information.

COMMITTEE RECOMMENDATION

THAT the Rockhampton Airport Operations and Annual Performance Plan Report for September 2019 be 'received'.

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.3 ROCKHAMPTON REGIONAL WASTE AND RECYCLING MONTHLY OPERATIONS REPORT FOR PERIOD ENDED 30 SEPTEMBER 2019****File No:** 7927**Attachments:** 1. Monthly Operations Report RRWR - September 2019**Authorising Officer:** Peter Kofod - General Manager Regional Services**Author:** Michael O'Keeffe - Manager Rockhampton Regional Waste and Recycling

SUMMARY

The purpose of this report is to provide Council with an overview of Rockhampton Regional Waste and Recycling (RRWR) for the month of September 2019.

COMMITTEE RECOMMENDATION

THAT the Monthly Operations Report for Rockhampton Regional Waste and Recycling for period ended 30 September 2019 be received.

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.4 ROCKHAMPTON REGIONAL WASTE AND RECYCLING ANNUAL PERFORMANCE PLAN QUARTERLY REPORT AS AT SEPTEMBER 2019****File No:** 7927**Attachments:** Nil**Authorising Officer:** Peter Kofod - General Manager Regional Services**Author:** Michael O'Keeffe - Manager Rockhampton Regional Waste and Recycling

SUMMARY

Rockhampton Regional Waste and Recycling's performance against financial and non-financial targets is reported to Council on a quarterly basis in accordance with the adopted Annual Performance Plan for 2019/20. This report as at 30 September 2019 is presented for the Committee's information.

COMMITTEE RECOMMENDATION

THAT the Rockhampton Regional Waste and Recycling Annual Performance Plan Quarterly Report as at 30 September 2019 be received.

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.5 FRW MONTHLY OPERATIONS REPORT - SEPTEMBER 2019**

File No: 1466
Attachments: 1. FRW Monthly Operations Report - September 2019
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Jason Plumb - Manager Fitzroy River Water

SUMMARY

This report details Fitzroy River Water's financial position and other operational matters for the Council's information as at 30 September 2019.

COMMITTEE RECOMMENDATION

THAT the FRW Monthly Operations Report for September 2019 be received.

Recommendation of the Airport, Water and Waste Committee, 29 October 2019**9.2.6 FRW ANNUAL PERFORMANCE PLAN AS AT 30 SEPTEMBER 2019****File No:** 1466**Attachments:**

1. Customer Service Standards as at 30 September 2019
2. Customer Service and Financial Targets as at 30 September 2019
3. Non Compliance Comments as at 30 September 2019

Authorising Officer: Peter Kofod - General Manager Regional Services**Author:** Jason Plumb - Manager Fitzroy River Water

SUMMARY

Fitzroy River Water's performance against financial and non-financial targets and key strategies is reported to Council on a quarterly basis in accordance with the adopted Annual Performance Plan for 2019/20. This report as at 30 September 2019 is presented for the Committee's information.

COMMITTEE RECOMMENDATION

THAT the Fitzroy River Water Annual Performance Plan quarterly report as at 30 September 2019 be received.

9.3 INFRASTRUCTURE COMMITTEE MEETING - 29 OCTOBER 2019**RECOMMENDATION**

THAT the Minutes of the Infrastructure Committee meeting, held on 29 October 2019 as circulated, be received and that the recommendations contained within these minutes be adopted.

(**Note:** The complete minutes are contained in the separate Minutes document)

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.1 BUSINESS OUTSTANDING TABLE FOR INFRASTRUCTURE COMMITTEE**

File No: 10097
Attachments: 1. Business Outstanding Table
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Peter Kofod - General Manager Regional Services

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 Infrastructure Committee is presented for Councillors' information.

COMMITTEE RECOMMENDATION

THAT the Business Outstanding Table for the Infrastructure Committee be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.2 INFRASTRUCTURE PLANNING CENTRAL QUEENSLAND BUSHFIRES
FLEXIBLE FUNDING ROUND TWO (FINAL ROUND) GRANTS****File No: 12534****Attachments: Nil****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Elizabeth Drumm - Coordinator Disaster Management**

SUMMARY

This report is to seek Council's endorsement to submit applications to the Central Queensland Bushfire Flexible Funding Round Two Grants.

COMMITTEE RECOMMENDATION

THAT Council endorse the project identified within this report to seek funding under the Central Queensland Bushfires – Flexible Funding Grants – Round Two (final round).

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.3 DRIVEWAY REPLACEMENT REQUEST**

File No: 8054
Attachments: Nil
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: David Bremert - Manager Civil Operations

SUMMARY

The owner of a residential property in Kawana has requested Council replace the driveway. The driveway is in a poor state due to age of concrete and tree root damage.

COMMITTEE RECOMMENDATION

THAT Council not accede to the driveway replacement request.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.4 CIVIL OPERATIONS MONTHLY OPERATIONS REPORT****File No: 7028****Attachments: 1. Civil Operations Monthly Operations Report - September 2019****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: David Bremert - Manager Civil Operations**

SUMMARY

This report outlines Civil Operations Monthly Operations Report on the activities and services in September 2019.

COMMITTEE RECOMMENDATION

THAT the Civil Operations Monthly Operations Report on the activities and services in September 2019 be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.5 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - CBD SMART TECHNOLOGY - STAGE 3E**

File No: 7028
Attachments: 1. CBD Smart Technology - Stage 3E
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – CBD Smart Technology – Stage 3E be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.6 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - FISHING PLATFORMS (W4Q)**

File No: 7028
Attachments: 1. Fishing Platforms (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Fishing Platforms (W4Q) be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.7 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - FITZROY RIVER - BANK PROTECTION (W4Q)**

File No: 7028
Attachments: 1. Fitzroy River - Bank Protection (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Fitzroy River – Bank Protection be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.8 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - RICHARDSON ROAD/REDHILL ACCESS TRAFFIC SIGNALS (BLACKSPOT)**

File No: 7028
Attachments: 1. Richardson Road/Redhill Access Traffic Signals (Blackspot)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Richardson Road/Red Hill Access Traffic Signals (Blackspot) be received.

Recommendation of the Infrastructure Committee, 29 October 2019**9.3.9 INFRASTRUCTURE PLANNING MONTHLY OPERATIONS REPORT -
SEPTEMBER 2019****File No: 7028****Attachments: 1. Infrastructure Planning Monthly Operations
Report - September 2019****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Martin Crow - Manager Infrastructure Planning**

SUMMARY

This report outlines Infrastructure Planning Monthly Operations Report for the period to the end of September 2019.

COMMITTEE RECOMMENDATION

THAT the Infrastructure Planning Monthly Operations Report for September 2019 report be received.

9.4 COMMUNITY SERVICES COMMITTEE MEETING - 30 OCTOBER 2019**RECOMMENDATION**

THAT the Minutes of the Community Services Committee meeting, held on 30 October 2019 as circulated, be received and that the recommendations contained within these minutes be adopted.

(**Note:** The complete minutes are contained in the separate Minutes document)

Recommendation of the Community Services Committee, 30 October 2019**9.4.1 COMMUNITY ASSETS AND FACILITIES MONTHLY OPERATIONAL REPORT - SEPTEMBER 2019**

File No: 1464

Attachments: 1. Community Assets and Facilities Monthly Report - September 2019

Authorising Officer: Richard Dunkley - Manager Community Assets and Facilities
Aaron Pont - Acting General Manager Community Services

Author: Sophia Czarkowski - Coordinator Facilities

SUMMARY

This report provides information on the activities of Community Assets and Facilities for the month of September 2019.

COMMITTEE RECOMMENDATION

THAT the Community Assets and Facilities monthly operational report for September 2019 be received.

Recommendation of the Community Services Committee, 30 October 2019**9.4.2 COMMUNITY ASSISTANCE PROGRAM - MAJOR SPONSORSHIP****File No:** 12535**Attachments:** Nil**Authorising Officer:** Colleen Worthy - General Manager Community Services**Author:** Kerri Dorman - Administration Supervisor

SUMMARY

An application from the Cathedral Parish of St Joseph for Major Sponsorship Assistance towards the Lights of Christmas 2019 event is presented for Council consideration.

COMMITTEE RECOMMENDATION

THAT Council considers the application made under the Major Sponsorship scheme for the staging of 'The Lights of Christmas' event to be held from 17 to 23 December 2019 and approve a cash sponsorship of \$15,000.00.

Recommendation of the Community Services Committee, 30 October 2019**9.4.3 COMMUNITY ASSISTANCE PROGRAM - MINOR SPONSORSHIP**

File No: 12535
Attachments: Nil
Authorising Officer: Aaron Pont - Acting General Manager Community Services
Author: Kerri Dorman - Administration Supervisor

SUMMARY

An application from Rockhampton Touch Association Incorporated for Minor Sponsorship assistance towards Red Rooster Junior Carnival.

COMMITTEE RECOMMENDATION

THAT Council considers the Minor Sponsorship application from Rockhampton Touch Association Incorporation for funding to assist with the staging of the Red Rooster Junior Carnival to be held on 2 and 3 November 2019, and approves an amount of \$3,000 in sponsorship.

Recommendation of the Community Services Committee, 30 October 2019**9.4.4 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 -
CBD CULTURAL PRECINCT - CUSTOMS HOUSE DESIGN****File No: 7028****Attachments: 1. CBD Cultural Precinct - Customs House
Design****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Andrew Collins - Manager Project Delivery**

SUMMARY*Monthly reports on the projects currently managed by Project Delivery.***COMMITTEE RECOMMENDATION**

THAT the Project Delivery Monthly Report for September 2019 – CBD Cultural Precinct – Customs House Design be received.

Recommendation of the Community Services Committee, 30 October 2019**9.4.5 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - PILBEAM THEATRE REDEVELOPMENT**

File No: 7028
Attachments: 1. Pilbeam Theatre Redevelopment
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Pilbeam Theatre Redevelopment be received.

Recommendation of the Community Services Committee, 30 October 2019**9.4.6 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - VISITOR INFORMATION CENTRE UPGRADE (W4Q)**

File No: 7028
Attachments: 1. Visitor Information Centre Upgrade (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Visitor Information Centre Upgrade (W4Q) be received.

Recommendation of the Community Services Committee, 30 October 2019**9.4.7 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - HERITAGE VILLAGE LIGHTING UPGRADE (W4Q)**

File No: 7028
Attachments: 1. Heritage Village Lighting Upgrade (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Heritage Village Lighting Upgrade (W4Q) be received.

Recommendation of the Community Services Committee, 30 October 2019**9.4.8 COMMUNITIES AND CULTURE SOLE SUPPLIER PROVISION**

File No: 7104
Attachments: Nil
Authorising Officer: John Webb - Manager Communities and Culture
Aaron Pont - Acting General Manager Community Services
Author: Louise Hales - Programs and Development Officer

SUMMARY

Council Presents an annual program of exhibitions and performance, it is necessary to resolve that it would be impractical of Council to invite quotes for the content and physical productions.

COMMITTEE RECOMMENDATION

THAT Council resolve that 'it is satisfied that there is only one supplier who is reasonably available' and that 'because of the specialised nature of the services that are sought, it would be impractical for Council to invite quotes for the supply of the productions. Exhibition and services' as detailed in the report.

Recommendation of the Community Services Committee, 30 October 2019**9.4.9 REGIONAL ARTS DEVELOPMENT FUND QUICK RESPONSE GRANT APPROVAL PROCESS**

File No: 8944
Attachments: Nil
Authorising Officer: John Webb - Manager Communities and Culture
Aaron Pont - Acting General Manager Community Services
Author: Louise Hales - Programs and Development Officer

SUMMARY

The Regional Arts Development Fund offers a Quick Response grant for projects requiring funding within a short time frame. Currently all RADF recommendations must be endorsed by Council. As this timeframe can exceed six weeks, an alternative process is sort to better respond to community needs.

COMMITTEE RECOMMENDATION

THAT approval of RADF Quick Response Grants be delegated by Council to the Chief Executive Officer for endorsement by the appropriate General Manager.

Recommendation of the Community Services Committee, 30 October 2019**9.4.10 COMMUNITIES & CULTURE OPERATIONAL REPORT SEPTEMBER 2019**

File No: 1464
Attachments: 1. September 2019
Authorising Officer: Aaron Pont - Acting General Manager Community Services
Author: John Webb - Manager Communities and Culture

SUMMARY

The report provides information on the programs and activities of the Communities and Culture Section for September 2019.

COMMITTEE RECOMMENDATION

THAT the Communities and Culture Operational Report of September 2019 be 'received'

9.5 PARKS, RECREATION AND SPORT COMMITTEE MEETING - 30 OCTOBER 2019**RECOMMENDATION**

THAT the Minutes of the Parks, Recreation and Sport Committee meeting, held on 30 October 2019 as circulated, be received and that the recommendations contained within these minutes be adopted.

(**Note:** The complete minutes are contained in the separate Minutes document)

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.1 MOUNT ARCHER, FRASER PARK - WAYFINDING AND INTERPRETATIVE SIGNAGE****File No:** 787**Attachments:**
1. Proofs
2. Signage**Authorising Officer:** Andrew Collins - Manager Project Delivery**Author:** Tom Olsen - Project Manager

SUMMARY

Wayfinding and Interpretative signage package has been compiled and endorsed by Darumbal and endorsement of the package by Council is now requested.

COMMITTEE RECOMMENDATION

THAT the report on the signage package for the Fraser Park Redevelopment be received and work progress to installation.

THAT the elevated board walk be named the 'Treetop Canopy Walk'.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.2 MONTHLY OPERATIONAL REPORT - SEPTEMBER 2019**

File No: 1464
Attachments: 1. Operational Report - September 2019
Authorising Officer: Colleen Worthy - General Manager Community Services
Author: Aaron Pont - Acting General Manager Community Services

SUMMARY

This report provides information on the activities and services of the Parks section for September 2019.

COMMITTEE RECOMMENDATION

THAT the report on the activities and services of the Parks section for September 2019 be received and a further review be done on our tree street planting.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.3 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - 2ND WORLD WAR MEMORIAL AQUATIC CENTRE - SHADE STRUCTURE****File No: 7028****Attachments: 1. 2nd World War Memorial Aquatic Centre - Shade Structure****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Andrew Collins - Manager Project Delivery**

SUMMARY*Monthly reports on the projects currently managed by Project Delivery.***COMMITTEE RECOMMENDATION**

THAT the Project Delivery Monthly Report for September 2019 – 2nd World War Memorial Aquatic Centre – Shade Structure be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.4 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - 42ND BATTALION MEMORIAL POOL - PERIMETER FENCE**

File No: 7028
Attachments: 1. 42nd Battalion Memorial Pool - Perimeter Fence
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – 42nd Battalion Memorial Pool – Perimeter Fence be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.5 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - BOTANIC GARDENS PATHWAYS AND SHADE STRUCTURE (W4Q)**

File No: 7028
Attachments: 1. Botanic Gardens Pathways and Shade Structure (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Botanic Gardens Pathways and Shade Structure (W4Q) be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.6 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - CEDRIC ARCHER PARK 'TOUCH OF PARADISE' LANDSCAPING****File No: 7028****Attachments: 1. Cedric Archer Park 'Touch of Paradise' Landscaping.****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Andrew Collins - Manager Project Delivery**

SUMMARY*Monthly reports on the projects currently managed by Project Delivery.***COMMITTEE RECOMMENDATION**

THAT the Project Delivery Monthly Report for September 2019 – Cedric Archer Park 'Touch of Paradise' Landscaping be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019

9.5.7 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - FRASER PARK AMENITIES

File No: 7028
Attachments: 1. Fraser Park Amenities
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Fraser Park Amenities be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.8 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 -
ROCKHAMPTON CRICKET LIGHTING PROJECT**

File No: 7028
Attachments: 1. Rockhampton Cricket Lighting Project
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Rockhampton Cricket Lighting Project be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019

9.5.9 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - HUGO LASSEN FERNERY

File No: 7028
Attachments: 1. Hugo Lassen Fernery
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Hugo Lassen Fernery be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.10 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - KERSHAW GARDENS WATERFALL**

File No: 7028
Attachments: 1. Kershaw Gardens Waterfall
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Kershaw Gardens Waterfall be received and the final decision on rails be delegated to the Chair.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.11 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - MOUNT MORGAN WALKING AND BIKE TRAIL (W4Q)**

File No: 7028
Attachments: 1. Mount Morgan Walking and Bike Trail (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Mount Morgan Walking and Bike Trail (W4Q) be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.12 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - PUMP TRACK GRACEMERE (W4Q)**

File No: 7028
Attachments: 1. Pump Track Gracemere (W4Q)
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Pump Track Gracemere (W4Q) be received; and

THAT a report be brought back to the next meeting summarising the planning to-date and with information on options for site locations.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.13 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - YEPPEN ROUNDABOUT**

File No: 7028
Attachments: 1. Yeppen Roundabout
Authorising Officer: Peter Kofod - General Manager Regional Services
Author: Andrew Collins - Manager Project Delivery

SUMMARY

Monthly reports on the projects currently managed by Project Delivery.

COMMITTEE RECOMMENDATION

THAT the Project Delivery Monthly Report for September 2019 – Yeppen Roundabout be received.

Recommendation of the Parks, Recreation and Sport Committee, 30 October 2019**9.5.14 PROJECT DELIVERY MONTHLY REPORT - SEPTEMBER 2019 - RIVERSIDE
PLAYGROUND AMENITIES AND ACCESS (W4Q)****File No: 7028****Attachments: 1. Riverside Playground Amenities and Access
(W4Q)****Authorising Officer: Peter Kofod - General Manager Regional Services****Author: Andrew Collins - Manager Project Delivery**

SUMMARY*Monthly reports on the projects currently managed by Project Delivery.***COMMITTEE RECOMMENDATION**

THAT the Project Delivery Monthly Report for September 2019 – Riverside Playground Amenities and Access (W4Q) be received.

10 COUNCILLOR/DELEGATE REPORTS**10.1 REQUEST FOR LEAVE OF ABSENCE - MAYOR STRELOW - 10 DECEMBER 2019****File No:** 10072**Attachments:** Nil**Authorising Officer:** Evan Pardon - Chief Executive Officer**Author:** Cindy Green – Executive Assistant to the Mayor

SUMMARY*Request for Leave of Absence for Mayor Strelow on Tuesday 10 December 2019.***OFFICER'S RECOMMENDATION**

THAT Mayor Margaret Strelow be granted a leave of absence for 10 December 2019.

11 OFFICERS' REPORTS

11.1 LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

File No: 12660

- Attachments:**
1. Delegations Register - Subordinate Local Law No. 1.4 (Installation of Advertising Devices) 2019 [↓](#)
 2. Delegations Register - Subordinate Local Law No. 1.14 (Undertaking Regulated Activities on Local Government Controlled Areas and Roads) 2011 [↓](#)
 3. Delegations Register - Subordinate Local Law No. 1.15 (Parking Contrary to an Indication on an Official Traffic Sign Regulating Parking by Time or Payment of a Fee) 2011 [↓](#)
 4. Delegations Register - Subordinate Local Law No. 1.16 (Carrying Out Works on a Road or Interfering with a Road or its Operation) 2011 [↓](#)
 5. Delegations Register - Subordinate Local Law No. 1.17 (Gates and Grids) 2019 [↓](#)
 6. Delegations Register - Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2011 [↓](#)
 7. Delegations Register - Subordinate Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2019 [↓](#)
 8. Delegations Register - Local Law No. 5 (Parking) 2011 [↓](#)
 9. Delegations Register - Subordinate Local Law No. 5 (Parking) 2011 [↓](#)

Authorising Officer: Tracy Sweeney - Manager Workforce and Governance

Author: Allysa Brennan - Coordinator Legal and Governance

SUMMARY

Council approval is sought to delegate the exercise of powers to the Chief Executive Officer pursuant to the suite of local and subordinate local laws listed within the report.

OFFICER'S RECOMMENDATION

THAT:

1. Council resolves as per section 257 of the *Local Government Act 2009* to delegate to the Chief Executive Officer the exercise of powers contained within:
 - (a) Schedule 1 of Attachment 1; Delegations Register – Subordinate Local Law No. 1.4 (Installation of Advertising Devices) 2019,
 - (b) Schedule 1 of Attachment 2; Delegations Register – Subordinate Local Law No. 1.14 (Undertaking Regulated Activities on Local Government Controlled Areas and Roads) 2011,
 - (c) Schedule 1 of Attachment 3; Delegations Register – Subordinate Local Law No. 1.15 (Parking Contrary to an Indication on an Official Traffic Sign Regulating Parking by Time or Payment of a Fee) 2011,

- (d) Schedule 1 of Attachment 4; Delegations Register – Subordinate Local Law No. 1.16 (Carrying Out Works on a Road or Interfering with a Road or its Operation) 2011,
 - (e) Schedule 1 of Attachment 5; Delegations Register – Subordinate Local Law No. 1.17 (Gates and Grids) 2019,
 - (f) Schedule 1 of Attachment 6; Delegations Register – Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2011,
 - (g) Schedule 1 of Attachment 7; Delegations Register – Subordinate Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2019,
 - (h) Schedule 1 of Attachment 8; Delegations Register – Local Law No. 5 (Parking) 2011,
 - (i) Schedule 1 of Attachment 9; Delegations Register – Subordinate Local Law No. 5 (Parking) 2011.
2. These powers must be exercised subject to any limitations contained in Schedule 2 of each of the Delegations Registers attached to the report. All prior resolutions delegating powers within the abovementioned laws are repealed.

COMMENTARY

The Local Laws Review Project has been completed with the final law, the local law pertaining to gates and grids, adopted 1 October 2019.

A revision of the powers associated with the revised laws is being undertaken as a separate project to ensure alignment and mitigate risk. This report forms part of that project.

BACKGROUND

Without powers being delegated to the CEO and subsequently sub-delegated to relevant positions, Council operations would be impeded significantly as separate resolutions would be required to allow decisions to be made for a vast number of operational activities that are undertaken on a daily basis.

PREVIOUS DECISIONS

At the Council meeting 18 June 2019 Council resolved to delegate to CEO 'blanket' powers (ie. all powers) contained within 8 of the 9 laws stated within the report. Subordinate Local Law No. 1.17 (Gates and Grids) 2019 was not adopted until 1 October 2019 therefore powers within this new law are being presented to Council for consideration and delegation to CEO for the first time.

The delegation of 'blanket' powers as opposed to 'specific' powers occurred to mitigate risk whilst the detailed and specific powers were being finalised. The specific powers are now presented for consideration. Once endorsed, the 'blanket' powers delegated previously are repealed.

LEGISLATIVE CONTEXT

Section 257 of the *Local Government Act 2009* allows Council to delegate its powers to one or more individuals or standing committees, including to the CEO. Pursuant to section 257(4) of the *Local Government Act 2009* a delegation to the CEO must be reviewed annually by Council.

To further streamline the decision making process, section 259 of the *Local Government Act 2009* allows the CEO to sub-delegate the powers (including those delegated to him by Council) to another Council position where appropriate.

LEGAL IMPLICATIONS

Important legal principles which apply to the delegation proposal set out in this report are:

- Council at all times retains power to revoke the delegation. Accordingly, Council retains ultimate control.
- Council, as delegator, has responsibility to ensure that the relevant power is properly exercised. Council will therefore continue to supervise and oversee the exercise of its powers.
- A delegation of power by Council may be subject to any lawful conditions which Council wishes to impose. The imposition of conditions enables Council to impose checks and balances on its delegations. However, the delegated power cannot be unduly fettered.
- The delegate must exercise a delegated power fairly and impartially, without being influenced by or being subject to the discretion of other individuals.

CORPORATE/OPERATIONAL PLAN

The delegation of powers referred to within this report aligns with Council's 2019/2020 Operational Plan action 5.2.1.8; *Work with stakeholders to develop an Implementation Plan identifying necessary delegable and authorised person powers and policies in accordance with newly adopted Local Laws.*

CONCLUSION

The delegation to CEO of Council powers is sought to align with Council's revised suite of local laws referenced within the report. Once Council has resolved to delegate to the CEO the exercise of powers the sub-delegates will be given delegations according to their respective areas of responsibility subject to the same general conditions and specific limitations.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 1.4 (Installation of Advertising Devices) 2019

Meeting Date: 5 November 2019

Attachment No: 1

Delegations Register – Subordinate Local Law No. 1.4 (Installation of Advertising Devices) 2019

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 7(1)	Term of an approval	Power to determine the term of an approval having regard to the information submitted by the applicant.
Section 8(1)	Term of renewal of an approval	Power to determine the renewal or extension term of an approval having regard to the information submitted by the approval holder.

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 1.14 (Undertaking Regulated Activities on Local Government Controlled Areas and Roads) 2011

Meeting Date: 5 November 2019

Attachment No: 2

Delegations Register – Subordinate Local Law No. 1.14 (Undertaking Regulated Activities on Local Government Controlled Areas and Roads) 2011

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 4(8)(b)	Additional criteria for the granting of the approval	Power to impose standards and requirements for toilet and sanitary conveniences for the use of the public
Section 6(5)(g)	Conditions that will ordinarily be imposed on an approval	Power to consent to the use of an amplification device in the undertaking of the prescribed activity
Section 6(5)(h)	Conditions that will ordinarily be imposed on an approval	Power to consent to the prescribed activity being undertaken during an approved event or activity in the vicinity of the place at which the event or activity is being undertaken
Section 7(1)	Term of an approval	Power to determine the term of an approval having regard to the information submitted by the applicant
Section 8(1)	Term of renewal of an approval	Power to determine the renewal or extension term of an approval having regard to the information submitted by the approval holder

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

**Delegations Register - Subordinate
Local Law No. 1.15 (Parking Contrary
to an Indication on an Official Traffic
Sign Regulating Parking by Time or
Payment of a Fee) 2011**

Meeting Date: 5 November 2019

Attachment No: 3

Delegations Register – Subordinate Local Law No. 1.15 (Parking Contrary to an Indication on an Official Traffic Sign Regulating Parking by Time or Payment of a Fee) 2011

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 4	Additional criteria for the granting of the approval	Power to grant a community service organisation parking permit in accordance with this Section 4
Section 7(1)	Term of an approval	Power to determine the term of an approval having regard to the information submitted by the applicant
Section 8(1)	Term of renewal of an approval	Power to determine the renewal or extension term of an approval having regard to the information submitted by the approval holder

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 1.16 (Carrying Out Works on a Road or Interfering with a Road or its Operation) 2011

Meeting Date: 5 November 2019

Attachment No: 4

Delegations Register – Subordinate Local Law No. 1.16 (Carrying Out Works on a Road or Interfering with a Road or its Operation) 2011

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 6(2)(aa)	Conditions that will ordinarily be imposed on an approval	Power to approve the traffic control management plan for the undertaking of the prescribed activity
Section 6(2)(ah)	Conditions that will ordinarily be imposed on an approval	Power to approve the disturbance of any root system within the drip line in the undertaking of the prescribed activity
Section 6(2)(aj)	Conditions that will ordinarily be imposed on an approval	Power to approve the use of a designated parking space affected by the undertaking of the prescribed activity
Section 7(1)	Term of an approval	Power to determine the term of an approval having regard to the information submitted by the applicant
Section 8(1)	Term of renewal of an approval	Power to determine the renewal or extension term of an approval having regard to the information submitted by the approval holder

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 1.17 (Gates and Grids) 2019

Meeting Date: 5 November 2019

Attachment No: 5

**Delegations Register – Subordinate Local Law No. 1.17
(Gates and Grids) 2019**

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 7(1)	Term of an approval	Power to determine the term of an approval having regard to the information submitted by the applicant.
Section 8(1)	Term of renewal of an approval	Power to determine the renewal or extension term of an approval having regard to the information submitted by the approval holder.

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2011

Meeting Date: 5 November 2019

Attachment No: 6

**Delegations Register – Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads)
2011**

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 5(2)	Prohibited and restricted activities	Power to take reasonable steps to provide notice to members of the public regarding restricted activities
Section 6(6)	Motor vehicle access to local government controlled areas	Power to take reasonable steps to provide notice to members of the public regarding declarations
Section 7(2)	Opening hours of local government controlled areas	Power to authorise a person to enter or remain in a local government controlled area outside of the opening hours
Section 7(3)	Opening hours of local government controlled areas	Power to place at each public entrance to the area a notice showing the opening hours of the local government controlled area
Section 8(4)	Power of closure of local government controlled areas	Power to place at each public entrance a notice of the closure, including a statement of the duration of the closure
Section 8(5)	Power of closure of local government controlled areas	Power to authorise a person to enter or remain in a local government controlled area closed to public access under this section
Section 11(4)	Compliance notice about a road or footpath crossing	Power give the person who failed to take the action written notice of the amount of the debt

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
3	The delegate will not exercise any delegated power in relation to a matter which has already been the subject of a resolution or other decision of the Council (including a policy decision relating to the matter).
4	The delegate will not exercise any delegated power in a manner, or which has the foreseeable affect, of being contrary to an adopted Council policy or procedure.
5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2019

Meeting Date: 5 November 2019

Attachment No: 7

Delegations Register – Subordinate Local Law No. 4 (Local Government Controlled Areas, Facilities and Roads) 2019

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Schedule 1, Item 4(l)	Prohibited activities for local government controlled areas or roads	Power to authorise a person/s to enter or be within a local government cemetery in accordance with this Schedule 1, Item 4(l)
Schedule 2, Item 3(e)	Restricted activities for local government controlled areas or roads	Power to authorise the exhumation of a body or remains buried in a local government cemetery
Schedule 2, Item 3(f)(ii)	Restricted activities for local government controlled areas or roads	Power to approve the type of container for human remains
Schedule 2, Item 4(b)(ii)	Restricted activities for local government controlled areas or roads	Power to approve the lighting or maintenance of a fire outside of a fireplace established by the local government within the park or reserve
Schedule 2, Item 4(c)	Restricted activities for local government controlled areas or roads	Power to approve a person/s to sleep, occupy or remain overnight in a park or reserve
Schedule 2, Item 4(g)(i)	Restricted activities for local government controlled areas or roads	Power to approve a place at which the undertaking of the activity can be undertaken
Schedule 2, Item 4(h)(i)	Restricted activities for local government controlled areas or roads	Power to approve the use of a megaphone, loud speaker, or other similar amplification device within the park or reserve
Schedule 2, Item 5(a)(i)	Restricted activities for local government controlled areas or roads	Power to approve a fireplace or incinerator
Schedule 2, Item 5(b)(vi)	Restricted activities for local government controlled areas or roads	Power to require and enter into a written agreement about undertaking the activity at the local government accommodation park
Schedule 2, Item 6(e)(ii)	Restricted activities for local government controlled areas or roads	Power to approve a notice permitting the taking or driving of a vehicle, including its load and any towed trailer and its load, with a combined mass of >5 tonnes onto a boat ramp
Schedule 2, Item 6(f)(i)(A)	Restricted activities for local government controlled areas or roads	Power to approve a notice that permits the taking or driving of a vehicle onto a landing in accordance with this Schedule 2, Item (6)(f) (i) and (ii)
Schedule 2, Item 7(b)(ii)	Restricted activities for local government controlled areas or roads	Power to approve a notice that authorises entry to the local government office, library or depot or relevant part of the local government office, library or depot

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
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5	The delegate will only exercise a delegated power under this resolution in a manner which complies with the requirements of Council's Planning Scheme and any exercise of power which involves a departure from or variation of those requirements will only be undertaken by Council.
6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Local Law No. 5 (Parking) 2011

Meeting Date: 5 November 2019

Attachment No: 8

Delegations Register – Local Law No. 5 (Parking) 2011

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 7(1)	Parking contrary to parking restriction	Power to issue a parking permit
Section 8(1)	Parking contrary to parking restriction	Power to issue a commercial vehicle identification label

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
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LOCAL LAW DELEGATIONS FROM COUNCIL TO CHIEF EXECUTIVE OFFICER

Delegations Register - Subordinate Local Law No. 5 (Parking) 2011

Meeting Date: 5 November 2019

Attachment No: 9

Delegations Register – Subordinate Local Law No. 5 (Parking) 2011

Under section 257 of the Local Government Act 2009, **ROCKHAMPTON REGIONAL COUNCIL** resolves to delegate the exercise of the powers contained in Schedule 1 to the Chief Executive Officer.

These powers must be exercised subject to the limitations contained in Schedule 2. All prior resolutions delegating the same powers are repealed.

Schedule 1

Section of Law	Title	Description
Section 7(5)	Parking permits issued by local government - Authorising local law, s 7(2)	Power to grant a temporary parking permit in accordance with this section 7(5)
Section 7(6)	Parking permits issued by local government - Authorising local law, s 7(2)	Power to issue a works zone parking permit in accordance with this section 7(6)
Section 7(7)	Parking permits issued by local government - Authorising local law, s 7(2)	Power to issue a visitor parking permit in accordance with this section 7(7)
Section 7(8)	Parking permits issued by local government - Authorising local law, s 7(2)	Power to issue a local government works parking permit in accordance with this section 7(8)
Section 7(9)	Parking permits issued by local government - Authorising local law, s 7(2)	Power to issue a tourist vehicle parking permit in accordance with this section 7(9)

Schedule 2

1	Where Council in its budget or by resolution allocates an amount for the expenditure of Council funds in relation to a particular matter, the delegate in exercising delegated power in relation to that matter, will only commit the Council to reasonably foreseeable expenditure up to the amount allocated.
2	The delegate will not exercise any delegated power in relation to a matter which, to the delegate's knowledge adversely affects, or is likely to adversely affect, the Council's relations with the public at large.
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6	The delegate will not exercise any power which cannot lawfully be the subject of delegation by Council.

11.2 SCHEDULE OF MEETINGS - JANUARY TO MARCH 2020

File No: 1460
Attachments: 1. **Proposed Schedule of Meetings** [↓](#)
Authorising Officer: Evan Pardon - Chief Executive Officer
Author: Evan Pardon - Chief Executive Officer

SUMMARY

Chief Executive Officer presenting the Schedule of Council and Committee meetings for the period January to March 2020.

OFFICER'S RECOMMENDATION

THAT the Schedule of Council and Committee meetings for the period January to March 2020 be adopted.

COMMENTARY

A draft three month Schedule of Council and Committee Meetings has been created due to the local government elections being held on Saturday 28 March 2020 (see attached).

Suggested first Council meeting is Tuesday 21 January 2020 (in 2019 the first meeting was 15 January 2019) and final Council meeting on 3 March 2020.

Under Section 90A(1) of the *Local Government Act 2009* a local government will go into 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 Action and ends at the conclusion of the election.

During the 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 2020

Proposed Schedule of Meetings

Meeting Date: 5 November 2019

Attachment No: 1

PROPOSED SCHEDULE OF COUNCIL AND COMMITTEE MEETINGS
JANUARY TO MARCH 2020

JANUARY 2020

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
30 DEC		31 DEC				1 JAN	NEW YEAR'S DAY			2 JAN		3 JAN	
6 JAN		7 JAN				8 JAN				9 JAN		10 JAN	
13 JAN		14 JAN				15 JAN				16 JAN		17 JAN	
20 JAN		21 JAN	Council (9am)			22 JAN				23 JAN		24 JAN	
27 JAN	AUSTRALIA DAY HOL	28 JAN	Planning & Regulatory (9am)	Airport, Water & Waste (11.30am)	Infrastructure (2.00pm)	29 JAN	Community Services (9am)	Parks, Recreation & Sport (12.30pm)		30 JAN		31 JAN	

FEBRUARY 2020

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
3 FEB		4 FEB	Council (9am)			5 FEB				6 FEB		7 FEB	
10 FEB		11 FEB	Planning & Regulatory (9am)	Councillor Workshop		12 FEB				13 FEB		14 FEB	
17 FEB		18 FEB	Council (9am)			19 FEB				20 FEB		21 FEB	
24 FEB		25 FEB	Planning & Regulatory (9am)	Airport, Water & Waste (11.30am)	Infrastructure (2.00pm)	26 FEB	Community Services (9am)	Parks, Recreation & Sport (12.30pm)		27 FEB		28 FEB	

MARCH 2020

MONDAY		TUESDAY				WEDNESDAY				THURSDAY		FRIDAY	
2 MAR		3 MAR	Council (9am)			4 MAR				5 MAR		6 MAR	
9 MAR		10 MAR				11 MAR				12 MAR		13 MAR	
16 MAR		17 MAR				18 MAR				19 MAR		20 MAR	
23 MAR		24 MAR				25 MAR				26 MAR		27 MAR	

11.3 2019-21 WORKS FOR QUEENSLAND PROGRAM**File No:** 12534**Attachments:** Nil**Authorising Officer:** Peter Kofod - General Manager Regional Services**Author:** Andrew Collins - Manager Project Delivery**SUMMARY**

This report provides an update on the 2019-21 Works for Queensland Program, including the status of each project and capital budget phasing.

OFFICER'S RECOMMENDATION

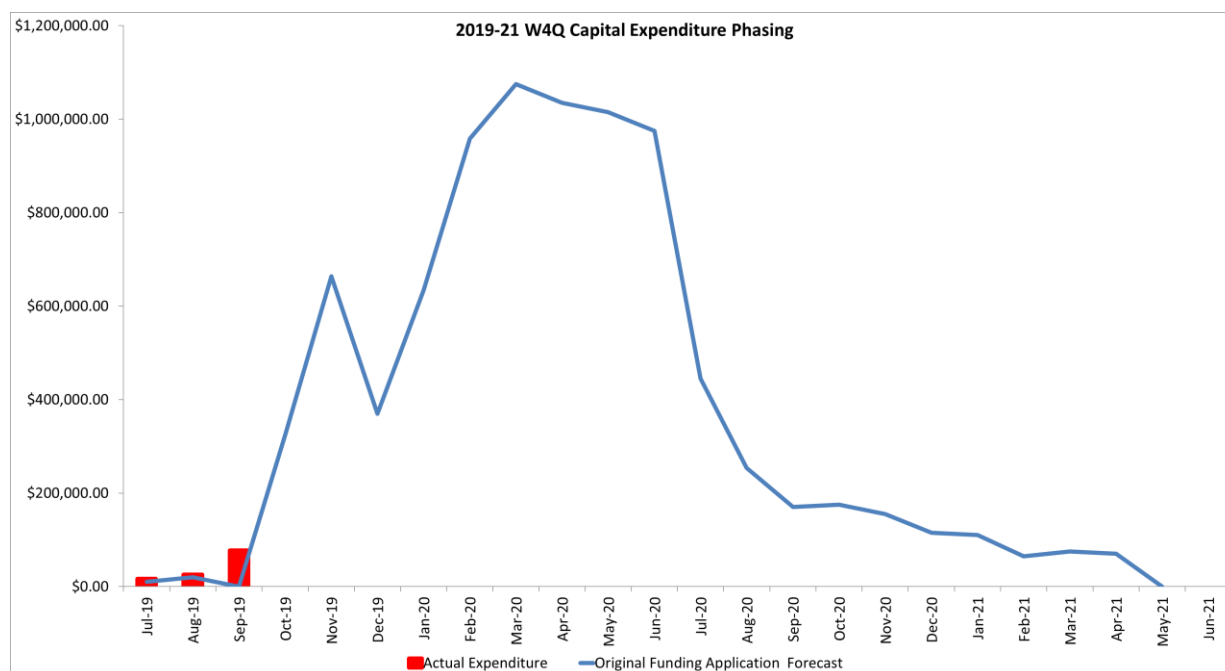
THAT the 2019-21 Works for Queensland Program report be received.

COMMENTARY

This report provides an update on the 2019-21 Works for Queensland Program. The current status of the ten (10) projects is provided below:

Current Project Status	
Completed	0
In Progress	10

Currently 1.4% of the total allocation has been expended. A detailed breakdown of individual projects and capital budget phasing is provided below.



2019-21 Works for Queensland Program - Individual Breakdown

Project Title	W4Q Project Budget (GST Excl.)	LTD Expenditure	Budget Remaining	Status
Mount Morgan Walking/Bike Trail	\$600,000.00	\$ -	\$ 600,000.00	In Progress
New Footpaths	\$1,000,000.00	\$ 50,752.00	\$ 949,248.00	In Progress
Fitzroy River - Bank Protection	\$3,500,000.00	\$ 30,594.16	\$ 3,469,405.84	In Progress
Heritage Village - Lighting upgrades	\$300,000.00	\$ -	\$ 300,000.00	In Progress
Visitor Information Centre Upgrades	\$300,000.00	\$ 1,401.00	\$ 298,599.00	In Progress
Zoo Improvements	\$300,000.00	\$ -	\$ 300,000.00	In Progress
Botanic Gardens Pathways	\$400,000.00	\$ -	\$ 400,000.00	In Progress
Riverside Park Access Ramp	\$1,090,000.00	\$ 11,864.26	\$ 1,078,135.74	In Progress
Pump Track - Gracemere	\$500,000.00	\$ 8,403.68	\$ 491,596.32	In Progress
Fishing Platforms	\$800,000.00	\$ 15,887.41	\$ 784,112.59	In Progress
TOTAL	\$ 8,790,000.00	\$118,902.51	\$ 8,671,097.49	

BACKGROUND

Council received funding of \$8,790,000 under the third round of the Works for Queensland Program. The 2019-21 Works for Queensland Program includes ten (10) projects endorsed by the State Government. The funding program is a two year period with all projects to be completed prior to 30 June 2021.

BUDGET IMPLICATIONS

The current program remains within the allocated grant funds.

CONCLUSION

The 2019-21 Works for Queensland Program has recently commenced. A review of the forecast expenditure was undertaken and commencement of procurement activities is underway for a number of projects.

11.4 ADVANCING MOUNT MORGAN STRATEGY ENDORSEMENT

File No: 1731
Attachments: 1. [Advancing Mount Morgan Strategy](#)
Authorising Officer: Jesse Gillard - Manager Economic Development
Tony Cullen - General Manager Advance Rockhampton
Author: Wade Clark - Senior Executive Economic Development

SUMMARY

The Advancing Mount Morgan Strategy outlines a series of plans and initiatives aimed at improving the economic prosperity of Mount Morgan. Community engagement has been completed on the strategy and endorsement is requested based on minor modifications to the strategy being made.

OFFICER'S RECOMMENDATION

THAT Council endorses the Advancing Mount Morgan Strategy and Advance Rockhampton leads the implementation of the Advancing Mount Morgan Strategy.

COMMENTARY

The goal of the Advancing Mount Morgan Strategy (the draft strategy) is to improve the economic prosperity of Mount Morgan and to improve lifestyle opportunities in the township.

Advance Rockhampton developed the draft strategy based on collaborative engagement with the Mount Morgan community through a Community Roundtable, assessing feedback from the Mount Morgan Community Conversations and assessing economic opportunities that could be leveraged or created which was unique or applicable to Mount Morgan.

To ensure that the draft strategy met community expectations the Mount Morgan community was engaged to gain their feedback on the document over four weeks in June 2019.

Most community feedback on the draft strategy was favourable with various additions being put forward by respondents to improve the strategy. Minor refinements have been made to the strategy in response to community feedback on the draft version.

Community feedback offered mixed views on how to use the Council owned Commonwealth Bank Building (38 Morgan Street, Mount Morgan). It is recommended that an options analysis is undertaken to explore opportunities for the re-use of this building.

Council officers are seeking endorsement on the Strategy, see Attachment 1 – Advancing Mount Morgan Strategy.

If the Council endorses the strategy, it is recommended that Advance Rockhampton leads the implementation of the strategy working across the Council and with external stakeholders including State Government agencies to deliver the strategy.

To progress two transformational tourism products – the Fireclay Caverns and the Mount Morgan Mine Administration building it is recommended that Council considers allocating funding in the 2020/21 Council budget for draft concept options to be developed. This step will aid in developing well thought out and planned products. For the Fireclay Caverns it needs to be noted that Council officers are currently working through the Native Title process, once this has been addressed it will pave the way to move forward with this project.

Two of the initiatives outlined within the draft strategy, the Mount Morgan Fish Habitat Rehabilitation Program and the Mount Morgan Mountain Bike Project have received funding and are progressing with the assistance of the Skilling Queenslanders for Work Program.

The Fish habitat program has started and is expected to be completed by mid-2020 and the Mountain Bike project is expected to begin at the start of 2020 and be finalised at the end of 2020. Participants in the Skilling Queenslanders for Work program will work on basic construction and vegetation management for the Mountain Bike project.

BACKGROUND

Mount Morgan is a strong and resilient community however it has the Region's lowest SEIFA score (relative measure of disadvantage) at 784.3 (Australian Bureau of Statistics, Census of Population and Housing) including much higher levels of unemployment compared to other areas in the Rockhampton Region.

At the Mount Morgan Community Conversations held in October 2018, local residents sought Council's assistance to identify and consider future opportunities including priority projects for Mount Morgan to secure future growth and economic development in the town.

A Community Roundtable was held on 20 November 2018. More than 125 residents attended and were asked questions on challenges that face the township, transformational projects or initiatives that could make a difference to the township and views on marketing.

From those results, a number of potential short and long term projects and initiatives have been identified to address some of the challenges identified to drive future economic growth and development consistent with the strategic objectives of Council. Advance Rockhampton utilised this information along with additional information to develop the Draft Advancing Mount Morgan Strategy.

PREVIOUS DECISIONS

21 May 2019 Council resolution

THAT Council:

1. *Approves community engagement be undertaken on the Draft Advance Mount Morgan Strategy document.*

Moved by: Mayor Strelow

Seconded by: Councillor Fisher

5 March 2019 Council Resolution

THAT Council:

1. *Receives the report;*
2. *Progress the work underway to secure access and control of the Fireclay Caverns, relevant parts of the mine site and concept design works for the Mount Morgan Mountain Bike and Rail Trail project; and*
3. *Submits an Expression of Interest with the State Government Department of Employment, Small Business and Training, 'Skilling Queenslanders for Work' funding program for Stage 1 of the Mount Morgan Mountain Bike and Rail Trail Project.*

Moved by: Mayor Strelow

Seconded by: Councillor Rutherford

MOTION CARRIED

9 October 2018 Council Resolution

THAT Council:

1. *Review all programs and literature on tourism related initiatives identified for Mount Morgan and convene a roundtable meeting with the community to identify and consider future opportunities and priority projects;*
2. *Seek \$60,000.00 in funding in the next revised budget to support the development of a strategy for Mount Morgan;*

3. *Actively pursue funding from the State and Federal Government's to appoint and embed a dedicated community development officer for Mount Morgan;*
4. *Work with the State Government to secure access and control of the Fireclay Caverns and relevant parts of the mine site in Mount Morgan for tourism opportunities and that a further report be prepared for Council to consider available options; and*
5. *Note the State Government's efforts in working with the leaseholder of the Mount Morgan Mine regarding the reprocessing of tailings and associated economic rehabilitation of the site and continues to support opportunities that would see the site as an operational mine.*

Moved by: Mayor Strelow

MOTION CARRIED UNANIMOUSLY

BUDGET IMPLICATIONS

It is recommended that Council considers allocating \$50,000 to assist tourism product concept design options for the Fireclay Caverns and the Mount Morgan Mine Administration Building in the 2020/21 budget.

STAFFING IMPLICATIONS

Manager, Economic Development will oversee delivery of outputs in the Strategy, and lead strategic advocacy efforts to realise Mount Morgan's economic potential.

Senior Executive, Economic Development will coordinate the delivery of the strategy, working across the Council and external stakeholders to gain funding and resources.

The Strategy involves participation from Advance Rockhampton's Commercial and Tourism teams, representation from the Office of the CEO and Regional Services. A regular monthly meeting will be convened to ensure strong coordination and information sharing.

CORPORATE/OPERATIONAL PLAN

CORPORATE PLAN

Section 2.1 - A destination sought for lifestyle, community events and tourism

Section 5.2 - Strong leadership that provides quality governance to support and service the community

OPERATIONAL PLAN

Section 1.6.3.1 - Deliver and support local events and celebrations

Section 1.6.3.2 - Deliver and support major regional events

Section 1.6.4.1 - Deliver a diverse range of creative arts programs

Section 2.1.1.2 - Develop and implement strategies and initiatives to promote and improve Regional tourism opportunities

Section 2.2.2.1 - Support community training programs/ education workshops held in the Region

Section 2.3.1.1 - Develop incentives and strategies to support economic activity and business confidence in centres across the Region

Section 2.5.5.1 - Work with industry and local businesses providing learning sessions that create a greater internet presence

Section 2.5.5.2 - Support local business to build capacity and encourage growth

CONCLUSION

The Advancing Mount Morgan Strategy has been developed collaboratively with the community and the strategy is now at a key milestone stage to progress to implementation. There are many golden initiatives within the strategy which will require hard toil and commitment from all stakeholders and the community to see fully realised.

ADVANCING MOUNT MORGAN STRATEGY ENDORSEMENT

Advancing Mount Morgan Strategy

Meeting Date: 5 November 2019

Attachment No: 1



ADVANCING MOUNT MORGAN STRATEGY

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MAYOR'S MESSAGE



Margaret Strelow

Mayor

Rockhampton Regional Council

Every time I drive into Mount Morgan, the Big Stack catches my eye almost immediately. It stands tall on the shoulders of giants – a mine whose history is synonymous with the gold and wealth which shaped our country.

Since the mine's closure, it has been a tough road for the town. Attempts to diversify the economy have had mixed success. Tourism has ebbed and flowed along with the town's fortunes.

We all know how we reached this point. What has been unclear is how Mount Morgan charts its path forward.

That's why we asked you. More than 125 people joined the November 2018 Roundtable and you told us your vision for your future.

The document you are about to read is that vision. It includes your priorities, your ambitions and your hopes (tempered with a little bit of pragmatism).

It sets out a path forward to Advance Mount Morgan by focussing on what's important to the community – developing businesses, increasing employment and education opportunities, activating the dam, creating adventure tourism and building on the town's history.

The initiatives we have in here are varied. Some, like reopening the Fireclay Caverns, are large multi-million dollar projects. Others, like improving signage for tourists, are smaller but still vitally important.

That's because we know we can't just do one thing and rely on it to work forever. Mount Morgan locals know all too well that doesn't work.

But what we can do is work together to see Mount Morgan thrive as a tourism destination again.

We know that we can't achieve everything here in the very short term, but we would hope to make a fair go of this strategy within 2 to 3 years.

Day by day, program by program, we will build a future for Mount Morgan to stand tall. And we will do it together, starting with the pages you're about to read.

ADVANCING MOUNT MORGAN STRATEGY

Priority Actions



Business Development and Support Plan

- / Digital Solutions Program
- / Certificate IV in Small Business Management Course



Employment, Education and Training Plan

- / Skilling Queenslanders for Work program
- / Mine Training Program



Mount Morgan Dam Plan

- / Mount Morgan Mountain Bike and Rail Trail Project
- / Mount Morgan Dam Jetty



Prehistoric, Cultural and Historical Destination Plan

- / Reopening of Fireday Caverns
- / Mount Morgan Dinosaur Festival



Adventure Tourism Plan

- / Feasibility study for a Mount Morgan Adventure Tourism Plan



Mount Morgan Pride Plan

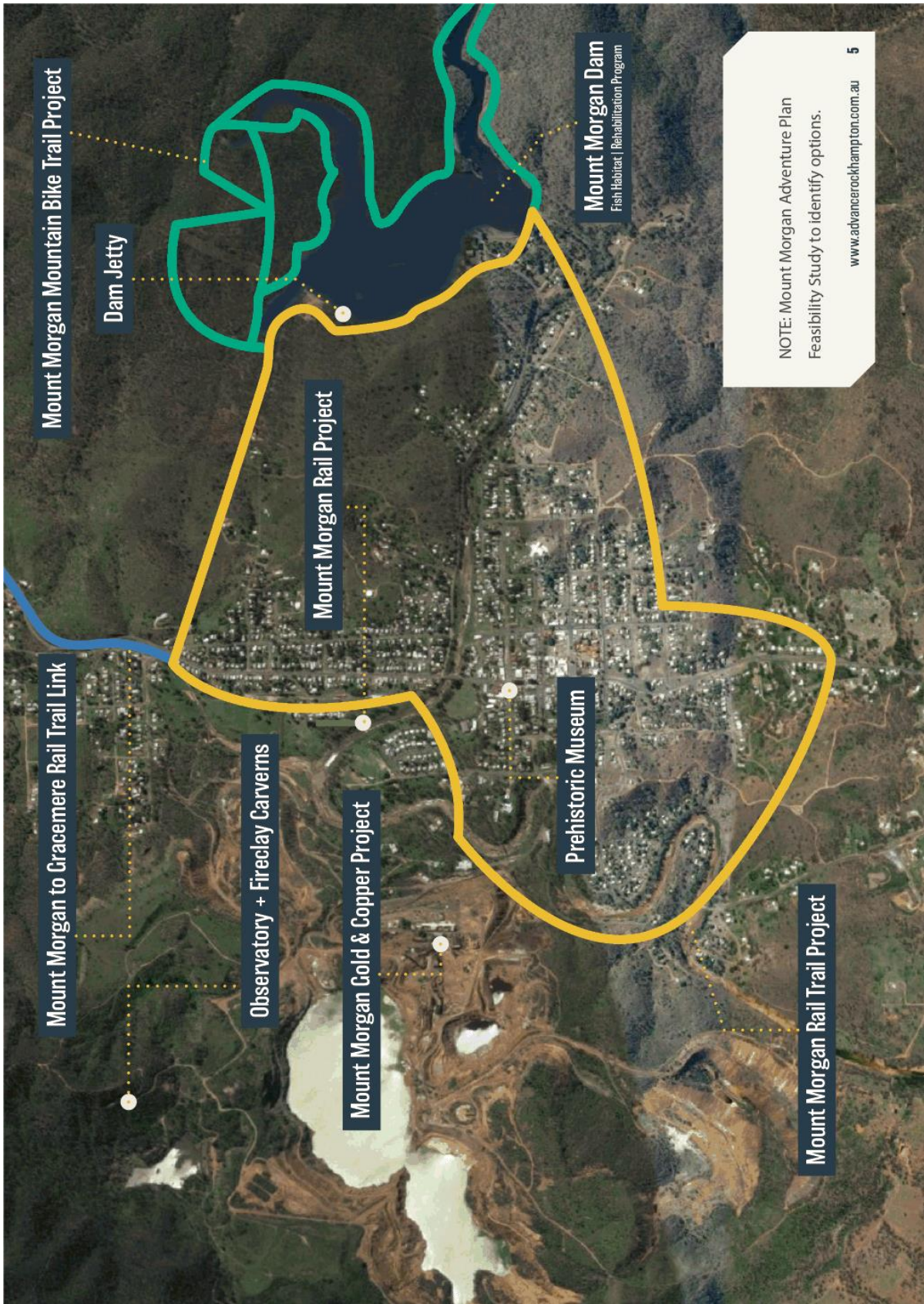
- / Population increase



Marketing, Tourism and Events Plan

- / Mount Morgan Branding Project
- / Signage

All listed programs and projects outlined in the Advance Mount Morgan Strategy is subject to funding decisions and resource allocations some of which include Council's approval and budgetary processes.



ADVANCING MOUNT MORGAN STRATEGY

Mount Morgan

The Mount Morgan Township was founded in 1882 after the discovery of gold in the area. Commencing operations in 1882, the Mount Morgan Mine became one of the richest gold mines in Australia, and for a period of time, the world.

Today, Mount Morgan is the perfect destination for all ages to enjoy with a fascinating past to discover. It's a service centre within the Rockhampton Region offering shopping, medical, education and tourism operators in the area. It is located 38 kilometres south-west of Rockhampton with a population of approximately 3,000.



Photo courtesy of the Mount Morgan Goldfields Museum

6

Location: 38KM South West of Rockhampton
Land Area: 49,157 Hectares
Estimated population: 3,000
Unemployment rate: Very High

Mount Morgan age demographic breakdown (2016)

Age	Number	Percentage	Queensland
0-4	132	4.5%	6.3%
5-11	213	7.2%	9.4%
12-17	199	6.7%	7.5%
18-24	173	5.9%	9.2%
25-34	251	8.5%	13.8%
35-49	478	16.2%	20.2%
50-59	498	16.9%	12.8%
60-69	535	18.1%	10.7%
70-84	397	13.4%	8.3%
85 and over	77	2.6%	1.8%
TOTAL	2,953	100%	100%



ADVANCING MOUNT MORGAN STRATEGY

A GOLDEN TOWN WITH A BRIGHT FUTURE

When the final shift hooter sounded in 1981, it not only signified the end of the shift, but the end of almost 100 years of active mining in Mount Morgan. Smelting of copper from Tennent Creek and tailings retreatment continued until 1990 and along with it came the final closure of the once famous gold and copper mine.

Throughout its 99 years the mine produced almost 250,000 kg of gold, 37,000 kg of silver and 360,000 tonne of copper and was considered as one of the richest mines in the world. It started as an underground mine known as Ironstone under a syndicate comprised of William Knox Darcy, Walter Russell Hall, Thomas Skarratt Hall, and Thomas, Frederick and Edwin Morgan. Ironstone Mountain was later renamed Mount Morgan after the Morgan members of the syndicate.

In October 1886, the syndicate became the Mount Morgan Gold Mining Company Limited, with James Wesley Hall, the younger brother of Walter Russell and Thomas Skarratt Hall, as the first general manager. The Mount Morgan Gold Mining Company Limited operated using underground mining methods until 1927 when fire destroyed underground workings. The company deliberately flooded its underground workings in response to the fire and went into liquidation.

The Mount Morgan Mine was re-established using open-cut mining methods in 1928, operating as Mount Morgan Limited.

Conversion to open-cut operation included substantial modernisation of Mount Morgan's mining infrastructure and mining techniques. Mount Morgan Limited became a subsidiary of Peko Wallsend Limited in 1968 and continued operations until 1974, when Mount Morgan Limited began to reach the end of its ore body. Mount Morgan Limited progressively scaled back its workforce and operations until it reached the end of its ore body in 1981.

From 1982 to 1990, Mount Morgan Limited began processing tailings of its previous operations at the Mount Morgan mine site. In parallel, Mount Morgan mine facilities

were used to process materials from other Peko Wallsend operations.

There is little doubt that in the early days of Open Cut mining, the mine pioneered many mining technologies. The mine itself was self-sufficient with own assay labs, brickworks, foundry, power, carpentry, electrical and plumbing workshops and water supply.

Wealth from the Mount Morgan mine funded Persian oil exploration, establishing the Anglo-Persian Oil Company, which became BP in 1954. Wealth from the Mount Morgan mine was also bequeathed in 1912 to establish the Walter and Eliza Hall Institute of Medical Research.

As with most turn-of-the century mining communities, the fate of the town was inextricably entwined with the fate of the mine. Mount Morgan is no different, with historical patterns showing corresponding rises and falls in population with the good and bad time experienced by the mining companies who took on the task of extracting the wealth from the ground.

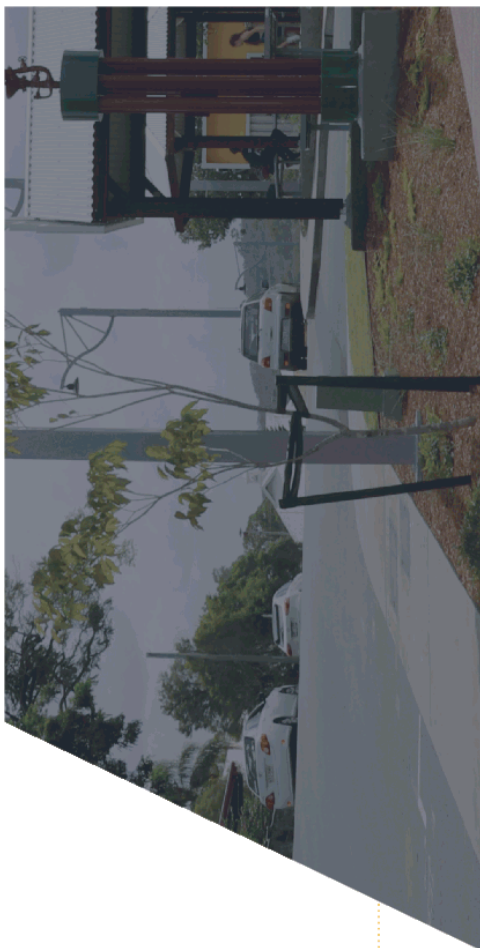
Since 1882, Mount Morgan's people have proved to be resilient, ingenious and innovative overcoming immense obstacles. As the development of the mine grew, so too did the need for an alternate form of transport, other than horse-drawn drays, to deliver the timber and manufactured items to the site. In 1898, Mount Morgan's Rack Railway was opened and this facilitated the development of the mine, adding another important link in the chain of Mount Morgan's history. The Technical College built for training mining apprentices, became the first State High School in Queensland.

All throughout Mount Morgan's history there are milestones and "Mount Morgan Firsts" which have not only cemented the town's place in history, but has built onto the town's extraordinary legacy. Advancing Mount Morgan is in the DNA of its residents and with the implementation of this strategy it will again be a town with a bright future.



ADVANCING MOUNT MORGAN STRATEGY

ADVANCING MOUNT MORGAN



Business Development and Support Plan

Local businesses are key to Mount Morgan's economic prosperity. They provide goods and services, employment, and contribute taxes and rates. Businesses must be informed, engaged and supported to develop in a way that maximises opportunity. The implementation of this Strategy will help to increase business skills in the areas of marketing and promotion and to increase tourism visitation rates, which will have a positive economic flow on effect for the entire township.

Mount Morgan Dam Plan

The Mount Morgan Dam and surrounding bushland area provides the local community with a unique opportunity to tap into mountain bike, bushwalking, recreational fishing and aquatic sports. The proposed mountain bike trails would link into a broader rail trail project that takes riders or walkers past many of Mount Morgan's cultural, tourism and natural assets. Whilst the dam is the community's water supply, it can also be leveraged from a tourism and business development perspective.

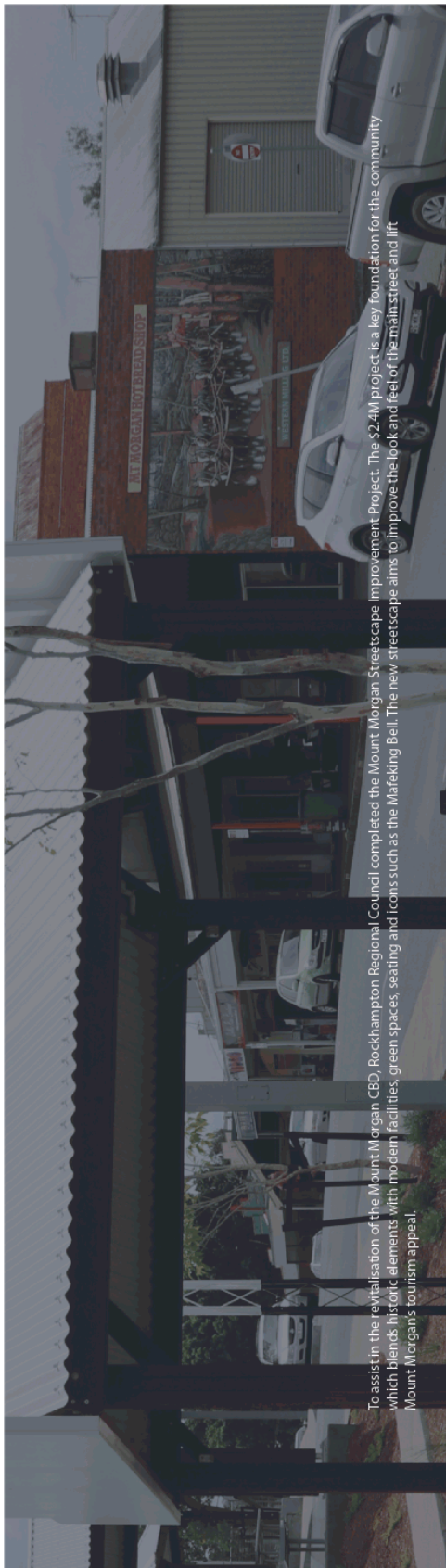
Employment, Education and Training Plan

Mount Morgan's unemployment rate is very high, sitting well above the Queensland average. This is a high rate of unemployment and Advance Rockhampton is committed to working with the community on a variety of initiatives to assist job seekers find work. This strategy seeks to provide direct employment opportunities for local construction initiatives, education and training initiatives for industry areas where there is a high need for job seekers such as mining, transport and logistics and heavy civil engineering.



Prehistoric Cultural and Historical Destination Plan

Mount Morgan has a unique set of cultural and historical destinations that can attract a wide variety of visitors. From ancient dinosaur footprints, traditional custodians with 40,000+ years of history in the area, two significant museums (historical and railway) and a cast of historical figures, Mount Morgan has a culture worth celebrating and promoting to the world.



To assist in the revitalisation of the Mount Morgan CBD, Rockhampton Regional Council completed the Mount Morgan Streetscape Improvement Project. The \$2.4M project is a key foundation for the community which blends historic elements with modern facilities, green spaces, seating and icons such as the Mafeking Bell. The new streetscape aims to improve the look and feel of the main street and lift Mount Morgan's tourism appeal.

Adventure Tourism Plan

The Adventure Tourism Plan is aimed at creating additional tourism options. Adventure sports have dedicated followers who are seeking out different recreation opportunities. It is proposed that where possible adventure training platforms are provided to enhance tourism products.

Marketing, Tourism and Events Plan

Having an ongoing marketing, tourism and events schedule which builds on the success of the Golden Mount Festival will help to attract more visitors to the township over a 12 month period. Mount Morgan could provide new sports events such as mountain bike triathlons, cross country tournaments and freshwater fishing tournaments such as the Golden Gills.

Mount Morgan Pride Plan

The population of Mount Morgan has been declining over the past number of years. With the stance that a great place to live is a great place to visit, building the population base and pride of the Mount Morgan area is vital to moving it forward. Mount Morgan residents are proud of their township and this plan seeks to help them showcase the township through a variety of different initiatives.

Business Development and Support Plan



To help existing local businesses, a variety of initiatives will be undertaken to build skills that can be implemented on the ground such as using social media for promotions, marketing techniques, planning and budgeting. All initiatives will be undertaken in Mount Morgan.

Advance Rockhampton will implement business attraction initiatives to build the number of Mount Morgan businesses focusing on areas in which the township has either a competitive advantage or an opportunity.

STAKEHOLDERS

- / Advance Rockhampton
- / Department of Employment, Small Business and Training
- / Mount Morgan businesses
- / Rockhampton Regional Council
- / SmartHub Rockhampton





INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Digital Solutions Program	Improve local business skills in areas of social media, websites and online marketing.	Digital marketing is a key promotional platform, particularly for tourism and service industries.	Immediate	Advance Rockhampton	Sponsored
Certificate IV in Small Business Management Course	Improve local business skills in areas of planning, budgeting and marketing.	This intensive and mentor-led course is designed to be completed over a month. Participants will improve their skill-set and update their business plan at the same time.	Immediate	Advance Rockhampton	Sponsored
Entrepreneur Course	Provide an education program for those wanting to start a new business.	Small businesses are a key driver of any economy. This program would provide the fundamentals of how to start and operate a small business.	High	Advance Rockhampton	\$3,000
Mount Morgan Dam Paddle Business	Increase business development opportunities at the dam including kayaks, canoeing and fishing.	Mount Morgan Dam is under-utilised and this business would leverage from the Dam's serene aspect.	High	Business community	Commercial
Local Business Profiling	Promote local businesses to the broader Region.	Advance Rockhampton to promote local businesses.	High	Advance Rockhampton	Internal cost
Mount Morgan Fossicking Tourism Business	Establish a gold panning and fossicking business in Mount Morgan.	Mount Morgan's history is draped in gold. To build on this theme Council would invite private enterprise to establish a gold tourism business.	Pending expression of interest	Business community	To be determined

Why Mount Morgan?

Tony Davys - Great Divide Tours 4WD Training

Originally from Braidwood, New South Wales

"We saw the opportunity that exists here. After visiting friends last September who had recently relocated to Mount Morgan for their fishing guiding business and

meeting with Advance Rockhampton, I saw that this was a place where we would have the ability to set up our own business branch in a supportive environment.

I also saw the affordability of properties in the area. When you're "Kiwi refugees" whose business was destroyed by the Christchurch earthquakes, feeling that you will be able to buy your own home again is a really good feeling".

Employment, Education and Training Plan



To help decrease Mount Morgan's current unemployment rate, a broad range of initiatives will be implemented to help residents of Mount Morgan, particularly younger residents, to develop the skills and experience they need to obtain regular employment.

Mount Morgan has two high quality schools, the Mount Morgan Primary and High School. The Council sees the ongoing provision of local education to be crucial to the township's future.

Other initiatives will need to be implemented to help those that are unemployed get to workplaces in Rockhampton and Gracemere.

STAKEHOLDERS

- / Advance Rockhampton
- / Centrelink
- / Department of Employment, Small Business and Training (DESBT)
- / Job agencies
- / Local businesses
- / Rockhampton Regional Council
- / Training providers



INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Tourism education and development program	Improve tour guide and customer service skills	Mount Morgan volunteers require further training to help them improve their customer service skills	Immediate	Advance Rockhampton	\$5K
Skiing Queenslanders for Work program	Assist those that are unemployed build entry level skills in industries that can be readily accessed.	There are potential community based projects such as the Mount Morgan Mountain Bike and Rail Trail Project where an application can be made to this program.	High	Advance Rockhampton	Dependent on programs
4WD driving program	Assist local community members that want to build 4WD skills enter different industries.	A local business will be initiated in Mount Morgan providing a 4WD driving education program.	High	Great Divide Tours 4WD Training	Commercial
Truck driving program	Assist youth to enter the trucking industry.	A program will be initiated focusing on school leavers wanting to enter the trucking industry.	High	Business community	Commercial
Mine training program	Assist local community members that want to enter the mining industry with advice and programs to assist their entry.	Working with DESBT and other stakeholders a program will be developed and opened to Mount Morgan residents to assist their mining career.	High	Training organisation	To be determined
Mount Morgan Morning Bus	A more flexible public transport service/timetable for workers travelling to Rockhampton.	Providing additional options for workers to be able to travel to Rockhampton at the start of the working day will assist in broadening employment opportunities for the residents of Mount Morgan. Early morning transport is required.	High	Community	To be determined
Mentoring and Work experience Program	Provide avenues for large, medium and small businesses in Rockhampton to provide mentoring and work experience opportunities.	This program would seek willing businesses across the Region to provide mentoring and work experience to Mount Morgan younger residents	High	Advance Rockhampton	Internal cost

Mount Morgan Dam Plan



Whilst the Mount Morgan Dam is the community's main water reservoir it provides a fantastic opportunity for a wide variety of tourism opportunities such as bush walks, mountain biking and fishing. To assist these opportunities, numerous construction projects will need to be undertaken. Each of these projects will seek to use training programs focused on improving local workforce skills and work experience.

STAKEHOLDERS

- / Advance Rockhampton
- / Department of Agriculture and Fisheries
- / Department of Environment and Science
- / Fitzroy River Water
- / Local Tourism Operators
- / Rockhampton Regional Council



INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Mount Morgan Mountain Bike and Rail Trail Project	Develop a world-class mountain bike trail that links all major tourism destination together. Develop a mountain bike skills park. Investigate the Mount Morgan to Gracemere trail.	Mountain Bike related tourism is a booming area. The Rockhampton Region's First Turkey Mountain Bike Reserve has been a massive success and this project would provide unique experience interlinking with Mount Morgan and other tourism destinations.	Immediate	Advance Rockhampton	Expected cost over \$1M
Mount Morgan Fish Habitat Rehabilitation Program	Develop a range of fish habitat areas that assists the rehabilitation of fish stocks at the dam for fishing tourism.	The Council and the Department of Agriculture and Fisheries are investing over \$300K to implement fish habitat in the Mount Morgan Dam. A variety of fish species will be introduced to the dam including the iconic Saratoga.	Immediate	Advance Rockhampton	\$300K
Mount Morgan Dam Jetty	Provide a unique setting on the dam whereby fishing into deeper depths can be done without the use of a vessel.	The Mount Morgan Dam Jetty is proposed to be located close to the small vessel launch coming off William Street.	High	Rockhampton Regional Council	To be determined
Waterski Queensland Tournament Buoys	Provide unique water ski tournament competitions on the dam.	The Central Queensland branch of Waterski Queensland has expressed their interest in an ongoing program of four tournaments per year. Tournament buoys will be required to assist this program.	High	Waterski Queensland (CQ)	To be determined
Mount Morgan Dam Amenities Improvement Program	To improve community facilities at the Mount Morgan Dam	The Mount Morgan toilets are ageing and new all-accessible toilets are required. Tables, chairs and other amenities will be reviewed.	Medium	Rockhampton Regional Council	To be determined
Promote the Bicentennial National Trail (BNT)	Promote a variety of trail options.	The Bicentennial trail is Australia's long distance multi-use trekking route. Section Four of the route takes trekkers through Mount Morgan. Advance Rockhampton to engage with BNT.	Medium	Advance Rockhampton	To be determined

Prehistoric, Cultural and Historical Destination Plan



Before the Fireclay Caverns closed in 2011, Mount Morgan received around 5,000 visitors per year that travelled to see the township's dinosaur footprint collection. Areas such as Winton, Richmond and Hughenden have leveraged on fossil finds and Mount Morgan should look to do the same.

The township also has opportunities to celebrate the Traditional Custodians, their story and also the recent history of Mount Morgan.

STAKEHOLDERS

- / Advance Rockhampton
- / Department of Innovation, Tourism and Industry Development
- / Department of Natural Resources and Mines
- / Traditional Owners
- / Mount Morgan Historical Museum
- / Mount Morgan Railway Museum
- / Rockhampton Regional Council



INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Mount Morgan Historical Museum Expansion	Celebrate the history of Mount Morgan through the promotion of the townships artefacts.	The Mount Morgan Historical Museum has a significant collection that has grown significantly and an expansion is now required.	Very High	Mount Morgan Historical Museum Inc	To be determined
Mount Morgan Historic and Cultural Interpretative Project	Celebrate Mount Morgan's historical, cultural and sporting past.	The historic interpretative project would have information intertwined into the Mount Morgan Mountain Bike and Rail Trail Project.	High	Advance Rockhampton	Over \$10K
Indigenous Cultural Recognition Project	To celebrate the history of the local Indigenous people.	This project will engage with the local Indigenous people and develop collectively different ways to celebrate Indigenous culture.	High	Rockhampton Regional Council	To be determined
Mount Morgan Mine Admin Building upgrade	Provide another important historical tourism product for Mount Morgan.	There is a significant historical story in the Mount Morgan Mine Admin Building of the history of Gold mining from the 1880's. The upgrade will seek to create another tourism asset for the township.	High	Rockhampton Regional Council	To be determined
37 Morgan Street Options Analysis	Undertake a options analysis to make a recommendation for the utilisation of council land.	Council has vacant land next to the Mount Morgan School of Arts building to ensure that this space is adequately utilised an options analysis will be undertaken.	Medium	Rockhampton Regional Council	\$30K
Mount Morgan Railway Tourism Project	Investigate railway options that celebrate Mount Morgans past.	Mount Morgan has a long history with the railways including unique tracks such as the rack and rail system. This project will investigate different options for the railway tourism project.	Medium	Mount Morgan Railway Museum	To be determined
Mount Morgan Real Life Dinosaur and Fossil Collection	Obtain a series of sculptured dinosaurs for display.	A significant collection of CQ dinosaur sculptures and fossils would be organised for the existing Historical Museum.	Pending feasibility	Rockhampton Regional Council	To be determined
Fireclay Caverns Reactivation Project	Re-open the Fireclay Caverns for dedicated tours.	The Fireclay Caverns was one of Mount Morgan's prime tourism attractions. Re-establishment of this site would assist in increasing tourism activities include dedicated tours.	Currently negotiating	Rockhampton Regional Council	To be determined

CASE STUDY

Dinosaur tourism - Winton

The Australian Age of Dinosaur Museum of Natural History

Winton has leveraged from a unique tourism opportunity. A site was found with the world's only recorded evidence of a dinosaur stampee, and as such a museum was established.

Winton moved on this opportunity and is now home to the world's most significant collection of large Australian dinosaur fossils.

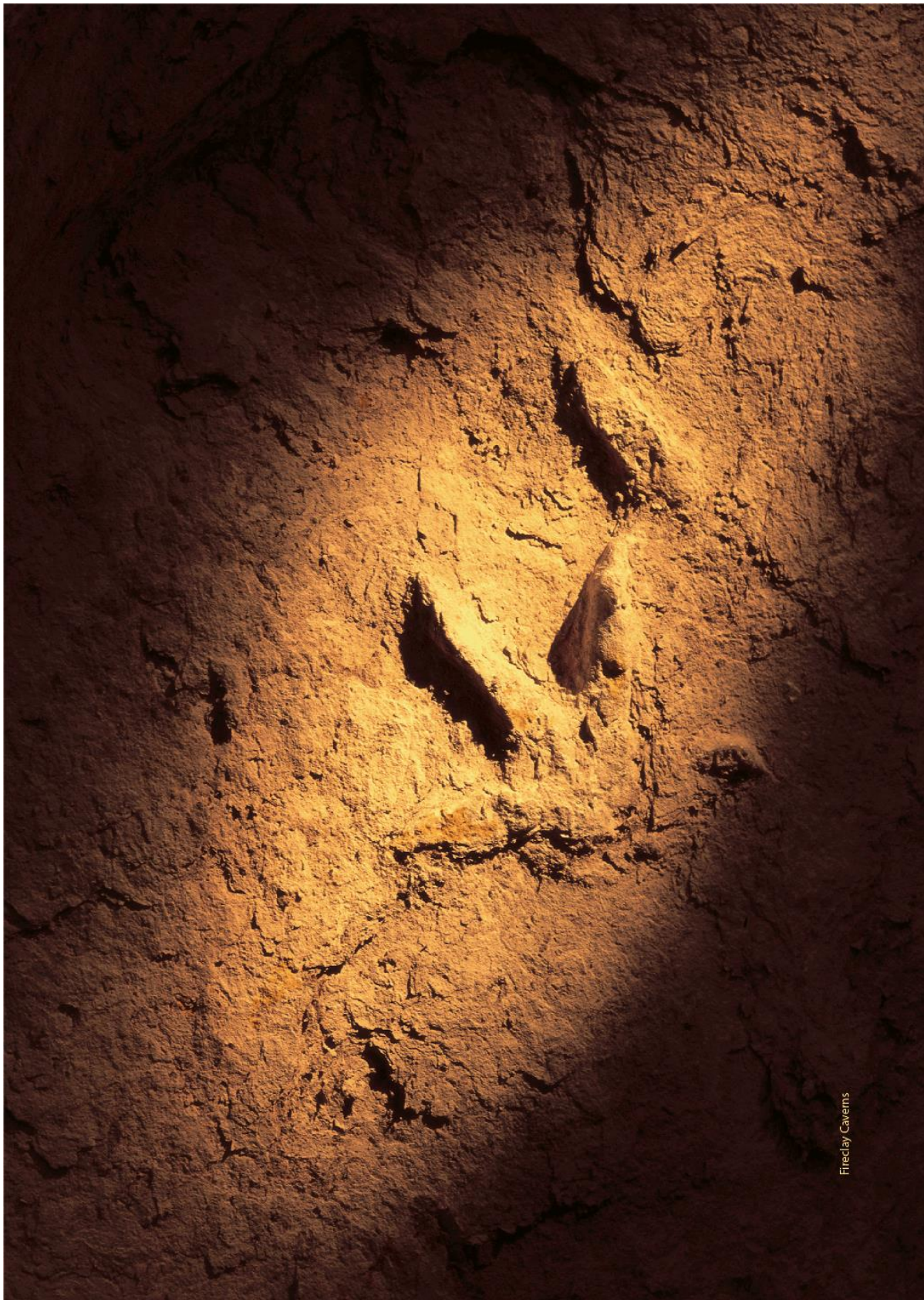
Apart from fossils the museum also provides a life size version of the dinosaur stampee and life size versions of dinosaurs.

In terms of tourism products, Winton has established a VIP pass for admission and guided tour to the Australian Age of Dinosaur Museum and Dinosaur Stampee National Museum at Lark Quarry Conservation Park. Prices as at February 2019 for this tour range from \$37 to \$75. Family package \$170.

Basic admission without tour ranges from \$30 to \$55. Family package \$115.

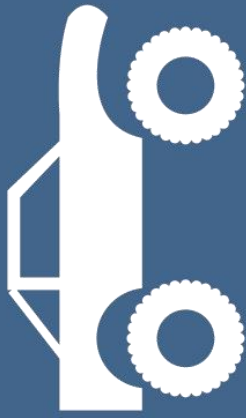
Mount Morgan could potentially link the proposed museum with a Fireclay Caverns tour.





Firedlay Caverns

Adventure Tourism Plan



Advance Rockhampton sees a different kind of tourism opportunity for Mount Morgan which could include various forms of adventure tourism.

A feasibility study would be undertaken to understand options. Adventure tourism opportunities could be potentially commercially driven.

STAKEHOLDERS

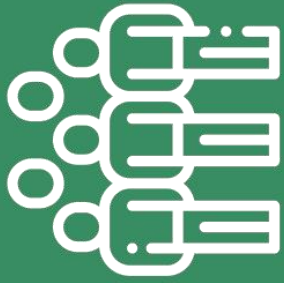
- / Advance Rockhampton
- / Department of Transport and Main Roads
- / Rockhampton Regional Council
- / Tourism Operators



INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Feasibility study to inform the Mount Morgan Adventure Tourism Plan.	Understand options for adventure tourism opportunities.	Given the hilly terrain of Mount Morgan there are a wide variety of tourism options to be explored.	High	Advance Rockhampton	To be determined
Feasibility study on horse trail riding areas.	Understand options and costings for a designated horse trail.	The Mount Morgan area given its terrain opens up the opportunity of a designated horse trail and associated business to be established. This is an additional tourism opportunity for the township.	Medium	Advance Rockhampton	To be determined
Designated speed boat area.	There has been an expressed desire to have a speed boat course in the Region.	Various members of the public and the Central Queensland branch of Waterski Queensland has expressed their interest in Mount Morgan having speed boat facilities. A designated dam could potentially meet their needs.	Pending feasibility	Advance Rockhampton	To be determined



Mount Morgan Pride Plan



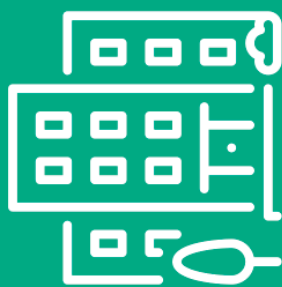
A great place to live is a great place to visit, and when the local population is proud of the town and the region it provides a great base for atmosphere, connectivity and lifestyle. Building local pride across Mount Morgan through physical upgrades, improvement schemes and community building initiatives will help increase the positive perception of the town for potential new residents and visitors to the region.

STAKEHOLDERS

- / Advance Rockhampton
- / Department of Transport and Main Roads
- / Mount Morgan Community
- / Mount Morgan Businesses
- / Rockhampton Regional Council



INITIATIVE	NEEDS	OVERVIEW	PRIORITY	DRIVER	COST
Mount Morgan Mates	To encourage visitors and locals to interact more and ensure a friendly environment	The implementation of a volunteer program during high tourist season which encourages locals to wave at travellers and visitors to the region.	High	Mount Morgan volunteers	Volunteer based
Mount Morgan Tree Planting Program	To improve tree cover, shade and appeal of Mount Morgan streetscapes.	The Tree planting program will identify which is the preferred planting palette for Mount Morgan and then roll out a planting program for the town.	High	Rockhampton Regional Council	To be determined
Lookout upgrade project	Improve local lookouts to provide a better tourism experience	Upgrade Mount Morgan lookouts including Arthur Timms and Frank Golding lookouts.	High	Advance Rockhampton	To be determined
Mount Morgan Clean Up Week	Improve the township	Work with the local community to undertake a Clean Up event	High	Rockhampton Regional Council	To be determined
Youth Centre Investigation	Improve youth outcomes.	Undertake a detailed investigation in the potential development of a PCYC styled Youth Centre for Mount Morgan.	Medium	Rockhampton Regional Council	\$50K
Environmental improvements program	Improve the local environment including land and waterways.	Mount Morgan has an extensive history of mining and large populations at various times compared to its infrastructure. This program seeks to improve the local environment including the Dee River.	Ongoing	Dept of Environment and Science	To be determined
Façade Improvement Scheme	Improve the aesthetic appeal of Mount Morgan's CBD.	Council will match up to 50% of eligible costs to a maximum of \$5,000 per CBD street front façade. This program has proved successful in the Rockhampton CBD.	Ongoing	Rockhampton Regional Council	Budget allocated



PROJECTS

Fireclay Caverns

The Fireclay Caverns are located within the abandoned Mount Morgan mine sitting alongside the Mount Morgan township. Excavated between 1906 and 1927 for clay to supply local brick making, the caverns later became one of Mount Morgan's biggest tourist attractions as dinosaur tracks could be seen in the sandstone roof above the clay layer that had been extracted.

Visitors have the opportunity to see firsthand hundreds of theropod and ornithomimid dinosaur footprints, dating back to 195 million years to the early Jurassic period.

During 2011, the attraction registered 5,000 visitors to the site from registered tourism operators.

Next steps

1. Understand road, car park and amenity costs
2. Undertake an economic impact assessment
3. Make a recommendation to Council based on feasibility study

The Mount Morgan Mountain Bike and Rail Trail Project

The Mount Morgan Dam and surrounding bushland area provides the local community with a unique opportunity to tap into mountain bike, bushwalking, recreational fishing and aquatic sports. The proposed mountain bike trails would link into a broader rail trail project that takes riders or walkers past many of Mount Morgan's cultural, tourism and natural assets. Whilst the dam is the community's water supply it can also be leveraged from a tourism and business development perspective.

Next steps

1. To complete the Mount Morgan Mountain Bike and Rail Trail concept master plan.
2. Engage the Mount Morgan community on the proposed concept master plan.
3. Seek council approval to commence the project.



Marketing, Tourism and Events Plan



Developing a Marketing, Tourism and Events Plan that promotes the diversity of tourism products and the character of Mount Morgan will highlight its bright future.

STAKEHOLDERS

- / Advance Rockhampton
- / Local Businesses
- / Mount Morgan Community
- / Tourism Events Queensland



INITIATIVE	NEEDS	OVERVIEW	TIMEFRAME	DRIVER	COST
Artist in Residence and Arts Workshops	Encourage the arts to thrive in Mount Morgan.	Development of an Artist in Residence Program that encourages artists from different areas to visit and experience the Mount Morgan region and interact with a community rich in history.	Immediate	Rockhampton Regional Council Art Gallery	Internal cost
Mount Morgan TV and Radio campaign	Increase Regional tourism spend in Mount Morgan	Through a designated campaign promote lifestyle and tourism of Mount Morgan across the broader Region.	Immediate	Advance Rockhampton	\$15K
CBA building options analysis	Review costed options to re-use the old CBA building on Morgan Street	The old CBA building is located in the main street of Mount Morgan. It is owned by Council and is currently unused.	Very High	Advance Rockhampton	\$20K
Mount Morgan Branding Project	Review current Mount Morgan branding, branding cut through and reach and decide whether to refine Mount Morgan's branding strategy.	Ensure clear, concise and enticing messaging is developed specifically for Mount Morgan.	High	Advance Rockhampton	Internal cost
Signage	Better signage to Mount Morgan and around Mount Morgan's various attractions.	Develop and implement a project plan that enhances vehicle and pedestrian signage across the region.	High	Advance Rockhampton and Transport and Main Roads	To be determined
Focus Marketing and Promotion – Social Media	A specific marketing and communications plan for Mount Morgan.	Development of an integrated marketing and communication plan specific for Mount Morgan based around identified hero experiences targeting key audiences.	High	Advance Rockhampton	Internal cost
Story Telling Development and Workshops	Ensure the art of storytelling is strong.	Story Telling is vital to the visitor experience, and with the rich history within Mount Morgan the development of key stories and the delivery of these stories is vitally important.	High	Rockhampton Regional Council Art Gallery	To be determined
Tour Group Engagement	Drive visitation through organised tours.	Identify key tour organisations that currently travel through the region and develop unique itineraries to ensure Mount Morgan is integrated into their program.	High	Business Community	Commercial
Mount Morgan Itinerary Project	Refine Mount Morgan Itinerary to reflect newly established tourism opportunities.	Development of new itineraries on a continual basis for Mount Morgan based on new businesses and attractions.	Ongoing	Advance Rockhampton	Internal cost
Golden Mount Festival	Support the successful Golden Mount Festival.	The Golden Mount Festival is over 40 years old and celebrates the township with iconic competitions such as Running the Cutter.	Ongoing	Golden Mount Festival Committee	Dependent on Festival
Gold Rush Hill Sprint	Ensure success of new regional and significant events within Mount Morgan.	Work with event organisers around the logistics of the Gold Rush Hill Sprint to ensure it has maximum positive impact on the Mount Morgan Community.	Ongoing	Central Queensland Motor Sporting Club	Dependent on event
Lively Mount Morgan	Activate Mount Morgan through new events.	Promote and support local community groups to develop events that activate the CBD precinct area.	Ongoing	Advance Rockhampton	Budget allocated
Drive Inland Promotions Association	Encourage the drive tourists to stop and stay in Mount Morgan.	Work in conjunction with Drive Inland Promotions Association through the development of content, storytelling and itineraries that promote staying in Mount Morgan.	Ongoing	Advance Rockhampton	Internal cost

ADVANCING MOUNT MORGAN STRATEGY

IMPLEMENTATION SCHEDULE

Projects and Programs to begin immediately

1. Digital Solutions Program for Small Businesses
2. Certificate IV in Small Business
3. Mount Morgan Mountain Bike and Rail Trail Project
4. Mount Morgan Fish Habitat Rehabilitation Program
5. Slalom Waterski special events

Mount Morgan Events Calendar | Existing and proposed

- JAN** - Dam Days *(proposed)*
- FEB** - Mount Morgan Arts Program *(existing)*
- MAR** - Waterski Slalom Tournament *(existing)*
- APR** - Golden Gills Fishing Tournament *(proposed)*
- MAY** - Golden Mount Festival and Rodeo *(existing)*
- JUN** - Trex Mountain Bike Triathlon *(proposed)* and Artist In Residence Program *(existing)*
- JUL** - Gold Rush Hill Sprint *(existing)*
- AUG** - Mount Morgan Historic Walk *(proposed)* and Mount Morgan Show *(existing)*
- SEP** - Mount Morgan Dinosaur Festival *(proposed)* and Mount Morgan Wattle Day *(existing)*
- OCT** - Sunday Sessions *(proposed)*
- NOV** - Waterski Slalom Tournament *(existing)*
- DEC** - Christmas Tree Parade *(existing)*





ADVANCE
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ADVANCEROCKHAMPTON.COM.AU

11.5 ADVANCE ROCKHAMPTON SPECIALISED AND SOLE SUPPLIER ARRANGEMENTS

File No: 3609
Attachments: Nil
Authorising Officer: Tony Cullen - General Manager Advance Rockhampton
Author: Annette Pearce - Manager Tourism, Events and Marketing

SUMMARY

The purpose of this report is to seek a Council resolution that the nominated sporting event management service provider is approved as a specialised supplier in accordance with Section 235(b) of the Local Government Regulation 2012.

OFFICER'S RECOMMENDATION

THAT pursuant to s235(b) of the *Local Government Regulation 2012*, Council approve the nominated sporting event management service provider as a specialist supplier for delivering the 7 Rocky River Run event.

BACKGROUND

Atlas Multisports are an event management company who specialize in managing and running sporting events such as marathons, triathlons and other charity sporting events including the Sunshine Coast Marathon, Cairns Marathon, Brisbane Marathon and the Mooloolaba to Mudjimba Island Charity Swim.

As qualified sporting coaches and former professional triathletes, the owners of the company have specialist skills and knowledge in running charity sporting events to ensure each event meets the expectations of athletes, as well as the general community, to create a world-class event.

Atlas Multisports were engaged by the previous owners of the 7 Rocky River Run event prior to Council, and have been the event management contractor for the past 3 years. As a result of their extensive experience in running the 7 Rocky River Run, including their specialist knowledge in charity sporting events, it would be impractical to invite quotes or tenders for this service. Council also intends to use this supplier for the next two years or until a time Council will hand the event over to a third party.

LEGISLATIVE CONTEXT

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

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

- a) the local government resolves it is satisfied that there is only 1 supplier who is reasonably available; or*
- b) the local government resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders; or*
- c)"*

CONCLUSION

It is recommended that Council resolve that the nominated event management company be deemed as specialised suppliers in accordance with Sections 235 (b) of the *Local Government Regulation 2012*.

11.6 SOLE SUPPLIER - ROCKHAMPTON REGIONAL WASTE & RECYCLING**File No:** 7927**Attachments:** Nil**Authorising Officer:** Peter Kofod - General Manager Regional Services**Author:** Michael O'Keeffe - Manager Rockhampton Regional Waste and Recycling

SUMMARY

The purpose of this report is to seek a Council resolution that the nominated supplier is deemed as a sole supplier in accordance with Section 235 (a) of the Local Government Regulation 2012.

OFFICER'S RECOMMENDATION

THAT pursuant to s235 (a) of the Local Government Regulation 2012, Council approve the Jaylon Pacific Pty Ltd as a sole supplier of TarpARMOR landfill tarping system equipment.

BACKGROUND

Lakes Creek Road Landfill operates under Environmental Authority (EA) Permit No. EPPR00626313. The EA sets the conditions to which we must operate.

One of the conditions states: Condition W1-3; "Deposited waste must be covered as soon as practicable to limit stormwater infiltration, prevent exposure of waste and prevent issues arising from vectors and pest species."

In 2016, Rockhampton Regional Waste & Recycling (RRWR) Officers undertook an investigation into possible alternative cover systems to the traditional use of soil only, in order to ensure compliance with the EA and to maximise the use of the Lakes Creek Road landfill's valuable airspace. This investigation included seeking quotes for the alternative cover systems.

The outcome of this investigation saw that RRWR purchased a TarpARMOR landfill tarping system. Jaylon Pacific Pty Ltd, the sole supplier of this system in Australia, imported this system from the USA.

COMMENTARY

The TarpARMOR landfill tarping system has met performance expectation.

The six tarps included with the landfill tarping system are now due to be replaced and thereafter on a three yearly basis due to wear and tear of the system. The replacement costs for all six tarps is approximately \$21,000, with hardware replacements an additional \$13,000. The tarp deployment system is planned for replacement on a six yearly basis.

LEGISLATIVE CONTEXT

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

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

a) the local government resolves it is satisfied that there is only one supplier who is reasonably available;"

CONCLUSION

It is recommended that Council resolve that Jaylon Pacific Pty Ltd be deemed as a sole supplier in accordance with Section 235 (a) of the Local Government Regulation 2012.

11.7 AUSTRALIA DAY GRANT PROGRAM FOR 2020**File No:** 5095**Attachments:** Nil**Authorising Officer:** John Webb - Manager Communities and Culture
Colleen Worthy - General Manager Community Services**Author:** Louise Hales - Programs and Development Officer

SUMMARY

In 2013 Council resolved to establish an Australia Day Community Grants Program to assist local organisations to coordinate community based Australia Day celebration across the region. Applications for funding to support activities for Australia Day 2020 are now presented for Council approval.

OFFICER'S RECOMMENDATION

THAT Council:

1. award a grant of \$3,500 to the Rotary Club of Mt Morgan to assist the group in presenting a community-focused Australia Day celebration in Mt Morgan in 2020;
2. award a grant of \$3,000 to the Friends of the Heritage Village to assist the group in presenting a community-focused Australia Day celebration in Rockhampton in 2020;
3. award a grant of \$750 to the Bouldercombe Progress Association Inc to assist the group in presenting a community-focused Australia Day celebration in Bouldercombe in 2020; and
4. allocate the remaining funds of \$7,750 to Advance Rockhampton to assist in presenting the Council run Australia day event at Kershaw Gardens.

COMMENTARY

With Council having resolved in 2013, to establish an Australia Day Community Grants Program to assist local community-based organisations to present Australia Day events across the region, applications for funding to support activities for Australia Day 2020 are now presented for Council approval.

A media release calling for applications for funding was distributed to all media on 26 September 2019 and previous applicants were notified that the opportunity was open. A facebook post on the Rockhampton Regional Council page had a reach of 7048 people. A press ad was published in the Morning Bulletin on 06 October 2019.

Completed application forms have been received from the Rotary Club of Mt Morgan for an event at Mt Morgan (\$3500 requested), from the Friends of the Heritage Village for an event in Rockhampton (\$3000 requested), from Bouldercombe Progress Association Inc. for an event at Bouldercombe (\$750 requested). It is recommended that the requested amounts of funding be granted to all applicants.

With a pool of \$15,000 available this leaves an available amount of \$7750. This amount could be contributed to the Advance Rockhampton Australia Day Event, or used elsewhere within the community.

11.8 NATURAL ENVIRONMENT STUDY 2019

File No: 1174
Attachments: Nil
Authorising Officer: Alicia Cutler - Chief Financial Officer
Ross Cheesman - Acting Chief Executive Officer
Author: Christine Bell - Coordinator Environmental Sustainability
Cameron Wyatt - Coordinator Strategic Planning

SUMMARY

Council's current Planning Scheme, Geocortex mapping and land management activities are informed by a Natural Environment Study completed in 2010 for the amalgamated areas of Rockhampton and Livingstone. An updated Natural Environment Study has been undertaken to guide Council's future consideration of the Region's natural assets and environmental values.

OFFICER'S RECOMMENDATION

That the Natural Environment Study (2019) for the Rockhampton Region be received.

COMMENTARY

The Rockhampton Region has a range of natural assets and values. Council's Corporate and Operational Plans acknowledge Council's environmental responsibilities and the community's expectation to 'protect, enhance and sustain our natural environment'. Further to this, Council's Environmental Sustainability Strategy and FY2018–19 action plan identified the need to 'take steps to better understand our local natural environment and its inherent biodiversity values in order to inform and prioritise management actions'.

To address these requirements, Council engaged Cardno to provide an updated Natural Environment Study 2019. The Study provides:

- An overview of the current Planning Scheme and its provisions in relation to the protection of the 'natural environment', as well as proposed strategies to further align and strengthen the Planning Scheme and current mapping on Geocortex.
- An overview of the local natural environment, supporting maps and data that could be used to guide future on-ground environmental works and programs.
- Recommendations for improved management of our natural environment that could be undertaken in stages over the next 1-5 years.
- Foundations on which to develop further education and awareness across Council and the broader community.
- Information that could be used to support funding applications and partnership opportunities that help Council to better protect, maintain and enhance the natural environment.

It is envisaged that the Study will help to guide Council's policy, planning and management considerations undertaken as part of normal business and that any policy decisions would be raised for further Council consideration as and where appropriate. For this reason, the Study has is to be used for information purposes only for both internal and external stakeholders and has been watermarked 'Not Council Policy – For information purposes only'.

BUDGET IMPLICATIONS

The Natural Environment Study is designed to inform discussion of future policy, planning and management activities undertaken as part of normal Council business. There are no direct budget implications at this time.

CORPORATE/OPERATIONAL PLAN

The Natural Environment Study aligns with the Corporate and Operational Plans via the following outcomes and activities:

- **Corporate Plan 2017–22** Outcome 3.1 – Contribute to healthy natural ecosystems.
- **Operational Plan 2018–19** Activity 3.1.1 – Ensure effective management, protection and future sustainability of the Region through the delivery of the Environmental Sustainability Strategy.
- **Operational Plan 2018–19** Activity 4.4.4 – Undertake and promote strategic land use planning for sustainable growth and development of the Region.

CONCLUSION

The Rockhampton Region is fortunate to have a range of natural assets that help to sustain our industries and lifestyles and deliver economic, social and cultural benefits for our communities. The Natural Environment Study 2019 will help to inform Council's discussion and consideration of future policy, planning and management activities. This report recommends receiving the Study with further discussion and consideration of individual recommendations to be progressed at a later time as part of Council's normal decision making processes.

11.9 ENVIRONMENTAL SUSTAINABILITY STRATEGY: QUARTERLY PROGRESS REPORT FOR Q1 FY2019-20

File No: 1174

Attachments: 1. Detailed progress report for Q1 FY2019-20 [↓](#)

Authorising Officer: Alicia Cutler - Chief Financial Officer
Ross Cheesman - Deputy Chief Executive Officer

Author: Christine Bell - Coordinator Environmental Sustainability

SUMMARY

This report provides an update on implementation of Council's Environmental Sustainability Strategy including the quarterly progress report for Quarter 1 FY2019-20.

OFFICER'S RECOMMENDATION

That Council receive the Environmental Sustainability Strategy quarterly progress report for Quarter 1 FY2019-20.

COMMENTARY

Council's Environmental Sustainability Strategy provides a vision, shared objectives and pathways to advance sustainability across the Rockhampton Region. The Strategy is supported by an annual action plan that outlines Council's proposed implementation actions.

On 10 October 2019, the Sustainability Strategy Executive Group met to monitor and review progress against the annual action plan. A summary of progress for FY2019-20 is shown below in Table 1 and a detailed update can be found in Attachment 1.

Table 1. Council's actions to progress the Environmental Sustainability Strategy, as monitored via the FY2019-20 annual action plan

Status of operational actions	Number of actions
Actions completed (or delivered as part of a rolling program)	0
Actions progressing on track (pending final delivery)	36
Actions scheduled or watching (maybe likely to extend across FYs)	12
Actions not on track	0
Total actions identified for implementation in FY2019-20	48

During Quarter 1, Council's key achievements associated with the Environmental Sustainability Strategy include:

- Council endorsement and internal/external communication of the Environmental Sustainability Strategy *Year in Review: FY2018-19*.
- Council is transitioning to 100% Australian made A4 recycled paper in its operations.
- Council's vehicle fleet now includes 5 Corolla Hybrids, 1 Camry Hybrid and 2 fully electric Nissan Leafs.
- Tropicana 2019 'celebrating and connecting with nature' event, that attracted over 2,500 participants and showcased the activities of a range of local organisations.
- Council awarded the winners of the Sustainability in Action schools calendar competition at Tropicana 2019. The 14 winning schools will feature in Council's 2020 Community Calendar.

- Council's Living Sustainably program, which continues to deliver practical information and handy tips to over 2,000 residents each month via e-newsletters and workshops, including over 700 attendees at Council's successful 'Sustainability in Action!' September school holiday program.
- The Bringing Nature Back Native Plant Program has provided over 4,000 native plants to local residents (during the period July to September 2019) through the native plant giveaway via Customer Service Centres in Rockhampton, Gracemere and Mount Morgan; Emergency Services Day/National Tree Day activities; and Tropicana 2019.
- The Bringing Nature Back program has seen nearly 10,000 copies of Council's local edition 'Rockhampton Region Nature Play Passport' distributed to residents since their launch on 31 May 2019, encouraging residents to connect with and spend time in our local parks and natural areas.
- Council's Environment and Sustainability Scheme has supported another two local projects including Capricornia Catchments 'helping the Capricorn yellow chat and a few of their friends' and Capricorn Conservation Council's 'communicating for conservation' website upgrade.
- Council finalised the Rockhampton Region Natural Environment Study, with the report helping to inform future planning and decision-making. The report will be considered by Council in Q2.
- The Clean Growth Choices final community workshop was held in September 2019, progressing the 'making water work' roadmap and initial business case for further planning and investment.
- Council continued its involvement in the Reef Guardian Council program and in September 2019 met with the Great Barrier Reef Marine Park Authority and other participating Councils to identify further collaborative project and funding opportunities across the Reef regions.
- The Internal Sustainability Working Group commenced planning for delivery of the second round of Sustainability Seed Fund projects. Projects include a range of initiatives designed to improve waste management practices and make wise use of Council's resources (Recycling Heroes refresher, pre-loved stationery muster, lunchroom organics collection, reusable coffee cups and more).
- Council has suggested a number of revisions to the Planning Scheme policies, stormwater management code (WSUD) and Matters of Environmental Significance mapping as part of the major amendment process (pending State Interest Check).
- Council continues to participate in the Reef Urban Stormwater Management Group, which has provided Officers with training and advice regarding water quality practices and improvements in development approaches and legislation.
- Rockhampton Regional Waste and Recycling has continued work on the Waste and Recycling Plan and this quarter sought feedback on Council's overall goals and strategic priorities with a view to complete public consultation and final Council endorsement before the end of 2019.
- Civil Operations now reuse much of its own construction waste. Road base materials are managed at Dale Park (within the Lakes Creek Landfill complex) and reused at other sites. Civil Operations currently reuses all locally recycled glass.
- Council are committed to supporting innovative and sustainable construction practices and major tenders now include a statement and evaluation criteria requiring respondents to address Innovation and Sustainability. The Tender Submission template now includes Innovation and Sustainability.

- The Pilbeam Theatre continues to explore opportunities to integrate a range of sustainability improvements including commencing the transition from plastic straws to paper straws, starting a dedicated battery disposal/recycling process, sending coffee pods to recycling and improved office recycling.
- The construction of the long-term leachate pumping system at Lakes Creek Landfill was completed in September 2019.
- To increase the Region's water security, FRW continues to progress project approvals for the raising of the Barrage gate height.
- FRW sought Council approval for a public Expression of Interest (EOI) procurement process to be used for the design and construction of a solar energy facility at the Glenmore Water Treatment Plant and other selected Council sites.
- FRW also continues to focus on energy efficiency improvements in all renewal or upgrade projects for water and sewerage pumping activities.

PREVIOUS DECISIONS

25 September 2018: Council adopted the Environmental Sustainability Strategy and directed the Sustainability Strategy Executive Group to implement an action plan for the Strategy and provide quarterly progress reports back to Council.

07 May 2019: Council endorsed the Environmental Sustainability Strategy annual action plan for FY2019-20.

BUDGET IMPLICATIONS

To maintain momentum against the Strategy, the Sustainability Strategy Executive Group is responsible for providing strategic direction on the long-term development and implementation of Council's Environmental Sustainability Strategy. Sustainability initiatives are embedded in existing operations and budgets where possible, with funding for eligible projects also available via the Sustainable Rockhampton Investment Fund where required.

CORPORATE/OPERATIONAL PLAN

This report progresses key actions as specified in the *Corporate Plan 2017-2022, incorporating 2019-2020 Operational Plan activities*:

- 3.1.1 Ensure effective management, protection and future sustainability of the Region through the delivery of the Environmental Sustainability Strategy.
- 3.2.1 Foster sustainable behavior within Council and the community.
- 3.2.1.1 Implement the Environmental Sustainability Strategy to encourage sustainability awareness and action.

CONCLUSION

Council has commenced implementation of the Environmental Sustainability Strategy FY2019-20 annual action plan. By continuing to deliver this Strategy in partnership with our community, the private sector and other levels of government, Council is demonstrating sustainability leadership and working together to support the liveability and prosperity of our Region for current and future generations.

ENVIRONMENTAL SUSTAINABILITY STRATEGY: QUARTERLY PROGRESS REPORT FOR Q1 FY2019-20

Detailed progress report for Q1 FY2019-20

Meeting Date: 5 November 2019

Attachment No: 1



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
Pathway 1: Natural environment					
1.1 Take steps to better understand our local natural environment and its inherent biodiversity values in order to inform and prioritise management actions.	Utilise information and recommendations identified in the Natural Environment Study to inform Council's management of natural assets. This may include further identification of key assets and values, development of a natural assets database and prioritisation of desired management actions.	Environmental Sustainability	Strategic Planning, Strategic Infrastructure, Parks and others	Yes	Cardno delivered the final Natural Environment Study report in Sep 2019. A Councilor workshop is scheduled to consider the Study in Q2.
1.2 Foster strong partnerships to protect, maintain and enhance our local natural environment.	Actively pursue funding and collaborative opportunities that support Council's natural environment initiatives.	Environmental Sustainability	Key internal and external stakeholders	Yes	Council collaborated with a range of its Bringing Nature Back partners to deliver activities at Tropicana 2019. Participating partners included the Great Barrier Reef Marine Park Authority, Department of Environment and Science, Nature Play Queensland, Fitzroy Basin Association, Capricornia Catchments, Capricorn Conservation Council, Native Plants Capricornia, Birdlife Capricornia, Capricorn Caves and ecoBiz. The activities helped to build community awareness of our local natural environment and to celebrate our local natural assets.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
1.2 Foster strong partnerships to protect, maintain and enhance our local natural environment.	Investigate potential opportunities in conjunction with the State Government's Nature Refuge Program.	Environmental Sustainability	Key internal and external stakeholders	Yes	Scheduled for further consideration in Q4.
1.2 Foster strong partnerships to protect, maintain and enhance our local natural environment.	Continue to support and participate in regional partnerships. This may include networks such as the Fitzroy Partnership for River Health (FPRH), Fitzroy Basin Association, Capricornia Catchments, the Reef Guardian Councils program and the Local Marine Advisory Committee.	Environmental Sustainability	Key internal and external stakeholders	Yes	Council continues to maintain and further strengthen partnerships with organisations including the Great Barrier Reef Marine Park Authority, Fitzroy Basin Association, Capricornia Catchments, Multicultural Australia, Capricornia Correctional Centre, Capricorn Conservation Council, Native Plants Capricornia and Birdlife Capricornia. Many of these organisations came together to build awareness of our local natural environment with the community as part of Tropicana in Sep 2019. Council also participated in the Reef Guardian Councils working group in Sep 2019 and continues to work with GBRMPA and the LMAC on the Drain Buddies trial within the Rockhampton CBD.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
1.3 Implement actions to improve waterway health and better manage the condition of key natural assets, green corridors and urban waterways.	Facilitate an overarching natural environment program across Council owned/managed land to support long-term management of key assets. This should include implementation of an operational natural resource management trial that delivers bush regeneration, riparian restoration, mowing reduction and urban canopy outcomes. The collaborative program may include the development of partnerships and works programs to address key regional priorities by enhancing urban waterway health, habitat quality and connectivity, and may also involve improved monitoring, signage and communications.	Environmental Sustainability	Parks	Yes	The Parks and Environmental Sustainability units continue to work together to deliver the operational natural resource management trial. This includes working with Capricornia Catchments to deliver bush regeneration works at Fraser Park (Mount Archer). Council also supported Multicultural Australia's application for the Skilling Queenslanders for Work program, which has successfully secured government funding to continue on-ground riparian restoration works at both Eichelberger and Col Austin Parks as well as support to Council's Nursery and the Armstrong Street Community Garden until at least mid 2020. Council's internal Sustainability Seed Fund has successfully trialled the use of 'water tubes' at both locations, significantly increasing plant survival rates in dry conditions, whilst easing the effort associated with the establishment period and reducing the mowing requirements at these sites.
1.3 Implement actions to improve waterway health and better manage the condition of key natural assets, green corridors and urban waterways.	Continue to implement Council's Biosecurity Plan, including biocontrol and pest management activities.	Environment and Health	Key internal and external stakeholders	Yes	Council continues to implement the Biosecurity Plan. On-ground management activities are largely weather dependent, however a number of new activities have been commenced including deer control in the Lakes Creek area and rabbit control on Council land.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
1.4 Develop tools to better protect our natural environment, local biodiversity and remnant vegetation from development and other pressures.	Progress planning policies that further encourage water quality improvements, vegetation retention and biodiversity protection and provide opportunities for offset investment where appropriate.	Strategic Planning	Strategic infrastructure, Planning and Regulatory Services, Environmental Sustainability Team and others	Yes	Planning scheme policies and the stormwater management code (WSUD) have been updated as part of the major amendment process. These changes have been through public consultation and are now pending the final State Interest Check. It is anticipated that the major amendment to the Planning Scheme will be adopted in Q2.
1.4 Develop tools to better protect our natural environment, local biodiversity and remnant vegetation from development and other pressures.	Implement an internal training program to help key Council planning and development staff better understand environment and sustainability risks associated with development and potential opportunities for improvement.	Planning and Regulatory Services	Strategic Planning and Environmental Sustainability	Yes	Key Planning and Development Staff attend relevant industry presentations to better understand environment and sustainability risks. In July 2019, Officers attended a Reef Urban Stormwater Management Group workshop focussed on water quality practices and improvements in development approaches and legislation.
1.5 Celebrate our natural assets, and their contribution to the liveability of our region, through a targeted long-term communications campaign.	Roll-out a communications plan that raises the awareness of Council's natural environment program and our local natural environment. Communications should also seek to outline what's happening, where and how the work contributes to the natural values and liveability of our Region.	Environmental Sustainability	Media and Marketing Teams as required	Yes	Tropicana is Council's major nature-based event. Tropicana 2019 focussed on the theme of 'celebrating and connecting with nature' and attracted over 2,500 participants, showcasing the Botanic Gardens, our local natural environment and the activities of a range of local organisations. Council's website has also been updated with a range of information that supports the 'Bringing Nature Back', including a strong focus on 'native plants' and 'encouraging wildlife habitat' which were the focus of the Living Sustainably program during Q1.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
Pathway 2: Empowering community					
2.1 Bring nature back into the community's hearts, minds and everyday lives by creating opportunities to connect with nature and get involved with Council's natural environment program.	Implement the Bringing Nature Back community engagement program in conjunction with key stakeholders. Focus on actions the community can take in their own backyards, local streets and green corridors/natural assets.	Environmental Sustainability	Parks, Media and Marketing as required	Yes	In Q1, the Bringing Nature Back Native Plant Program provided over 4,000 native plants to local residents. Plants were distributed through the native plant giveaway via Customer Service Centres in Rockhampton, Gracemere and Mount Morgan; Emergency Services Day/National Tree Day activities; and Tropicana 2019. The Bringing Nature Back program has also seen nearly 10,000 copies of Council's local edition 'Rockhampton Region Nature Play Passport' distributed to residents since their launch on 31 May 2019, encouraging residents to connect with and spend time in our local parks and natural areas.
2.2 Foster sustainable behaviour and encourage the community's wise-use of resources , through targeted sustainability communications and engagement programs.	Encourage local sustainability awareness and action by implementing the Living Sustainably community engagement program in conjunction with key stakeholders. Target behaviour change initiatives related to waste, water, energy and biodiversity protection. The program should include the delivery of hands-on activities and be supported by practical online information, digital-storytelling, a monthly e-newsletter, workshops, events and regular social media.	Environmental Sustainability	Libraries, Advance Rockhampton, Marketing and Media as required	Yes	Council's Living Sustainably program continues to deliver practical information and handy tips to over 2,000 residents via the monthly e-newsletter. There were over 700 attendees at Council's successful 'Sustainability in Action!' September school holiday program hosted at Rockhampton Regional Libraries.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
2.2 Foster sustainable behaviour and encourage the community's wise-use of resources , through targeted sustainability communications and engagement programs.	Explore opportunities to integrate sustainability awareness materials and interpretive design in public spaces and across Council's community programs.	Environmental Sustainability	Departments as required	Yes	Council continues to provide a themed Living Sustainably display at the Bolsover Street Library each month. Additional opportunities are scheduled for further consideration in Q3.
2.2 Foster sustainable behaviour and encourage the community's wise-use of resources , through targeted sustainability communications and engagement programs.	Develop and implement a revised Waste Reduction and Recycling Plan for the Region.	Rockhampton Regional Waste and Recycling	Departments as required	Yes	Councillors provided feedback on Council's overall waste goals and strategic priorities at a Councillor Workshop in Sep 19. RRWR continues to prepare a draft revised Waste Strategy, with a view to complete public consultation and final Council endorsement in Q2. Civil Operations now has a reuse scheme in place for most of its construction and demolition waste. These materials are managed at Dale Park and reused at other sites as appropriate.
2.3 Encourage initiatives that increase canopy cover within our urban areas and green corridors to enhance liveability and environmental benefits (such as minimising the urban heat island effect, enhancing amenity and the use of public spaces and improving habitat connectivity).	Implement a prioritised streetscape planting and maintenance program that draws on both the Rockhampton CBD Streetscape Design Manual and the Planting Palette. The program should address key locations such as the CBD, gateways, thoroughfares, active transport corridors and green corridors.	Parks	Strategic Planning, Strategic Infrastructure, Civil Operations, Civil Design, Development Engineering, Environmental Sustainability	Yes	Design Services, in conjunction with Parks, are in the process of drafting streetscape improvement plans for a small number of streets within the CBD. These plans are looking at what improvements can be undertaken now that will also fit with the future CBD streetscape planning. Once completed, these plans will contribute to action 3.4 in relation to incorporating urban canopy cover. Parks is also preparing for a range of streetscape planting activities outside the CBD at Georgeson Park, Victoria Park and Eddie Baker Park, as well as the Mount Morgan entry statements. It is anticipated that these works will commence in Q2.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
2.3 Encourage initiatives that increase canopy cover within our urban areas and green corridors to enhance liveability and environmental benefits (such as minimising the urban heat island effect, enhancing amenity and the use of public spaces and improving habitat connectivity).	Increase opportunities for residents to contribute to urban greening through targeted local campaigns. This may include a pilot project for street tree plantings, delivery of the free native plant program and exploring opportunities to integrate with the 'Bringing Nature Back' program.	Parks	Environmental Sustainability	Yes	Council's Native Plant Program has included giveaways from the Rockhampton, Gracemere and Mount Morgan Customer Service Centres, as well as activities at Emergency Services Day, National Tree Day and Tropicana. In Q1, Council provided local residents with over 4,000 native plants to promote urban canopy cover in their own backyards. Council also delivered two successful community planting days in Q1 at Yewdale Park and Cherryfield Road.
2.4 Provide support and funding for community-based environment and sustainability initiatives.	Continue to support and encourage community-based environment and sustainability initiatives via the Community Assistance Program.	Environmental Sustainability	Community Services	Yes	In August 2019, Council's Environment and Sustainability Scheme supported another two local projects including Capricornia Catchments 'helping the Capricorn yellow chat and a few of their friends' and Capricorn Conservation Council's 'communicating for conservation' website upgrade.
2.5 Recognise and celebrate sustainability improvements achieved by local individuals, schools, businesses and community organisations.	Raise the profile of environment and sustainability initiatives across the Rockhampton Region by providing opportunities for community participation in an annual awards program.	Environmental Sustainability	Departments as required	Yes	Council awarded the winners of the Sustainability in Action schools calendar competition at Tropicana 2019. The 14 winning schools will feature in Council's 2020 Community Calendar. Council's local environment and sustainability partners were also reminded about the opportunity to nominate for the upcoming Australia Day Awards.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
Pathway 3: Industry and infrastructure					
3.1 Develop and maintain partnerships that encourage sustainable industry and infrastructure.	Continue to participate in networks that advance environment and sustainability practices across our regional infrastructure. This may include continued participation in the Reef Urban Stormwater Management Group (RUSMG), Local Government Association of Queensland (LGAQ) meetings, regional development forums and other networks.	Regional Services	All Departments	Yes	The Manager RRWR attended an LGAQ Waste Forum in Brisbane during August 2019. Council has welcomed a variety of other Councils who have attended Dale Park to learn about the recycling of road and construction materials.
3.1 Develop and maintain partnerships that encourage sustainable industry and infrastructure.	Work with the development community to identify and apply leading practice sustainable development approaches which may be relevant within the local context.	Planning and Regulatory Services	All Departments	Yes	Council's Development Engineers are part of the Steering Committee for the Capricorn Municipal Development Guidelines. This Committee is responsible for reviewing the design and construction guidelines associated with civil works development. These guidelines are ever evolving and under constant review considering new and innovative products and practices.
3.1 Develop and maintain partnerships that encourage sustainable industry and infrastructure.	Work with key stakeholders to explore evolving technologies, markets and other opportunities that might contribute to regional development. These may include circular economy and waste synergies, sustainable recreational fisheries, agri-energy initiatives, renewable energy sources, sustainable business operations, rural enterprises, closed-cycle (nil discharge) enterprises and other self-sustaining community projects (such as food production, shared transportation options, micro-grids and small landholdings).	Advance Rockhampton	Strategic Infrastructure, Development Assessment, Development Engineering, Rockhampton Regional Waste and Recycling, Environmental Sustainability	Yes	Advance Rockhampton continues to work on a range of activities including the Aquaculture Development Strategy and Making Water Work business case. Further progress is expected in Q2.

Annual action plan and progress report for Q1 FY2019-20

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Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
3.1 Develop and maintain partnerships that encourage sustainable industry and infrastructure.	Continue to develop and support the Rockhampton Region's Clean Growth Choices project and the 'making water work' pathway - preparing the ground for low impact agriculture within a more integrated regional economy.	Advance Rockhampton	Key internal and external stakeholders	Yes	The Clean Growth Choices final community workshop was held on 13 September 2019, progressing the 'making water work' roadmap and initial business case for further planning and investment. The initial business case is expected to be finalised in Q2.
3.2 Grow local visitation and tourism opportunities that celebrate our natural areas and contribute to the liveability of our region.	Encourage the further development of tourism opportunities associated with nature-based recreation activities such as bushwalking, hiking, mountain biking, kayaking, orienteering, birdwatching, sightseeing, volunteering and recreational fishing.	Advance Rockhampton (Tourism)	Parks and Environmental Sustainability	Yes	The Fishing the Fitzroy campaign continues to target visitors to the region via social media and advertising. Q1 included the successful Women that Fish campaign. Advance Rockhampton also supported Tropicana 2019 at the Botanic Gardens in Sep 2019, which was promoted to locals through social channels and websites.
3.3 Maximise opportunities to embed environment and sustainability considerations within planning, policy and infrastructure development.	As our environmental understanding increases, continue to update the planning scheme and planning policies to ensure they promote ecologically sustainable development, protect places of environmental value and minimise the risks of environmental impact.	Strategic Planning	Planning and Regulatory Services (Development & Assessment & Engineering)	Yes	Council has updated the Matters of State Environmental Significance (MSES) mapping and Planning Scheme policies as part of the major amendment process (which is currently subject to a final State interest check).
3.5 Develop resilience to our changing climate and extreme weather events , by improving our understanding of the impacts of these events and the available response options.	Improve the resilience of our Barrage storage to climate change and sea-level rise. By raising the full storage level by up to 0.5 m, this will increase storage volume by approximately 10,000 ML but also improve immunity against sea-level rise and overtopping of the Barrage gates leading to estuary contamination of freshwater storage.	Fitzroy River Water	Regional Services	Yes	FRW continues to develop responses to specific requirements requested by the Queensland Government regulator (DNRME) as part of an approval process for the raising of the Barrage gate height project. This approval process is expected to be completed by early 2020.

Annual action plan and progress report for Q1 FY2019-20

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Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
Pathway 4: Council operations					
4.1 Demonstrate sustainability leadership by integrating environmental sustainability as a core principle within Council's governance framework.	Support the Sustainability Strategy Executive Group to monitor, review and improve Council's environmental sustainability performance. This should include embedding environmental sustainability principles into key Council strategies, policies, plans and operations and pursuing improved performance through all levels of Council.	Environmental Sustainability	All Departments	Yes	Members of the Sustainability Strategy Executive Group met on 18 July 2019 to review Q4 progress against the FY2018-19 annual action plan and to confirm next steps for FY2019-20. The Group also contributed to the development of the Environmental Sustainability Strategy 'Year in Review' highlights report which was endorsed by Council in August 2019 and is now available on Council's website.
4.1 Demonstrate sustainability leadership by integrating environmental sustainability as a core principle within Council's governance framework.	Update relevant procurement plans and procedures to incorporate leading practice sustainability principles. Develop tools to guide purchasing decisions ensuring that wise-use of resources, minimal-waste, sustainable and recycled products are used where possible and that whole-of-life costing is considered in all new projects, significant upgrades and renewals.	Procurement and Logistics	Environmental Sustainability and All Departments	Yes	Council are committed to supporting innovative and sustainable construction practices. New innovations in construction materials, technologies and processes which offer the prospect of significant energy, ecological and environmental improvements in a sustainable cost effective manner are encouraged. Recent major projects, including Design, Novate and Construction of South Rockhampton Flood Levee and Glenmore Water Treatment Plant upgrade have included a statement and evaluation criteria requiring respondents to address Innovation and Sustainability. The Tender Submission template now includes Innovation and Sustainability (Schedule 4): <ul style="list-style-type: none"> • identify any new innovations in construction materials, technologies and processes that may be used on the [Works/Services] which offer the prospect of significant energy, ecological and environmental improvements in a sustainable cost effective manner; • Provide previous examples of innovations and sustainability processes and practices. A future review is planned for procurement procedures.

Annual action plan and progress report for Q1 FY2019-20

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Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
4.1 Demonstrate sustainability leadership by integrating environmental sustainability as a core principle within Council's governance framework.	Actively participate in networks and partnerships that strengthen Council decision-making processes and provide access to critical sustainability resources. This may include programs such as Clean Growth Choices, Queensland Futures Institute and Queensland Climate Resilient Councils.	Environmental Sustainability	All Departments	Yes	Council continues to participate in a range of relevant networks. The Clean Growth Choices final community workshop was held in September 2019, progressing the 'making water work' roadmap and initial business case for further planning and investment. Council also participated in the Climate Resilient Queensland executive seminar in September 2019.
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources , by exploring opportunities to use our resources more efficiently.	Implement an internal sustainability engagement program to improve sustainability awareness and action across Council. The program should implement key internal sustainability improvement initiatives and including opportunities for sustainability training and communication. The program should also include a Sustainability Seed Fund to pilot staff-initiated sustainability initiatives.	Environmental Sustainability	Sustainability Strategy Executive Group and nominated 'Sustainability Agents'	Yes	In Q1, the Internal Sustainability Working Group commenced planning for delivery of the second round of Sustainability Seed Fund projects. Projects include a range of initiatives designed to improve waste management practices and make wise use of Council's resources. This includes a Recycling Heroes refresher, pre-loved stationery muster, lunchroom organics collection, reusable coffee cups and more. The Working Group also successfully embedded arrangements that will see Council transition to 100% Australian made A4 recycled paper in its operations.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Continue to progress actions under the Energy Action Plan, including activities that assist Council to improve understanding of its energy use, use less energy, deliver energy efficiencies at Council's top energy consuming sites and progressively increase the proportion of Council's electricity from renewable sources.	Environmental Sustainability	All Departments	Yes	During Q1, FRW sought Council approval for a public Expression of Interest (EOI) procurement process to be used for the design and construction of a solar energy facility at the Glenmore Water Treatment Plant and other selected Council sites. This EOI process is now underway with completion of this procurement expected in early 2020. Efforts also continue to focus on energy efficiency improvements in all renewal or upgrade projects for water and sewerage pumping activities.
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Continue to reduce fuel consumption and associated emissions whilst exploring opportunities to progress the long-term transition to a low carbon vehicle fleet. This may include finalising implementation of a new Fleet recharge station at Dooley Street, an initial feasibility study for transition of Council's sedans to electric vehicles and exploring opportunities for an electric vehicle trial in conjunction with the Glenmore Water Treatment Plant solar installation.	Corporate and Technology Services	Fitzroy River Water, Corporate Services	Yes	Council completed commissioning of the Dooley Street electric vehicle charging station. The station is fitted with a type 2 charging unit (2 outlets) and is designed for 6 charging units as demand grows. Council's current fleet now includes 5 Corolla Hybrids, 1 Camry Hybrid and 2 fully electric Nissan Leaf.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Continue to explore opportunities to beneficially reuse Council's construction and demolition waste. This may include valuing waste streams and exploring additional licencing requirements.	Rockhampton Regional Waste and Recycling	Civil Operations	Yes	All processed glass from the MRF is being used in either RRWR or Civil Operations projects. Other outlets are also being explored. Civil Operations at Dale Park reuses waste material into usable road making material. This material has been used on the Rodboro St and kerb projects.
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Continue to implement improvements to the management of landfill gas, leachate and stormwater at Lakes Creek Road landfill.	Rockhampton Regional Waste and Recycling	Regional Services	Yes	Council completed the construction of the long-term leachate pumping system at Lakes Creek Landfill in September 2019. The Tender for Landfill Gas management at LCRL and GML is expected to be released in Q2. Stormwater master planning is on-going.
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Promote sustainable behaviours within Council's major venues (such as the Pilbeam Theatre). This may include further trialing of public place recycling activities and exploring alternatives to single use plastics such as straws and water bottles.	Communities and Culture	Key internal and external stakeholders	Yes	The Pilbeam Theatre continues to explore opportunities to integrate a range of sustainability improvements. This includes commencing the transition from plastic straws to paper straws, starting a dedicated battery disposal/recycling process, sending coffee pods to recycling and improved office recycling. There are a number of projects still being investigated including the transition away from retail bottled water, transitioning from plastic to paper disposable cups and seeking viable alternatives for disposable coffee cups.



Environmental Sustainability Strategy: Progress report for Q1 FY2019-20

Strategic action	Operational action	Action owner	Supported by	On track	Quarterly commentary
4.2 Foster sustainable behaviour, and encourage Council's wise use of resources, by exploring opportunities to use our resources more efficiently.	Continue to investigate opportunities to improve Council's water efficiency by focussing on the highest water consuming activities / sites.	Fitzroy River Water	Some Departments including Parks and Environmental Sustainability	Yes	FRW is collaborating with Council's Parks section to improve the operation of the large water using sites. This work includes constructing a new water main supply arrangement to the Botanic Gardens that will provide the flexibility for the on-site water distribution system to be modified and upgraded to better overall water use efficiency. This work is currently at design stage.
4.3 Implement a program to better understand and manage Council's environmental risks.	Take actions to minimise Council's exposure to environmental risks. This may include the development of suitable systems, processes, training and awareness.	Regional Services	Some Departments and Environmental Sustainability	Yes	Council undertakes a range of different works in and around water courses. To address Council's legal and other obligations, Council is developing a draft operating procedure for minor works in and around a watercourse.
4.4 Demonstrate progress on corporate sustainability improvements via Council's Annual Report and associated communications.	Recognise and celebrate environment and sustainability improvements through Council's reports, project updates, success stories, media and external award nominations.	Environmental Sustainability	All Departments	Yes	In Q1, Council endorsed the Environmental Sustainability Strategy Year in Review: FY2018-19 for internal and external communication. A range of media has also been undertaken on the Dale Park facility, Council's Bringing Nature Back and Living Sustainably programs and Tropicana 2019.

11.10 ADOPTION OF 2018/19 ANNUAL REPORT

File No: 5042
Attachments: 1. 2018/19 Annual Report [↓](#)
Authorising Officer: Evan Pardon - Chief Executive Officer
Author: Ross Cheesman - Deputy Chief Executive Officer

SUMMARY

Content for the 2018/19 Annual Report is submitted for Council's consideration and approval.

OFFICER'S RECOMMENDATION

THAT in accordance with the *Local Government Act 2009*, the *Local Government Regulation 2012* and the *Water Supply (Safety and Reliability) Act 2008*, the 2018/19 Annual Report as presented be adopted.

COMMENTARY

The *Local Government Act 2009* and *Local Government Regulation 2012* require Council to prepare an Annual Report and adopt the report within one month after the day the Auditor-General gives the Auditor-Generals report about the local government's financial statement for the financial year to the local government. The regulation goes on further to stipulate the content of the Annual Report. These requirements have been met in this document.

Attached for Council's consideration is the 2018/19 Annual Report, which incorporates the Annual Reports for Council's commercial business activities Fitzroy River Water (FRW), Rockhampton Regional Waste and Recycling (RRWR) and the Rockhampton Airport.

Once adopted, branding will be applied to enhance the document into a presentable corporate publication.

In conclusion the 2018/19 Annual Report has been prepared in accordance with legislation and it is recommended that the attached annual report be adopted.

ADOPTION OF 2018/19 ANNUAL REPORT

2018/19 Annual Report

Meeting Date: 5 November 2019

Attachment No: 1

COMMUNITY FINANCIAL REPORT (s184 LGR 2012)

For the year ended 30 June 2019

The Community Financial Report provides a simplified summary and analysis of Council's general purpose financial statements for the 2018-19 financial year.

Simplified Statement of Financial Position (Balance Sheet) as at 30 June 2019

	\$M
How much Council has in the bank	64.1
How much Council owns	2,494.6
How much Council is owed	18.1
Total Assets	2,576.8
How much Council owes suppliers and employees	37.0
How much Council has set aside for the rehabilitation of quarries and landfills	27.4
How much Council has borrowed	119.0
Total Liabilities	183.4
Net Community Assets (Wealth)	2,393.4

The simplified balance sheet shows the value of the community's assets as at 30 June 2019. It details the total of Council assets and how much Council owes to suppliers and to Queensland Treasury Corporation.

Simplified Statement of Comprehensive Income for the year ended 30 June 2019

Council recorded an operating surplus of \$5 million for 2018-19 which was very close to the Budgeted position.

The bottom line on the Statement of Comprehensive Income was a net gain of \$53.4 million. A net increase of \$46.6 million in the revaluation of Council's non-current assets was processed during the year. The key components of this increase were due to water and sewer assets increasing in value by \$96.5 million and land assets decreasing by \$40.5 million.

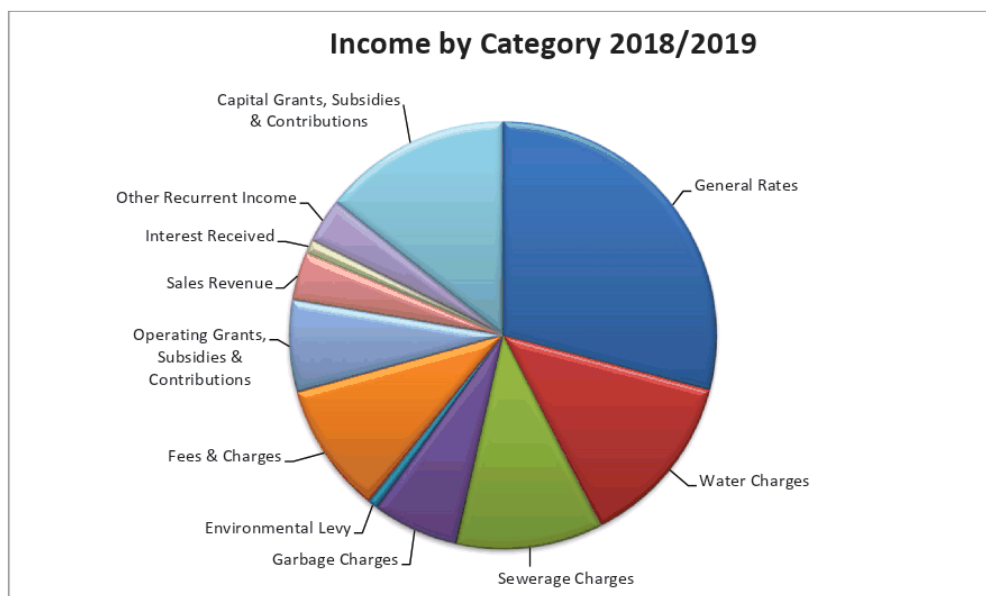
	\$M
Rockhampton Regional Council	
Operational Results:	
Total operating revenue	201.8
Less operating expenses:	
Employee benefits	(79.3)
Materials and services	(58.1)
Finance costs	(6.8)
Depreciation and amortisation	(52.6)

Net Operational Result	5.0
Other Results:	
Capital grants, subsidies, contributed assets and other capital income	34.7
Less write-off of assets and other capital expenses	(32.9)
Plus increase in non-current asset values on revaluation	46.6
Net Other Results	48.4
Comprehensive Income for the Year – Increase in Community Equity (Wealth)	53.4

Income – Where our money comes from...

To provide services to the community, Council must collect income. Council's total income in 2018/19 was \$236.6 million. Rates, levies and utility charges are Council's principal source of revenue and represent approximately 60.5% of Council's revenue in 2018/19. Council also generates income from fees and charges, undertakes recoverable works and receives funding in the form of grants and subsidies from both the State and Federal Government, to help construct and maintain the extensive infrastructure assets and provide community development programs to the region.

For the 2018/2019 financial year, 14% of Council's total income was comprised of capital revenue (capital grants, subsidies and contributions).



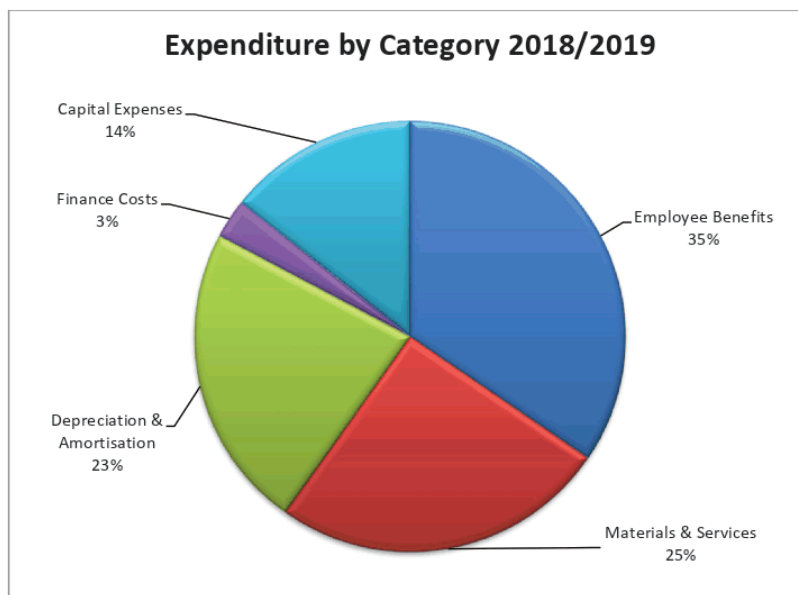
Expenses – Where our money is spent...

Council's operational and capital expenses as per the Statement of Comprehensive Income totalled \$229.7 million for the 2018/19 financial year. The three largest items of Council's expenditure are employee benefits (35%), materials and services (25%), and depreciation and amortisation (23%). Council's expenditure is constantly monitored via a rigorous budget process. Detailed estimates are prepared prior to the start of the financial year and reviewed throughout the year to ensure that funds are utilised efficiently.

Council is a key employer in the region with a large workforce to deliver a diverse range of services to our community. Council's workforce is crucial in planning and monitoring for the future of the Rockhampton Region in respect of developments, so that our lifestyle is maintained and improved.

Council spends considerable funds on materials and services to operate effectively. In accordance with Council's Purchasing Policy, we give preference to local businesses when work is tendered to external suppliers. As well as being a large employer in the community, it makes sound economic sense to keep our money circulating in the region for the benefit of all who live here.

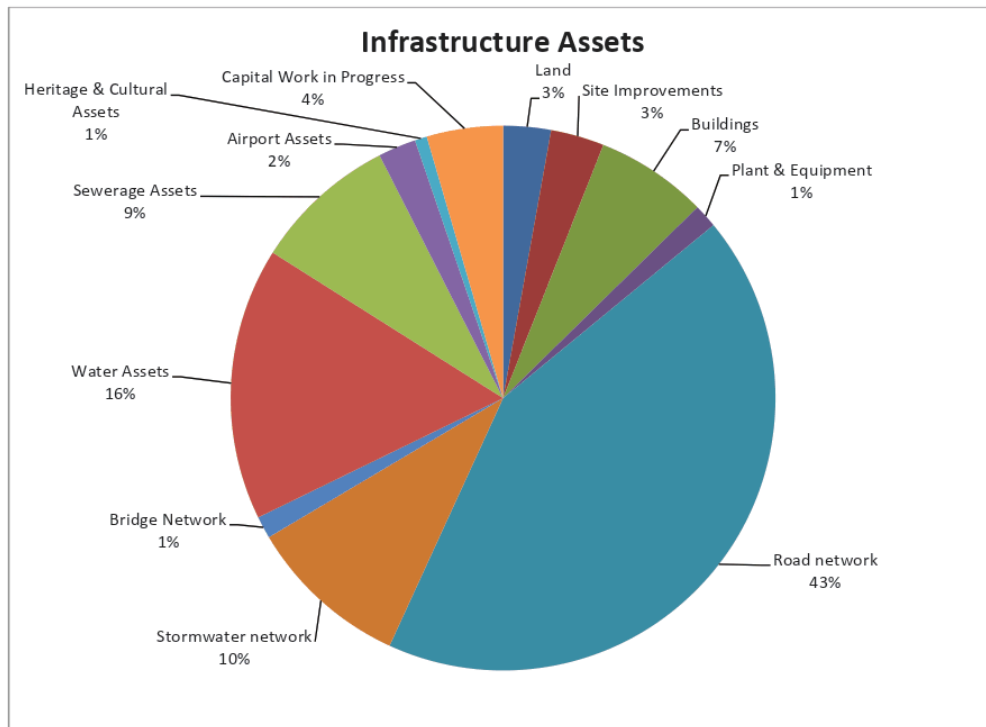
Depreciation and amortisation is the method of allocating the cost of an asset over the asset's estimated useful life. Through the accurate calculation and allocation of depreciation and amortisation, we are confident that we will have the necessary funds to renew our existing assets.



What are our Assets?

The total value of Council's assets at the end of 2018/19 was \$2,577 million. Infrastructure assets such as roads and drainage, water and sewerage, buildings and land comprise 97% of total assets, with the remaining 3% being mainly comprised of cash held in bank accounts and investments and money owed to Council from its customers.

The following graph details the \$2,493 million of community infrastructure owned and managed by Council.



Investment in Infrastructure - Capital Works

Capital works expenditure for the 2018/19 year totalled \$106.4 million. Council has spent \$12.2 million on Rockhampton Airport Main Runway Resurface during 2018/19. Rockhampton Hockey Redevelopment totalled \$3.6 million and Lakes Creek Road Landfill expansion \$2.9 million. Council's commitment to sound asset management practices remains strong, as evidenced by the funding of new assets, renewal of existing assets and having an asset sustainability ratio of 126% for the 2018/2019 year.

Significant capital projects undertaken during 2018/19 were:

- Construction, upgrade and renewal of the region's roads, water and sewerage assets
- Rockhampton Airport Main Runway Resurface
- Rockhampton Hockey Redevelopment
- Lakes Creek Road Landfill expansion
- CBD Cultural Precinct
- Cedric Archer Park Wetlands
- Kershaw Gardens

What do we Owe?

Liabilities are amounts that Council owes to others. As at 30 June 2019 Council owed \$183.4 million made up of loan borrowings, amounts owing to suppliers for goods and services, amounts owing to employees for leave entitlements, and obligations to rehabilitate quarries and landfills.

Council's borrowings at the end of 2018/19 totalled \$119 million, a decrease of \$4.9 million from the previous financial year. The level of Council's debt is regularly reviewed as a component of our Long Term Financial Forecast. Interest expense on loans totalled 3.4% of total operating income, which is within the sustainable range provided by the Department of Local Government. Council is committed to undertake a responsible borrowing program to fund new major assets to service the community's needs.

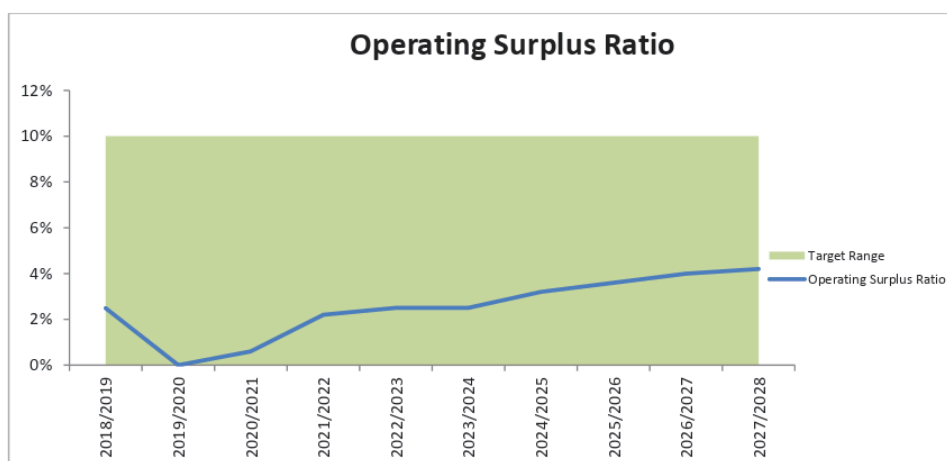
Financial Sustainability Ratios

An important indication in determining the financial health of Council is to calculate and review financial indicators or financial ratios. These ratios further assist in understanding the financial performance and position of Council, without reviewing all of the details contained within the Financial Statements.

There are three measures of financial sustainability specified in the *Local Government Regulation 2012*. These have been calculated for the 2018/19 year and are shown below together with projected ratios as per Council's adopted Long Term Financial Forecast.

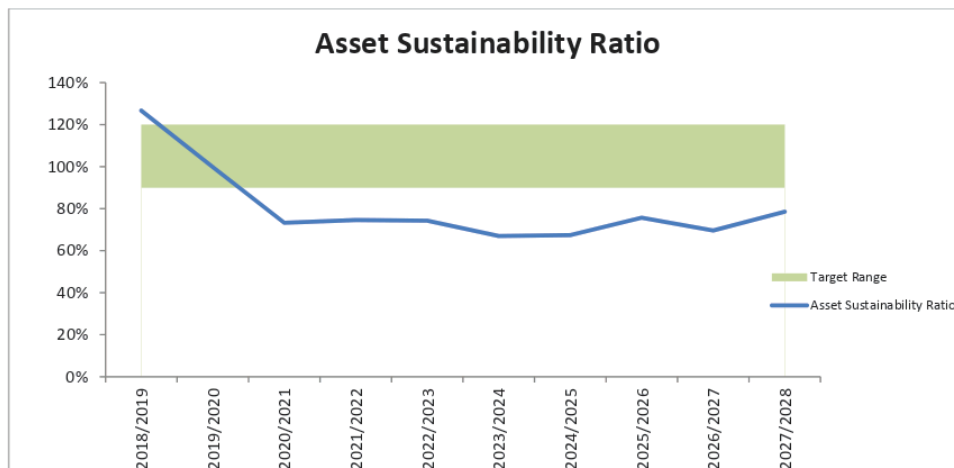
Operating Surplus Ratio – Target Benchmark between 0% and 10%

This ratio indicates the relationship between Council's operational result and total operating income, expressed as a percentage. It is an indication of Council's ability to fund its day-to-day operations. A result of up to 10% means that surplus income is available after Council has paid for the cost of delivering all services to the community. Council's Operating Surplus Ratio for 2018/19 was 2.5%. Council's long-term financial forecast shows the operating surplus ratio falling to 0% in 2019/2020 and then continuing within the target range over the remainder of the forecast period.

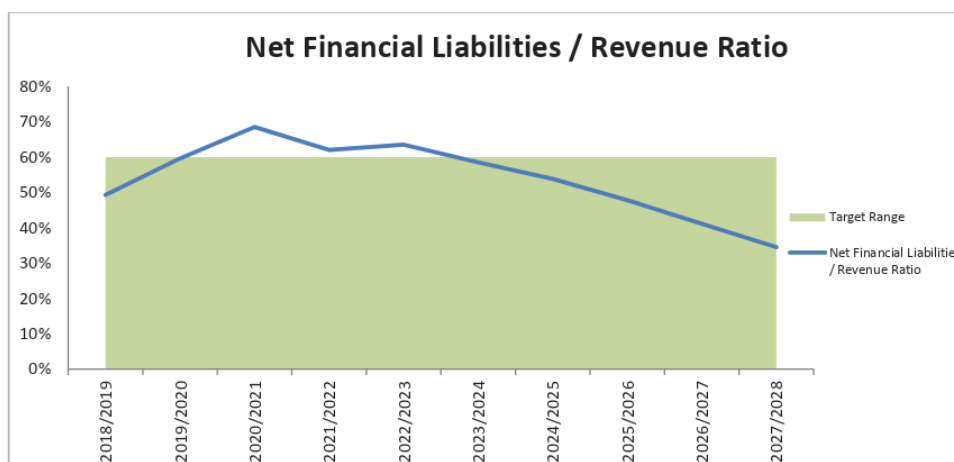


Asset Sustainability Ratio – Target Benchmark greater than 90%

This ratio indicates the rate at which Council is renewing or replacing its existing assets. Council's ratio of 126.7% in the 2018/19 year is the strongest result that Council has achieved in recent years. The improvement can be attributed to the larger than normal Capital program in 2018/19 as well as emphasis being given to renewal works in Council's priorities. The forward projections show the ratio mainly below the target range with an average ratio of 80.7% over the forecast period. The forward Capital program has conservative levels of external funding such as Capital Grants. Where additional funds can be found, renewal works will be increased. Importantly, Council is continually reviewing its asset condition information to ensure that service levels are maintained and renewals for assets are optimised.

**Net Financial Liabilities/Revenue Ratio – Target Benchmark not greater than 60%**

This ratio indicates the extent to which Council's debts can be met by its operating income, expressed as a percentage. A result of less than 60% indicates that Council has capacity to fund its liabilities and has the capacity to increase its loan borrowings if required. Council's ratio is currently within the target range at 49.3%. The short-term forecast is to move marginally outside the upper limit of the target range; however the ratio is managed and controlled within the target range over the remainder of the forecast period.



Looking to the Future

The 19/20 Budget was restrained with a number of areas under pressure to keep costs within targets set. It is vitally important that our rates increases were kept low when many businesses in the community are doing it tough. Council is investing substantially in Economic Development and Events to stimulate the economy and we are optimistic that within 12 months improvement in the local economy will be evident.

The capital program sees a commitment to the new Art Gallery and the South Rockhampton Flood Levee, both substantial projects that will provide many future opportunities for growth.

The financial position of Council has improved in recent years and we are now consistently reporting small surpluses. This allows Council to re-invest back into community assets as well as reduce the reliance on loans.

Forward financial planning is integral to maintaining our success and the flexibility to respond in the areas of the community that are needed. On-going long term cash flow planning, sound budgeting and extensive strategic financial planning feature significantly on Council's annual calendar.

Strong fiscal responsibility will continue to be at our core decision making moving forward.

ROCKHAMPTON REGIONAL COUNCIL

Financial statements

For the year ended 30 June 2019

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ROCKHAMPTON REGIONAL COUNCIL

Statement of Comprehensive Income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Income			
Recurrent revenue			
Rates, levies and charges	3(a)	143,198,653	136,096,837
Fees and charges	3(b)	23,256,701	23,193,872
Interest received		2,428,399	3,074,276
Sales revenue		8,595,928	7,988,844
Other recurrent income	3(c)	7,937,961	9,159,793
Grants, subsidies and contributions	4(a)	16,429,045	15,949,017
		<u>201,846,687</u>	<u>195,462,639</u>
Capital revenue			
Grants, subsidies and contributions	4(b)	33,655,616	49,736,379
Other capital income	5	1,090,994	99,703
		<u>34,746,610</u>	<u>49,836,082</u>
Total income		<u>236,593,297</u>	<u>245,298,721</u>
Expenses			
Recurrent expenses			
Employee benefits	6	(79,324,353)	(73,579,651)
Materials and services	7	(58,123,910)	(50,424,931)
Finance costs	8	(6,769,820)	(7,655,061)
Depreciation and amortisation	9	(52,610,361)	(51,641,292)
		<u>(196,828,444)</u>	<u>(183,300,935)</u>
Capital expenses	10	(32,900,211)	(11,499,204)
Total expenses		<u>(229,728,655)</u>	<u>(194,800,139)</u>
Net result attributable to Council		<u>6,864,642</u>	<u>50,498,582</u>
Other comprehensive income			
Items that will not be reclassified to net result			
Increase / (decrease) in asset revaluation surplus	19	46,567,665	(6,398,878)
Total other comprehensive income for the year		<u>46,567,665</u>	<u>(6,398,878)</u>
Total comprehensive income for the year		<u>53,432,307</u>	<u>44,099,704</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Financial Position

As at 30 June 2019

	Note	2019 \$	Restated 2018 \$
Current assets			
Cash and cash equivalents	11	45,133,677	19,461,612
Investments	12	19,000,000	62,000,000
Receivables	13	18,082,109	19,045,958
Inventories		1,686,089	1,884,116
		<u>83,901,875</u>	<u>102,391,686</u>
Assets classified as held for sale		-	208,315
Total current assets		<u>83,901,875</u>	<u>102,600,001</u>
Non-current assets			
Property, plant and equipment	14	2,491,897,209	2,406,534,989
Intangible assets		995,488	1,267,279
Total non-current assets		<u>2,492,892,697</u>	<u>2,407,802,268</u>
TOTAL ASSETS		<u>2,576,794,572</u>	<u>2,510,402,269</u>
Current liabilities			
Payables	15	18,377,635	20,665,859
Provisions	16	14,921,656	12,661,869
Borrowings	17	22,648,183	20,613,749
Other liabilities	18	2,429,535	345,023
Total current liabilities		<u>58,377,009</u>	<u>54,286,500</u>
Non-current liabilities			
Provisions	16	27,377,277	16,574,609
Borrowings	17	96,383,734	103,345,245
Other liabilities	18	1,294,616	1,762,955
Total non-current liabilities		<u>125,055,627</u>	<u>121,682,809</u>
TOTAL LIABILITIES		<u>183,432,636</u>	<u>175,969,309</u>
NET COMMUNITY ASSETS		<u>2,393,361,936</u>	<u>2,334,432,960</u>
Community equity			
Retained surplus		1,452,582,806	1,440,221,495
Asset revaluation surplus	19	940,779,130	894,211,465
TOTAL COMMUNITY EQUITY		<u>2,393,361,936</u>	<u>2,334,432,960</u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Changes in Equity
For the year ended 30 June 2019

	Total		Retained surplus		Asset revaluation surplus Note 19	
	2019 \$	Restated 2018 \$	2019 \$	2018 \$	2019 \$	Restated 2018 \$
Balance at beginning of year	2,334,432,960	2,238,601,561	1,440,221,495	1,379,395,989	894,211,465	859,205,572
Adjustment to opening balance - correction of error	-	41,404,771	-	-	-	41,404,771
Adjustment to opening balance	5,446,851	10,326,924	5,446,851	10,326,924	-	-
Adjustment on initial application of AASB 9	49,818	-	49,818	-	-	-
Restated balances	2,339,929,629	2,290,333,256	1,445,718,164	1,389,722,913	894,211,465	900,610,343
Net result attributable to Council	6,864,642	50,498,582	6,864,642	50,498,582	-	-
Other comprehensive income for the year						
Adjustment to asset revaluation surplus:						
Property, plant & equipment	46,567,665	(6,398,878)	-	-	46,567,665	(6,398,878)
	53,432,307	44,099,704	6,864,642	50,498,582	46,567,665	(6,398,878)
Total comprehensive income for year						
	2,393,361,936	2,334,432,960	1,452,582,806	1,440,221,495	940,779,130	894,211,465
Balance at end of year						

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Statement of Cash Flows

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Rates, levies and charges		141,927,895	135,984,763
Fees and charges		23,256,701	23,193,872
Grants, subsidies and contributions		16,429,045	15,949,017
Interest received		2,823,856	3,290,856
Other income		21,275,092	16,428,827
Net GST paid		(247,958)	(84,288)
Payments to suppliers		(58,025,254)	(48,893,771)
Payments to employees		(78,103,810)	(73,873,710)
Interest expense		(6,255,229)	(7,371,526)
Net cash inflow from operating activities	24	<u>63,080,338</u>	<u>64,624,040</u>
Cash flows from investing activities			
Government subsidies and grants		29,672,815	40,256,968
Capital contributions		1,095,456	1,549,223
Payments for property, plant and equipment		(109,095,840)	(109,066,607)
Payments for intangible assets		(25,870)	(644,337)
Net transfer from cash investments	12	43,000,000	13,000,000
Proceeds from sale of property plant and equipment		2,872,243	2,073,302
Net cash outflow from investing activities		<u>(32,481,196)</u>	<u>(52,831,451)</u>
Cash flows from financing activities			
Proceeds from borrowings	17	15,451,000	-
Repayment of borrowings	17	(20,378,077)	(19,261,780)
Net cash outflow from financing activities		<u>(4,927,077)</u>	<u>(19,261,780)</u>
Net increase / (decrease) in cash and cash equivalents held		<u>25,672,065</u>	<u>(7,469,191)</u>
Cash and cash equivalents at beginning of reporting year		19,461,612	26,930,803
Cash and cash equivalents at end of reporting year	11	<u><u>45,133,677</u></u>	<u><u>19,461,612</u></u>

The above statement should be read in conjunction with the accompanying notes and Significant Accounting Policies.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019**1 Significant accounting policies****1.A Basis of preparation**

These general purpose financial statements are for the period 1 July 2018 to 30 June 2019 and have been prepared in compliance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

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

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

- some financial assets and liabilities, certain classes of property, plant and equipment which are measured at fair value;
- assets held for sale which are measured at fair value less cost of disposal.

1.B Basis of Consolidation

Council has no material controlled entities and the financial statements presented are those of the Council only.

Information about controlled entities that have not been consolidated, because they are not considered material, is included in Note 30.

1.C Constitution

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

1.D New and revised Accounting Standards

This year Council has applied AASB 9 *Financial Instruments* for the first time. AASB 9 replaces AASB 139 and relates to the recognition, classification and measurement of financial assets and financial liabilities. Implementing AASB 9 has resulted in a change to the way Council calculates impairment provisions, which are now based on expected credit losses instead of incurred credit losses.

Council has not restated comparative figures. This means the new impairment rules are reflected in the receivables balance at 30 June 2019, but not 30 June 2018.

On 1 July 2018 (the date of initial application), Council re-assessed the classification, measurement category and carrying amount of each financial instrument (listed below) in accordance with AASB 9. There were some changes to classification, but this did not result in changes to measurement categories (listed below). Carrying amounts were also unchanged, except for receivables which increased by \$49,818 due to a decrease in impairment under the new rules. A corresponding adjustment was made to retained earnings as at 1 July 2018.

Financial asset/liability	Measurement category (unchanged)
Cash and cash equivalents	Amortised cost
Receivables	Amortised cost
Other financial assets	Amortised cost
Borrowings	Amortised cost

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

Standards that are not yet effective

Some Australian Standards and Interpretations have been issued but are not yet effective. These standards have not yet been applied in these financial statements. Council will implement them when they are effective. The standards that are expected to have a impact upon Council's future financial statements are:

AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 *Contributions*.

Identifiable impacts at the date of this report are:

Some grants received by the Council will be recognised as a liability, and subsequently recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations. These are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of the Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the Council has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

Prepaid rates will not be recognised as revenue until the relevant rating period starts. Until that time these receipts will be recognised as a liability (unearned revenue). There will be no impact upon the recognition of other fees and charges.

Based on Council's assessment, if Council had adopted the new standards in the current financial year it would have had the following impacts:

- revenue decrease of \$6,823,175 due to deferral of grant funding, pre-paid rates, and other sales related revenue (based on the facts available to Council at the date of assessment).
- there would be an equal reduction in the reported equity as the reduced revenue will require an increase in recognition of contract liabilities, and statutory receivables.
- net result would be lower on initial application as a result of decreased revenue.

A range of new disclosures will also be required by the new standards in respect of the Council's revenue.

Transition method

The Council intends to apply AASB 15, AASB 1058 and AASB 2016-8 initially on 1 July 2019, using the modified retrospective approach. Under this approach, the cumulative effect of initially applying the new requirements is recognised as an adjustment to equity on 1 July 2019. Where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
 For the year ended 30 June 2019

AASB 16 Leases

The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its consolidated financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Leases in which the Council is a lessee

Council does not currently have any finance leases.

The Council will recognise new assets and liabilities for its operating leases (except those with terms of twelve months or less or for which the underlying asset is of low value). The nature of expenses related to those leases will now change because the Council will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities. Previously, the Council has recognised an operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised. Based on assessment to date, AASB 16 is not expected to have a material impact on Council's future financial statements.

Leases in which the Council is a lessor

No significant impact is expected for leases in which the Council is a lessor.

Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to elect to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition Method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 *Leases* and Interpretation 4 *Determining whether an Arrangement contains a Lease*.

1.E Estimates and Judgements

Where necessary judgements, estimates and assumptions have been used in preparing these financial statements. Those that have a significant effect, or risk of causing an adjustment to Council's assets or liabilities relate to:

Valuation of property, plant and equipment - Note 14
 Impairment of property, plant and equipment - Note 14
 Depreciation - Note 9
 Provisions - Note 16
 Contingencies - Note 22
 Capital income - Note 5
 Capital expenses - Note 10

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**For the year ended 30 June 2019

1.F Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1.

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

1.G Taxation

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

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

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**
For the year ended 30 June 2019

2 Analysis of results by function**(a) Components of Council functions**

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Resourcing

The objective of Resourcing is to provide a function for the recognition and allocation of general rate and grant revenue as well as interest revenue and expense not allocated to commercial business units.

Office of CEO

The goals of the Office of CEO are to provide leadership, corporate oversight and strategic direction. The Office of CEO incorporates the offices of the Mayor, Councillors, Chief Executive Officer and Workforce and Governance section.

Advance Rockhampton

The objective of Advance Rockhampton is to provide strategic services to cater for the region's future growth as well as optimising quality of life and economic development opportunities for the region's residents and businesses. The sections include Economic Development, Tourism, Events and Marketing.

Regional Services

Regional Services' goals are to achieve safe, secure and reliable road and drainage infrastructure and plan for liveable and distinctive communities that we are proud to be part of. Regional Services provides roadworks, street lighting, stormwater drainage, engineering planning and administration. Regional Services also maintains disaster management response capability to meet community needs when required.

Corporate Services

Corporate Services provides professional financial and information services across all of Council. This function includes communication and information technology, administration services, financial services, strategic planning, internal audit and fleet and plant services. The goal of Corporate Services is to provide accurate, timely and appropriate information and services to all areas of Council to support sound decision making and to meet statutory requirements.

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**
For the year ended 30 June 2019

Community Services

The goals of Community Services are to achieve a healthy and liveable environment for everyone to enjoy and a safe, caring and healthy community. Community Services provides well managed and maintained community facilities, and ensures the effective delivery of cultural, environmental and recreational services. Services provided include libraries, art services, theatre and venue management, heritage preservation, child care, aged services and community assistance. Community Services also provides compliance and regulatory services in line with legislation and community standards; these include the operations of public health, environmental health, health planning, natural resource management, development assessment and development compliance.

Airport

The key objectives of Rockhampton Airport are to safely deliver aeronautical and related non-aeronautical services that are ancillary to the operation of a modern Airport. As a commercialised business unit, Rockhampton Airport works with Council to conduct operations in accordance with commercial principles and provides the strategic direction and operations of the Airport's service delivery for Council.

Waste & Recycling

The key objectives of Waste and Recycling are to deliver commercially viable waste and recycling services that satisfy adopted customer service standards. Waste and Recycling is a commercial business unit of Rockhampton Regional Council and is responsible for the operation and maintenance of waste management facilities and waste and recycling collection services throughout the Rockhampton Region.

Fitzroy River Water

Fitzroy River Water's aim is to enhance the community's quality of life by providing sustainable water, sewerage and environmental services, through innovation, technical expertise, business efficiency, excellence in customer service and commitment to the environment. Fitzroy River Water is a commercial business unit of Rockhampton Regional Council and is responsible for operating and maintaining water and sewerage assets throughout the region.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

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

Functions	Gross Program Income						Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurrent 2019	Net Result		Assets	
	Recurrent		Capital		2019	2019		2019	2019			2019	2019		2019
	Grants 2019	Other 2019	Grants 2019	Other 2019											
Resourcing Office of the CEO	8,416,286	67,689,259	-	1,000	76,106,545	76,106,545	(29,288,266)	11,685,235	(17,603,031)	105,393,811	93,709,575	\$	\$	138,017,783	
Advance Rockhampton Regional Services	72,863	38,911	-	-	111,774	111,774	7,881,153	-	7,881,153	(7,769,379)	(7,769,379)	10,875			
Corporate Services	290,500	926,335	-	-	1,216,835	1,216,835	6,059,233	-	6,059,233	(4,842,398)	(4,842,398)	456,261			
Community Services	2,546,823	4,416,861	13,239,486	2,109,058	22,312,228	22,312,228	49,034,159	7,935,689	56,969,848	(42,070,475)	(34,657,620)	1,364,112,645			
Airport	523,450	1,435,419	685,658	647,348	3,291,876	3,291,876	15,947,476	-	15,947,476	(13,988,607)	(12,655,601)	57,068,265			
Waste & Recycling	3,928,586	7,808,607	7,891,220	651,604	20,280,017	20,280,017	59,051,097	239,990	59,291,087	(47,313,904)	(39,011,070)	225,624,684			
Fitzroy River Water	-	15,484,127	4,911,705	-	20,395,832	20,395,832	15,414,100	3,124,759	18,538,859	70,026	1,856,972	107,720,877			
Total	-	19,668,748	66,208	124,424	19,859,380	19,859,380	15,092,317	492,721	15,585,038	4,576,432	4,274,342	46,819,250			
	16,500	68,583,412	2,878,538	1,540,361	73,018,811	73,018,811	57,637,175	9,421,817	67,058,992	10,962,737	5,959,819	636,963,932			
	15,795,008	186,051,679	29,672,815	5,073,795	236,593,297	236,593,297	196,828,444	32,900,211	229,728,655	5,018,243	6,864,642	2,576,794,572			

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

Prior Year

Prior Year	Functions	Gross Program Income								Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurrent		Net Result	Assets Restated
		Recurrent		Capital				Recurrent	Capital								
		Grants	Other	Grants	Other												
		2018	2018	2018	2018	2018	2018	2018	2018		2018	2018		2018	2018		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Resourcing Office of the CEO	8,823,038	67,046,160	-	-	-	-	75,869,198	(29,280,323)	-	-	(29,280,323)	105,149,521	105,149,521	207,130,380		
	Advance Rockhampton Regional Services	160,455	40,225	-	-	-	-	200,680	6,987,253	-	-	6,987,253	(6,786,573)	(6,786,573)	14,463		
	Corporate Services	156,613	200,687	-	-	-	-	357,300	5,342,491	-	-	5,342,491	(4,985,191)	(4,985,191)	397,201		
	Community Services	1,749,644	3,837,835	25,214,392	6,656,973			37,458,844	45,167,965	7,839,089		53,007,054	(39,580,487)	(15,548,210)	1,345,455,535		
		326,362	1,508,306	1,252,318	-			3,086,986	14,382,596	1,210,993		15,593,588	(12,547,928)	(12,506,602)	54,381,349		
	Airport	4,584,749	8,591,448	9,792,153	267,041			23,235,391	55,117,881	647,668		55,765,549	(41,941,684)	(32,530,158)	214,832,277		
	Waste & Recycling	-	15,883,340	88,295	60,000			16,031,635	14,970,338	(132,634)		14,837,704	913,002	1,193,931	101,338,697		
	Fitzroy River Water	-	18,027,130	-	98,284			18,125,414	13,962,781	529,430		14,492,212	4,064,349	3,633,202	42,340,707		
		(41,224)	64,567,871	3,909,810	2,496,816			70,933,273	56,649,953	1,404,658		58,054,611	7,876,694	12,878,662	544,511,660		
	Total	15,759,637	179,703,002	40,256,968	9,579,114			245,298,721	183,300,935	11,499,204		194,800,139	12,161,704	50,498,582	2,510,402,269		

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
3 Revenue			
Revenue is recognised at the fair value of the consideration received or receivable, at the time indicated below.			
(a) Rates, levies and charges			
Rates are recognised as revenue at the start of the rating period. If a ratepayer pays their rates before the start of the rating period, they are recognised as revenue when they are received.			
General rates		59,961,781	56,922,142
Separate rates		17,891,056	17,794,153
Special rates		96,874	132,519
Water		32,968,614	30,859,481
Sewerage		28,939,862	28,326,817
Garbage charges		17,114,295	15,242,696
Rates and utility charge revenue		156,972,482	149,277,808
Less: Discounts		(12,264,679)	(11,679,899)
Less: Pensioner remissions		(1,509,150)	(1,501,072)
Net rates and utility charges		143,198,653	136,096,837
(b) Fees and charges			
Fees and charges are recognised upon unconditional entitlement to the funds. Generally this is upon lodgement of the relevant applications or documents, issuing of the infringement notice or when the service is provided.			
Airport fees		11,266,072	11,079,348
Waste and recycling fees		3,780,607	4,062,901
Venues, events, tourism and cultural fees		3,675,638	2,995,738
Building, plumbing and development fees		1,074,356	1,428,548
Local laws and health licencing fees		1,153,697	1,473,867
Irrigator and commercial water fees		1,402,994	1,232,420
Other fees		903,337	921,050
		23,256,701	23,193,872
(c) Other recurrent income			
Other revenue is recognised as a revenue when it is probable that it will be received and the amount is known, otherwise the amount is recognised upon receipt. Rental revenue is recognised as income on a periodic straight line basis over the lease term.			
Rental / lease income		3,148,423	3,265,878
Commission and collection fees		2,226,935	2,249,993
Insurance		32,786	918,822
Other income		2,529,817	2,725,100
		7,937,961	9,159,793

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
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4 Grants, subsidies and contributions

Grants, subsidies and contributions that are non-reciprocal in nature are recognised as revenue in the year in which Council obtains control over them.

Where grants are received that are reciprocal in nature, revenue is recognised as the various performance obligations under the funding agreement are fulfilled. Council does not currently have any reciprocal grants.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park assets are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions are recognised at fair value in excess of the recognition thresholds as non-current assets. Those below the thresholds are recorded as recurrent revenues and expenses.

(a) Recurrent

General purpose grants	8,416,286	7,887,659
Government subsidies and grants	7,378,722	7,871,978
Contributions	634,037	189,380
Total recurrent revenue	<u>16,429,045</u>	<u>15,949,017</u>

(b) Capital

Capital revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

(i) Monetary revenue designated for capital funding purposes:

Government subsidies and grants	29,672,815	40,256,968
Contributions	1,563,795	3,156,382
	<u>31,236,610</u>	<u>43,413,350</u>

(ii) Non-monetary revenue received is analysed as follows:

Developer assets contributed by developers at fair value	2,224,461	6,291,573
Other physical assets contributed at fair value	194,545	31,456
	<u>2,419,006</u>	<u>6,323,029</u>

Total capital revenue	<u>33,655,616</u>	<u>49,736,379</u>
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Conditions over contributions

Contributions recognised as income during the reporting period and which were obtained on the condition that they be expended in a manner specified by the contributor but had not been expended at the reporting date:

Non-reciprocal grants for expenditure on services	417,552	292,030
Non-reciprocal grants for expenditure on infrastructure	5,435,519	6,383,415
	<u>5,853,071</u>	<u>6,675,445</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
5 Capital income			
Gain on the disposal of non-current assets			
(a) Proceeds from disposal of land		952,000	-
Less: Book value of land disposed		(347,372)	-
		<u>604,628</u>	<u>-</u>
(b) Proceeds from disposal of plant and equipment		1,594,989	-
Less: Book value of plant and equipment disposed		(1,573,072)	-
		<u>21,917</u>	<u>-</u>
(c) Insurance proceeds for buildings		325,253	-
Less: Book value of buildings disposed		-	-
		<u>325,253</u>	<u>-</u>
Provision for rehabilitation			
Quarry rehabilitation - change from revision of future restoration expenditure	16	14,772	12,152
Landfill restoration - change from revision of future restoration expenditure	16	124,424	-
Landfill restoration - reduction in restoration provision for future costs, due to a change in discount rate	16	-	87,334
Parks remediation - reduction in remediation provision for future costs, due to a change in discount rate	16	-	217
Total capital income		<u>1,090,994</u>	<u>99,703</u>
6 Employee benefits			
Total staff wages and salaries		68,749,621	65,344,672
Councillors' remuneration		1,006,813	996,754
Annual, sick and long service leave entitlements		9,504,934	9,356,801
Superannuation	23	8,343,657	7,841,055
		<u>87,605,025</u>	<u>83,539,282</u>
Other employee related expenses		3,819,372	1,372,853
		<u>91,424,397</u>	<u>84,912,135</u>
Less: Capitalised employee expenses		(12,100,044)	(11,332,484)
		<u>79,324,353</u>	<u>73,579,651</u>
Councillor remuneration represents salary and other allowances paid in respect of carrying out their duties.			
Total employees at year end:		No.	No.
Elected members		8	8
Administration staff		539	518
Depot and outdoors staff		374	358
Total full time equivalent employees		<u>921</u>	<u>884</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
7 Materials and services			
Audit of annual financial statements by the Auditor-General of Queensland		175,282	195,273
Advertising and marketing		1,605,431	1,267,138
Administration supplies and consumables		904,966	1,037,334
Communications and IT		3,604,614	3,451,314
Consultants		2,697,210	3,650,359
Contractors		10,009,624	9,002,151
Donations paid		1,306,173	1,147,175
Insurance		3,463,458	2,909,455
Electricity		6,448,913	6,447,656
Repairs and maintenance		22,949,738	15,889,651
Rentals - operating leases		433,671	515,884
Other materials and services		4,524,830	4,911,541
		<u>58,123,910</u>	<u>50,424,931</u>
8 Finance costs			
Finance costs charged by the Queensland Treasury Corporation		6,255,229	7,371,526
Bank charges		304,997	330,749
Impairment of receivables		(271,736)	(166,597)
Quarry rehabilitation - change in present value over time	16	12,752	12,144
Landfill sites restoration - change in present value over time	16	468,578	105,945
Parks remediation - change in present value over time	16	-	1,294
		<u>6,769,820</u>	<u>7,655,061</u>
9 Depreciation and amortisation			
Depreciation of non-current assets			
Site improvements		2,694,709	2,639,095
Buildings		6,247,695	6,170,443
Plant and equipment		5,234,191	5,444,422
Road network		18,045,837	17,609,585
Stormwater network		3,691,358	3,588,639
Bridge network		898,503	862,843
Water		8,611,836	7,993,575
Sewerage		4,996,618	5,079,051
Airport		1,891,954	1,705,310
Total depreciation of non-current assets	14	<u>52,312,701</u>	<u>51,092,963</u>
Amortisation of intangible assets			
Computer software		297,660	548,329
Total amortisation of intangible assets		<u>297,660</u>	<u>548,329</u>
Total depreciation and amortisation		<u>52,610,361</u>	<u>51,641,292</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
10 Capital expenses			
Loss on the disposal of non-current assets			
(a) Proceeds from disposal of land		-	(10,000)
Less: Book value of land disposed		-	201,197
		-	191,197
(b) Proceeds from disposal of plant and equipment		-	(1,930,668)
Less: Book value of plant and equipment disposed		-	2,855,927
		-	925,259
(c) Insurance proceeds for buildings		-	(132,634)
Less: Book value of buildings disposed		-	-
		-	(132,634)
Write off of non-current assets			
Site improvements		-	541,986
Buildings		438,351	305,124
Plant and equipment		-	32,432
Road network		7,439,752	7,494,645
Stormwater network		131,303	191,838
Bridge network		113,161	45,333
Water		4,155,201	841,436
Sewer		2,557,652	489,459
Airport		440,059	-
Intangible assets		-	45,730
Rehabilitation			
Quarry rehabilitation - increase in rehabilitation provision for future costs, due to a change in discount rate	16	53,113	2,259
Landfill restoration - change from revision of future restoration expenditure	16	-	525,140
Landfill restoration - increase in restoration provision for future costs, due to a change in discount rate	16	321,441	-
Landfill restoration expenditure in excess of provision		200,210	-
Revaluation decrement			
Revaluation down of property, plant and equipment	14	16,839,568	-
Impairment of property, plant and equipment	14	210,400	-
Total capital expenses		32,900,211	11,499,204

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
11 Cash and cash equivalents			
Cash and cash equivalents includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.			
Cash at bank and on hand		3,984,910	3,341,812
Deposits at call		41,148,767	16,119,800
Balance as per statement of cash flows		<u>45,133,677</u>	<u>19,461,612</u>

Council's cash, cash equivalents and investments (Note 12) are subject to a number of externally imposed expenditure restrictions that limit the amount available for discretionary or future use at the reporting date. These restrictions relate to the following cash assets:

	2019	Restated 2018
Unspent government grants and subsidies	5,853,071	6,675,445
Unspent developer contributions	1,294,616	1,762,955
Waste levy refund received in advance	2,162,970	-
Total restricted cash	<u>9,310,657</u>	<u>8,438,400</u>

Cash at bank and on hand at 30 June 2019 includes \$2,162,970 received from the State Government to mitigate the direct impacts on households of the State Waste Levy, which came into effect from 1 July 2019. This money has been set aside to help fund the Council's 2019-20 levy expense.

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account on behalf of outside parties include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages) paid into the trust account by the Council. The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

<u>1,264,224</u>	<u>1,366,838</u>
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12 Investments

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

Opening Balance	62,000,000	75,000,000
Transfers to operating bank account	(43,000,000)	(13,000,000)
	<u>19,000,000</u>	<u>62,000,000</u>

Term deposits at fixed interest rates are held with the following financial institutions (respective short term credit ratings noted in brackets): Westpac (A1+), National Australia Bank (A1+) and The Rock (A2). Maturity ranges from 5 to 6 months and bear interest rates from 2.40% to 2.64%.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
13 Receivables			
Receivables are amounts owed to Council at year end. They are recognised at the amounts due at the time of sale or service delivery. Settlement is required within 30 days after the invoice is issued.			
The collectability of receivables is assessed periodically and if there is objective evidence that Council will not be able to collect all amounts due, the carrying amount is reduced for impairment.			
All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.			
As Council has the power under the <i>Local Government Act 2009</i> to sell an owner's property to recover outstanding rate debts, Council will only impair rate receivables when outstanding debt exceeds unimproved capital values.			
Receivables			
Current			
Rateable revenue and utility charges		7,504,246	7,786,061
Less: loss allowance		(208,809)	(326,150)
		<u>7,295,437</u>	<u>7,459,911</u>
Other debtors		3,631,821	6,111,411
Less: loss allowance		(102,685)	(670,754)
		<u>3,529,136</u>	<u>5,440,657</u>
State and Commonwealth government		1,497,297	2,350,904
		<u>12,321,870</u>	<u>15,251,472</u>
Receivables (Non-financial instruments)			
Water charges yet to be levied		2,104,456	669,224
GST recoverable		1,076,588	828,630
Prepayments		2,579,195	2,296,632
		<u>5,760,239</u>	<u>3,794,486</u>
		<u>18,082,109</u>	<u>19,045,958</u>

Interest is charged on outstanding rates at a rate of 11% per annum for both the current and prior year. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Movement in accumulated impairment losses (trade and other receivables) is as follows:			
Opening balance		996,904	2,675,818
Adjustment to opening balance upon application of AASB 9*		(49,818)	-
Impairment adjustment in the year		(543,377)	(822,128)
Impairment debts written off during the year		(363,857)	(1,512,317)
Impairments recognised		271,642	655,531
Closing balance		<u>311,494</u>	<u>996,904</u>

*Council applied AASB 9 for the first time this year. As a result Council has calculated the impairment of receivables in a different way for 2019, using a lifetime expected loss allowance. The opening balance of impairment, as at 1 July 2018, has been recalculated using this new methodology and resulting in an opening balance adjustment of (\$49,818). Further details of Council's expected credit loss assessment are contained in Note 28.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

14 (a) Property, plant and equipment

Note	Basis of measurement	Fair value category	Land	Site improvements	Buildings	Plant and equipment	Road network	Stormwater network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress	Total
			Fair value Level 2 & 3	Fair value Level 3	Fair value Level 2 & 3	Cost	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 2	Cost	
			\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	Opening gross value as at 1 July 2018		127,256,323	101,897,914	290,233,896	66,544,661	1,335,100,001	337,076,349	53,728,642	555,866,226	313,795,879	64,461,000	17,660,208	93,860,060	3,357,085,162
	Adjustment to opening value		9,000	(11,622)	(123,540)	(2,770,972)	416,043	3,050,594	121,198	(1,251,686)	690,028	-	-	-	129,044
	Additions at cost		468,642	1,911,763	328,078	6,471,132	8,980,370	1,849,671	6,144	5,785,905	5,171,591	12,186,106	151,364	63,133,003	106,443,769
	Prior year write off of additions at cost		-	-	-	-	-	-	-	-	-	-	-	(820,305)	(820,305)
	Contributed assets at valuation		1,000	-	-	-	1,109,214	509,660	-	259,137	346,450	-	193,545	-	2,419,006
	Reassessment of landfill restoration cost		-	11,881,379	-	-	-	-	-	-	-	-	-	-	11,881,379
	Transfers between classes		208,315	12,469	-	-	104,534	135,487	(136,772)	(22,500)	(93,218)	-	-	-	208,315
	Transfers from work in progress		412,723	4,633,044	1,508,525	1,591,269	16,633,585	1,587,215	918,005	7,585,500	7,014,635	1,632,948	-	(43,522,449)	5,035,703
	Disposals		(347,372)	-	-	(4,688,331)	-	-	-	-	-	-	-	-	-
	Revaluation adjustment to asset		(40,450,485)	-	-	-	-	-	-	97,088,215	20,137,066	-	-	-	76,774,796
	Revaluation surplus		-	-	-	-	-	-	-	-	-	-	-	-	(16,839,568)
	Revaluation adjustment to capital expenses		(16,839,568)	-	-	-	-	-	-	-	-	-	-	-	1,489,804
	Disaster event 2015 asset adjustments		28	187,000	532,500	-	610,811	-	159,493	-	-	-	-	-	(210,400)
	Impairment adjustment to capital expenses		10	-	-	-	-	-	-	-	-	-	-	-	-
	Write offs		10	-	(452,719)	-	(16,547,119)	(219,947)	(323,072)	(11,809,624)	(5,396,170)	(4,694,261)	-	(25,870)	(39,546,512)
	Transfer to intangible assets		-	-	-	-	-	-	-	-	-	-	-	-	-
	Closing gross value as at 30 June 2019		70,508,178	120,116,947	292,026,740	67,147,759	1,346,407,439	343,992,029	54,468,039	653,206,173	341,656,261	73,585,793	18,005,117	112,633,439	3,493,753,917
Accumulated depreciation and impairment															
	Opening gross value as at 1 July 2016		-	34,494,364	113,579,457	32,330,193	270,800,728	101,004,125	21,032,966	212,101,157	145,163,467	19,943,715	-	-	950,550,172
	Adjustment to opening value		-	(7,920)	(69,424)	(2,246,941)	(84,179)	(652,619)	-	(1,910,451)	(346,273)	-	-	-	(3,317,807)
	Depreciation provided in period	9	-	2,694,708	6,247,695	5,234,191	18,045,637	3,691,388	899,503	8,811,836	4,396,618	1,891,954	-	-	52,312,701
	Transfers between classes		-	9,262	-	-	20,800	83,657	(83,779)	(11,869)	(18,072)	-	-	-	(1)
	Depreciation on disposals		-	-	-	(3,115,259)	-	-	-	-	-	-	-	-	(3,115,259)
	Revaluation adjustment to asset	19	-	-	-	-	-	-	-	39,022,835	(18,254,383)	-	-	-	20,768,452
	Revaluation surplus		-	-	-	-	355,238	-	47,848	-	-	-	-	-	744,185
	Disaster event 2015 asset adjustments	26	-	100,414	240,685	-	-	-	-	-	-	-	-	-	10,184,299
	Obsolescence adjustment to asset	19	-	3,734,912	6,449,387	-	-	-	-	-	-	-	-	-	(24,270,034)
	Revaluation surplus		-	-	-	-	-	-	-	(7,751,423)	(2,838,518)	(4,264,202)	-	-	-
	Depreciation on write offs	10	-	-	(14,368)	-	(9,107,368)	(86,644)	(215,511)	-	-	-	-	-	-
	Transfers between classes		-	-	-	-	-	-	-	-	-	-	-	-	-
	Accumulated depreciation as at 30 June 2019		-	41,025,741	126,433,432	32,202,184	280,131,057	104,037,877	21,680,027	250,062,085	128,702,839	17,581,487	-	-	1,001,856,708
	Net value at 30 June 2019		70,508,178	79,091,206	165,593,308	34,945,575	1,066,276,382	239,954,152	32,788,012	403,144,088	212,953,422	56,004,326	18,005,117	112,633,439	2,491,897,209
	Residual value		-	-	-	10,034,101	-	-	-	-	-	-	-	-	10,034,101
	Range of estimated useful life in years		Not depreciated	10 - 1,000	10 - 150	3 - 40	10 - 1,000	25 - 120	10 - 80	15 - 1,000	15 - 1,000	7 - 1,000	Not depreciated	-	-
Additions comprises:															
	Infrastructure Renewals		-	33,352	47,844	5,720,887	6,899,844	548,869	5,387	5,708,713	4,240,387	11,576,885	-	30,373,037	64,984,205
	Other additions (Net of transfer to intangibles)		468,642	1,878,411	280,234	750,245	2,280,526	1,300,802	757	77,193	922,204	609,221	151,364	32,734,096	41,453,895
	Total additions		468,642	1,911,763	328,078	6,471,132	8,980,370	1,849,671	6,144	5,785,906	5,171,591	12,186,106	151,364	63,107,133	108,417,900

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

14 (b) Property, plant and equipment - prior year

Note	Land	Site improvements	Buildings	Plant and equipment	Road network	Stormwater network	Bridge network	Water	Sewerage	Airport	Heritage and cultural assets	Work in Progress	Restated
	Fair value Level 2 & 3	Fair value Level 3	Fair value Level 2 & 3	Cost	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 3	Fair value Level 2	Cost	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Basis of measurement	131,514,488	84,051,559	278,872,453	68,920,943	1,262,251,335	323,359,788	51,557,486	552,709,447	310,570,792	64,461,000	15,272,263	75,434,847	3,217,078,411
Fair value category	Level 2 & 3	Level 3	Level 2 & 3	Level 2 & 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 3	Level 2	Level 2	Level 2
Asset values													
Opening gross value as at 1 July 2017	131,514,488	84,051,559	278,872,453	68,920,943	1,262,251,335	323,359,788	51,557,486	552,709,447	310,570,792	64,461,000	15,272,263	75,434,847	3,217,078,411
Adjustment to opening value - correction	-	-	-	-	42,837,347	-	-	-	-	-	-	-	42,837,347
Adjustment to opening value	35,768	12,865	(213,200)	95,765	2,769,543	5,087,898	84,884	-	172,955	-	506,147	-	8,542,725
Additions at cost	3,490,640	2,650,920	4,394,941	6,931,601	10,694,063	1,078,397	60,369	3,047,812	1,957,914	-	545,566	73,028,328	108,080,771
Prior year write off of additions at cost	-	-	-	-	-	-	-	-	-	-	-	(2,009,895)	(2,009,895)
Contributed assets at valuation	-	41,067	-	-	1,943,578	1,895,756	1,377,274	576,907	686,990	-	31,456	-	6,323,029
Reassessment of landfill restoration cost	-	9,459,695	-	-	-	-	-	-	-	-	-	-	9,459,695
Transfers between classes	119,031	-	-	-	-	-	-	-	-	-	-	-	119,031
Transfers from work in progress	161,895	2,943,742	7,923,837	717,578	28,693,104	6,208,062	814,273	2,268,316	1,379,858	-	811,218	(51,939,883)	(8,136,730)
Disposals	(201,197)	-	-	(7,935,533)	-	-	-	-	-	-	-	-	(8,136,730)
Revaluation adjustment to asset	(7,864,302)	3,807,781	-	-	-	-	-	-	-	-	-	-	(3,592,863)
Revaluation surplus	-	(1,268,715)	(744,135)	(185,893)	(14,276,987)	(350,652)	(165,654)	(2,952,256)	(1,052,630)	-	-	(644,337)	(20,899,922)
Write offs	-	-	-	-	-	-	-	-	-	-	-	-	(644,337)
Transfer to intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross value as at 30 June 2018	127,256,323	101,897,914	290,233,896	86,544,961	1,335,100,003	337,079,349	53,728,642	555,868,226	313,785,879	64,461,000	17,660,208	93,869,060	3,357,085,162
Accumulated depreciation and impairment													
Opening gross value as at 1 July 2017	-	31,218,204	106,556,915	32,118,838	258,695,022	99,010,466	20,402,691	206,218,402	140,649,250	16,238,405	-	-	913,110,193
Adjustment to opening value - correction	-	-	-	-	1,432,576	-	-	-	-	-	-	-	1,432,576
Adjustment to opening value	-	-	(182,010)	-	(52,112)	(1,436,166)	(112,247)	-	(1,664)	-	-	-	(1,784,199)
Depreciation provided in period	-	2,639,095	6,170,443	5,444,422	17,609,585	3,588,639	862,843	7,993,575	5,079,051	1,705,310	-	-	51,092,963
Depreciation on disposals	-	-	-	(5,079,006)	-	-	-	-	-	-	-	-	(5,079,006)
Revaluation adjustment to asset	-	1,364,795	1,471,120	-	-	-	-	-	-	-	-	-	2,835,915
Revaluation surplus	-	(727,730)	(439,011)	(153,461)	(6,784,342)	(168,814)	(120,321)	(2,110,820)	(583,170)	-	-	-	(11,057,669)
Depreciation on write offs	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at 30 June 2018	-	34,494,364	113,579,457	32,330,193	270,900,729	101,004,125	21,032,966	212,101,157	145,163,467	19,943,715	-	-	950,550,172
Net value at 30 June 2018	127,256,323	67,203,550	176,654,439	34,214,468	1,064,196,274	236,075,225	32,595,676	343,587,069	165,622,412	44,517,285	17,660,208	93,869,060	2,406,534,989
Residual value	-	-	-	9,383,743	-	-	-	-	-	-	-	-	9,383,743
Range of estimated useful life in years	Not depreciated	10 - 102	10 - 150	3 - 40	10 - 1,000	25 - 120	10 - 80	15 - 120	15 - 100	7 - 1,000	Not depreciated	-	-
Additions comprise:													
Infrastructure Renewals	-	346,797	385,624	6,623,991	6,115,404	382,854	39,180	2,279,110	1,354,963	-	-	32,223,298	49,741,221
Other additions (Net of transfer to intangibles)	3,490,640	2,304,123	4,029,318	307,910	4,776,678	685,543	21,189	768,702	802,951	-	545,566	40,160,694	57,695,214
Total additions	3,490,640	2,650,920	4,394,942	6,931,801	10,894,082	1,078,397	60,369	3,047,812	1,957,914	-	545,566	72,383,992	107,436,435

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

14 Property, plant and equipment**(c) Recognition**

Plant and equipment with a total value of less than \$5,000, and infrastructure assets (road, stormwater, bridge, water and sewerage assets), site improvements, airport assets and buildings with a total value of less than \$10,000 are treated as an expense in the year of acquisition. All other items of property, plant and equipment are capitalised.

Replacement of a major component of an asset, in order to maintain its service potential, is treated as the acquisition of a new asset. However, routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred.

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

Land under the roads and reserve land which falls under the *Land Act 1994* or the *Land Title Act 1994* is controlled by the Queensland Government pursuant to the relevant legislation. This land is not recognised in these financial statements.

(d) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value (as shown in the table above) less, where applicable, any accumulated depreciation and accumulated impairment loss.

Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including inwards freight, architect's fees and engineering design fees and all other establishment costs. Direct labour and materials and an appropriate proportion of overheads incurred in the acquisition or construction of assets are also included in their cost.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

(e) Depreciation

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

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

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

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

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

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of Council's asset management processes, for assets measured at depreciated current replacement cost may be used to estimate the useful lives of these assets at each reporting date.

(f) Impairment

Property, plant and equipment is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(g) Adjustment to opening value

During the preparation for revaluations and ongoing data improvement processes, additional assets not previously recognised and recognised incorrectly were identified and brought to account at fair value.

(h) Valuation**(i) Valuation Processes**

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging professionally qualified external valuers or suitably qualified internal staff to determine the fair value for each class of property, plant and equipment assets at least once every 5 years. This process may involve physically sighting a representative sample of Council's assets and making assessments of the condition of the assets at the date of inspection.

In the intervening years, Council will assess the assets by utilising a combination of internal and external sources of information, as appropriate, in a structured manner in order to determine if there has been any potential material movement in the fair value of assets. Where this is indicated the relevant assets will be revalued by indexation or to the desktop valuation as appropriate.

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

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

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

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There have been no transfers between level 1 and 2; however, there were transfers between Level 2 and Level 3 for land assets during the year.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation techniques used to derive fair values**Land (level 2 & 3)**

Land fair values were determined by independent valuer, Australis Asset Advisory Group, effective 30 September 2018.

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

Where an observable market for land assets could be identified, fair value was determined by a market approach (level 2), utilising sales of comparable properties after adjusting for differences in key attributes of the property, such as size. Where a significant adjustment was required between the sale prices of comparable properties, fair value was determined by a market approach (level 3). The valuation considered the carrying value of land assets which are subject to restrictions on use. The reduction to fair value from the previous valuation as a result of the application of discounting factors is estimated at \$30.8 million. Council's current use of a non-financial asset is presumed to be its highest and best use.

	2019	2018
Land	\$	\$
• Observable market - (level 2)	32,288,004	74,996,941
• No observable market - (level 3)	38,220,174	52,259,382
Total	70,508,178	127,256,323

Buildings (level 2 & 3)

The fair value of buildings were determined by independent valuer, Australis Asset Advisory Group, effective 31 March 2017. An indices assessment of the building assets was provided by Australis Asset Advisory Group for the year ended 30 June 2019, which found no material movement in value, and as a result no valuation adjustment was applied.

Where an observable market for Council building assets could be identified, fair value was measured by way of a market approach requiring level 2 and 3 inputs, utilising sales prices of comparable properties after adjusting for differences in key attributes of the property. Where inputs required significant professional judgement assets were classified as level 3. The most significant inputs into this valuation approach was the price per square metre. Where Council buildings are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement cost with a modern equivalent asset having similar service potential.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. Condition was assessed taking into account both physical characteristics, age, recent repairs or capital works, as well as factors such as functionality, capability, utilisation and obsolescence. Estimates of expired service potential and remaining useful lives were determined on a straight line basis.

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	2019	2018
	\$	\$
Buildings		
• Non specialised buildings - observable market (level 2)	4,187,974	4,385,148
• Non specialised buildings - (level 3)	3,235,971	3,356,672
• Specialised Buildings - (level 3)	158,169,363	168,912,619
Total	165,593,308	176,654,439

Site improvements (level 3)

The fair value of site improvements were determined by Cardno (Qld) Pty Ltd, Registered Valuer, as at 30 April 2014, at current replacement cost. Based on the indices assessment of the site improvement assets conducted by Australis Asset Advisory Group in 2016/17, indexation was applied at 1 July 2017, with no further indexation being required based on the indices assessment provided by Australis Asset Advisory Group for the year ended 30 June 2019.

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

In determining the level of accumulated depreciation, the asset has been disaggregated into significant components which exhibit different useful lives. Allowance has been made for the consumed or expired future economic benefits of the asset by reference to the useful life and condition of the asset.

Infrastructure assets (level 3)

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

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

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

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

Road network (level 3)

The fair value of sealed and unsealed road components, floodways, carparks and access roads and kerbs were determined by Pavement Management Services, Registered Valuer, as at 30 June 2015. The footpath and road furniture assets (street lights, traffic lights and bus stops) were comprehensively revalued as at 31 March 2016 by suitably qualified officers of Council. The minor road furniture items (medians, retaining walls, roundabouts and indented car parks) were comprehensively revalued by suitably qualified officers of Council as at 31 March 2017.

Council categorises its road infrastructure according to the NAASRA (National Association of Australian State Road Authorities) functional road classifications and then categorises these into sealed and unsealed. Both urban and rural roads are managed in segments of varying lengths to meet engineering requirements. This can be dependent on construction type, environment and surroundings. Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is constructed to the same standard and uses consistent unit rates.

For the road assets, the CRC for road components was calculated by reference to asset linear and area specifications and unit rates (indexed in 2015/16 to the latest available rates; with amendments for significant assumption changes in 2016/17) based on road stereotypes established by the then Roads and Transport Alliance Valuation Project (RAVP), a joint initiative by the Local Government Association of Queensland (LGAQ) of which Council is a member and the Queensland Government. These rates were customised to local design conditions, being generally dry ground conditions with a mixture of reactive and non-reactive soil types, where appropriate. Council assumes that roads are constructed to the standard drawings set out in the Capricorn Municipal Development Guidelines.

An indices assessment was provided by Lemmah Pty Ltd for the year ended 30 June 2019 which found no material movements in value, and as a result no valuation adjustment was applied.

The CRC for assets other than sealed and unsealed roads, floodways, carparks and access roads are derived from published cost guides, internal construction estimates and prices based on existing supplier contract rates or supplier price lists and labour wage rates. All direct costs were allocated to the assets at standard usage quantities with an overhead allocation, or CRC was based on the average unit rates of completed similar projects over the last few years.

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

For the road assets, the level of accumulated depreciation reflects the consumption of the asset based on the condition assessment determined by a number of factors including the distress weightings for the surface and pavement components. The resultant condition index ranges from brand new to end of life incorporating a level of acceptability where the asset will be replaced. For road furniture and footpaths, the accumulated depreciation reflects the consumption of the asset based on the condition assessment. For other assets, the level of accumulated depreciation represents an assessment of the expired service potential and remaining useful lives based on a straight line basis derived from the associated benchmark life for the type of asset or condition information where reliable information is available.

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**
For the year ended 30 June 2019

Stormwater network (level 3)

The fair value of stormwater assets were determined by independent valuer, AssetVal Pty Ltd, effective 31 March 2017. An indices assessment was provided by Australis Asset Advisory Group for the year ended 30 June 2019 which found no material movement in value, and as a result no valuation adjustment was applied.

Where Council stormwater assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. The CRC of assets is derived by unit rates based on similar recent project costs, direct quotations from suppliers, unit rate databases, indices and cost guides.

The level of accumulated depreciation represents an assessment of the expired service potential and remaining useful lives based on a straight line basis derived from the associated benchmark life for the type of asset.

Bridge network (level 3)

The fair value of the bridge network was determined by Australis Asset Advisory Group, as at 31 March 2016. An indices assessment was provided by Australis Asset Advisory Group for the year ended 30 June 2019 which found no material movements in value, and as a result no valuation adjustment was applied.

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

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

Water and sewerage (level 3)

The fair value of water and sewerage assets were determined by AssetVal Pty Ltd, Registered Valuer, as at 31 December 2018.

The water and sewer assets are segregated into active and passive assets. For passive assets (water and sewer mains; water meters) unit rates were applied based on similar recent project costs, unit rate databases, indices, Rawlinson's construction rates and quotations and reviews by Council engineers. The active assets of treatment, pumping and storage assets were valued independently, utilising New South Wales Reference Rates with appropriate adjustments for local Council factors with further componentisation being applied.

In determining the level of accumulated depreciation for major assets, the assets have been disaggregated into significant components which exhibit different patterns of consumption (useful lives). The remaining useful life was calculated on asset age and estimated useful life.

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**For the year ended 30 June 2019

Airport (level 3)

The fair value of the airport assets were determined by Australis Asset Advisory Group, as at 31 March 2016 at current replacement cost. An indices assessment was provided by Australis Asset Advisory Group for the year ended 30 June 2019 which found no material movements in value, and as a result no valuation adjustment was applied.

Where Council airport assets are of a specialist nature and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. Current replacement cost was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs and overhead allocations. Various sources, such as published cost guides, historical and current supply costs and information from the Road and Valuation Alliance Project are utilised to determine the estimated replacement cost, including allowance for overheads depending on the complexity of the asset.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit different useful lives. An assessment of the useful life and remaining useful life of the various assets considers the inspected physical condition data and construction dates, historical renewal data, failure rates and inputs supplied by Council.

Heritage and cultural assets (level 2)

The fair value of artworks, heritage collections, rare books and museum collections were determined by independent valuer, Australis Asset Advisory Group, effective 31 March 2018 on a market approach. Given the proportionate value of the asset class to overall non-current asset values, no valuation assessment or adjustment was required in the current year.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
15 Payables			
Creditors are recognised upon receipt of the goods or services ordered at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.			
Liabilities are recognised for employee benefits such as wages and salaries, sick and annual leave in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.			
As Council does not have an unconditional right to defer settlement of annual leave beyond 12 months, annual leave is classified as a current liability.			
Council has an obligation to pay sick leave on termination to certain employees and therefore a liability has been recognised in regards to this obligation.			
Current			
Creditors and accruals		10,370,764	12,374,327
Annual leave		7,288,962	7,553,153
Sick leave		85,146	85,146
Other entitlements		632,763	653,233
		<u>18,377,635</u>	<u>20,665,859</u>

16 Provisions*Long Service Leave*

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The value of the liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in the Council's employment or other associated employment which would result in the Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, long service leave is classified as a current liability. Otherwise it is classified as non-current.

Landfill restoration, quarry rehabilitation and parks remediation

Council recognises provisions for the estimated cost of restoration in respect of refuse dumps (landfills) and rehabilitation of quarries where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. Council also recognised a provision for the estimated cost of remediation in respect of damage to Kershaw Gardens during Tropical Cyclone Marcia in February 2015. The provisions are measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration. Changes to the provisions resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Management estimates the amount of expected restoration work based on current known restoration costs inflated using relevant cost inflation indices and then discounted to current day values, and the timing of the work based on estimated landfill or quarry volumes.			
With the commencement of construction of new landfill cells, the Lakes Creek Road landfill facility is now forecast to close in 2060/61. Gracemere landfill ceased accepting waste for disposal during the 2015/16 year.			
Remediation work at Kershaw Gardens commenced in 2015/16 and was completed in the 2018/2019 financial year.			
Current			
Quarry rehabilitation		48,980	49,064
Landfill restoration		1,586,264	517,343
Parks remediation		-	80,281
Long service leave		13,286,412	12,015,181
		<u>14,921,656</u>	<u>12,661,869</u>
Non-current			
Quarry rehabilitation		531,375	480,198
Landfill restoration		25,260,734	14,497,877
Long service leave		1,585,168	1,596,534
		<u>27,377,277</u>	<u>16,574,609</u>

Details of movements in provisions:

Quarry rehabilitation

Balance at beginning of financial year		529,262	527,011
Increase in provision due to change in time	8	12,752	12,144
Increase in provision due to change in discount rate	10	53,113	2,259
Decrease in estimate of future cost	5	(14,772)	(12,152)
Balance at end of financial year		<u>580,355</u>	<u>529,262</u>

This is the present value of the estimated future costs of restoring the quarry sites to a usable state at the end of their useful life. The projected future cost is \$668,583 and this cost is expected to be incurred over the years 2020 to 2039.

Landfill restoration

Balance at beginning of financial year		15,015,220	5,817,178
Decrease in provision for rehabilitation performed		(515,196)	(805,404)
Increase in provision due to change in time	8	468,578	105,945
Increase / (decrease) in provision due to change in discount rate	5,10	321,441	(87,334)
Increase / (decrease) in provision due to change in discount rate - transfer to rehabilitation asset	14	8,781,762	(123,864)
(Decrease) / increase in estimate of future cost	5,10	(124,424)	525,140
Increase in estimate of future cost - transfer to rehabilitation asset	14	2,899,617	9,583,559
Balance at end of financial year		<u>26,846,998</u>	<u>15,015,220</u>

This is the present value of the estimated future costs associated with restoring the refuse disposal sites in accordance with Queensland State Government Environmental Regulations at the end of their useful lives. The projected future cost is \$67,486,795 and this cost is expected to be incurred over the period 2020 to 2102.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Parks remediation			
Balance at beginning of financial year		80,281	1,728,784
Decrease in provision for remediation performed		(80,281)	(998,799)
Increase in provision due to change in time	8	-	1,294
Decrease in provision due to change in discount rate	5	-	(217)
Decrease in estimate of future cost - transfer to materials and services		-	(650,781)
Balance at end of financial year		<u>80,281</u>	<u>80,281</u>

This provision was established for the costs associated with remediating the Kershaw Gardens following damage caused by Tropical Cyclone Marcia in February 2015. Remediation work at Kershaw Gardens was completed in the 2018/2019 financial year.

Long service leave			
Balance at beginning of financial year		13,611,715	13,556,537
Long service leave entitlement arising		2,960,208	1,498,230
Long service entitlement extinguished		(628,448)	(425,871)
Long service entitlement paid		<u>(1,071,895)</u>	<u>(1,017,181)</u>
Balance at end of financial year		<u>14,871,580</u>	<u>13,611,715</u>

Long service leave is discounted to present value if not expected to be taken within the next financial year.

17 Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised cost at date of reporting. Principal and interest repayments are made quarterly in arrears.

All borrowings are in Australian dollar denominated amounts and carried at amortised cost, interest being expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary between 15 December 2022 to 15 June 2034. There have been no defaults or breaches of the loan agreement during the period.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next ten years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Current			
Queensland Treasury Corporation		22,648,183	20,613,749
		<u>22,648,183</u>	<u>20,613,749</u>
Non-current			
Queensland Treasury Corporation		96,383,734	103,345,245
		<u>96,383,734</u>	<u>103,345,245</u>
Queensland Treasury Corporation			
Opening balance		123,958,994	143,220,774
Loans raised		15,451,000	-
Principal repayments		(20,378,077)	(19,261,780)
Book value at year end		<u>119,031,917</u>	<u>123,958,994</u>

The QTC loan market value for all loans at the reporting date was \$127,914,921. This represents the value of the debt if Council repaid it at 30 June 2019. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

Unsecured borrowings are provided by the Queensland Treasury Corporation.

The Council does not have a bank overdraft facility.

18 Other liabilities

Current liabilities			
Unearned revenue		266,565	345,023
Waste levy refund received in advance		2,162,970	-
		<u>2,429,535</u>	<u>345,023</u>
Non-current liabilities			
Developer contributions		1,294,616	1,762,955
		<u>1,294,616</u>	<u>1,762,955</u>
		<u>3,724,151</u>	<u>2,107,978</u>

Developer contributions liability reflects cash contributions from developers for which the related service obligations have yet to be fulfilled by Council.

The State Government made an advance payment to Council in June 2019 to mitigate the impacts on households for 2019-20 of the State Waste Levy, which took effect from 1 July 2019. The Council will be liable to the State for payment of the Levy on most forms of commercial and household waste delivered to its disposal sites from 1 July 2019. The State is required to make an annual payment to the Council that essentially refunds the Council for the portion of the Levy that relates to households. Council will fund the portion of the Levy that relates to commercial waste through charges to commercial users of disposal sites from 1 July 2019. As the receipt from the State in June 2019 is for a refund of Council's 2019-20 Levy expense, the full amount has been recognised as a liability at 30 June 2019.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	Restated 2018 \$
19 Asset revaluation surplus			
The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.			
Increases and decreases on revaluation are offset within a class of assets. Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense.			
When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.			
Movements in the asset revaluation surplus were as follows:			
Balance at beginning of the year		894,211,465	859,205,572
Adjustment to opening balance - correction of error	27	-	41,404,771
		<u>894,211,465</u>	<u>900,610,343</u>
Net adjustment to non-current assets to reflect a change in current fair value:			
Adjustments to surplus from fair value assessment done:			
Water - revaluation		58,065,380	-
Sewer - revaluation		38,391,449	-
Heritage and culture - revaluation		-	493,558
Land - revaluation / indexation		(40,450,485)	(7,562,670)
Site improvements - indexation		-	2,442,986
Impairment and obsolescence:			
Road network - disaster adjustment		255,574	-
Bridge network - disaster adjustment		111,645	-
Site improvements - obsolescence / disaster adjustment		(3,648,326)	-
Buildings - obsolescence / disaster adjustment		(6,157,572)	(1,471,120)
Land - impairment		-	(301,632)
		<u>46,567,665</u>	<u>(6,398,878)</u>
Balance at end of the year		<u>940,779,130</u>	<u>894,211,465</u>
Asset revaluation surplus analysis			
The closing balance of the asset revaluation surplus is comprised of the following asset categories:			
Land		-	40,450,485
Site improvements		5,315,617	8,963,943
Buildings		54,250,575	60,408,147
Road network		599,055,406	598,799,833
Stormwater network		30,594,104	30,594,104
Bridge network		6,301,767	6,190,122
Water		109,349,272	51,283,891
Sewerage		108,268,332	69,876,883
Airport		23,992,279	23,992,279
Heritage and cultural assets		3,651,778	3,651,778
		<u>940,779,130</u>	<u>894,211,465</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
20 Commitments for expenditure			
Contractual commitments			
Contractual commitments at end of financial year but not recognised in the financial statements by functions are as follows:			
Regional Services		2,322,442	5,061,117
Communities		7,655,000	13,138,844
Airport		5,410,960	20,741,285
Waste and Recycling		11,339,422	4,663,383
Fitzroy River Water		811,935	2,434,579
Other		557,977	810,440
		<u>28,097,736</u>	<u>46,849,648</u>
Contractual commitments at end of financial year but not recognised in the financial statements by payable period are as follows:			
Within one year		12,189,042	31,269,173
One to five years		10,946,471	9,929,081
Later than five years		4,962,223	5,651,394
		<u>28,097,736</u>	<u>46,849,648</u>

21 Events after the reporting period

There were no material adjusting events after 30 June 2019.

22 Contingencies**Assets**

Council has an agreement with RLX Investment Company Pty Ltd for a lease over Council controlled reserves, known as the Gracemere Saleyards. The lease commenced 1 January 2010 for a period of thirty years. The lessee has agreed as part of the agreement to construct fixtures upon the land for their own purpose. It has been agreed that a sum of approximately \$14 million will be expended in additions and refurbishments over the term of the lease. Council obtaining control of this asset is contingent upon the expiration/surrender of the lease agreement. Until such time that the fixtures revert back to Council control they will not be included in Council's non-current assets.

Liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

(i) Community loans

Under approval from Queensland Treasury, Council has guaranteed loans to Rockhampton Basketball Inc (\$82,254) and Rockhampton Hockey Association Inc (\$250,000). As at 30 June 2019, Rockhampton Hockey Association had not drawn the loan.

Total Community loans guaranteed by Council:	<u>82,254</u>	<u>101,960</u>
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ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
(ii) Local Government Workcare			
The Rockhampton Regional Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise.			
The Council's maximum exposure to the bank guarantee is:		<u>1,683,720</u>	<u>1,732,704</u>

(iii) Local Government Mutual

The Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

The financial statements for 30 June 2018 reported an accumulated surplus and it is not anticipated any liability will arise.

23 Superannuation

Council contributes to the LGIASuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGIASuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the Local Government Act 2009.

The scheme is a defined benefit plan, however Council is not able to account for it as a defined benefit plan in accordance with AASB119 because LGIASuper is unable to account for its proportionate share of the defined benefit obligation, plan assets and costs.

Any amount by which the scheme is over or under funded may affect future benefits and result in a change to the contribution rate, but has not been recognised as an asset or liability of the Council.

Technically Council can be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGIASuper trust deed changes to council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee assets and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2021.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	2018 \$
The most significant risks that may result in LGIA super increasing the contribution rate, on the advice of the actuary, are:			
Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.			
Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.			
There are currently 62 entities contributing to the scheme and any changes in contribution rates would apply equally to all 62 entities. Council made less than 4% of the total contributions to the plan in the 2018-19 financial year.			
The amount of superannuation contributions paid by Rockhampton Regional Council to the scheme in this period for the benefit of employees was:			
	6	8,343,657	7,841,055
24 Reconciliation of net result attributable to Council to net cash flow from operating activities			
Net result attributable to Council		6,864,642	50,498,582
Non-cash operating items:			
Depreciation and amortisation		52,610,361	51,641,292
Opening work in progress write off		820,305	2,009,895
Change in restoration provisions expensed to finance costs		481,330	119,383
Parks remediation provision		-	(650,781)
		53,911,996	53,119,789
Investing and development activities:			
Capital grants, subsidies and contributions		(33,655,616)	(49,736,379)
Capital income		(1,090,994)	(99,703)
Capital expenses		32,900,211	11,499,204
		(1,846,399)	(38,336,878)
Changes in operating assets and liabilities:			
Decrease / (increase) in receivables		1,013,667	(610,526)
Decrease / (increase) in inventories (excluding land)		198,027	(160,892)
(Decrease) / increase in payables		(384,422)	317,245
Increase in provisions		1,238,315	26,235
Increase / (decrease) in other liabilities		2,084,512	(229,515)
		4,150,099	(657,453)
Net cash inflow from operating activities		63,080,338	64,624,040

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

25 Reconciliation of liabilities arising from finance activities

	As at 30 June 2018	Cashflows	As at 30 June 2019
Borrowings	123,958,994	(4,927,077)	119,031,917
	<u>123,958,994</u>	<u>(4,927,077)</u>	<u>119,031,917</u>
	As at 30 June 2017	Cashflows	As at 30 June 2018
Borrowings	143,220,774	(19,261,780)	123,958,994
	<u>143,220,774</u>	<u>(19,261,780)</u>	<u>123,958,994</u>

26 Accounting for natural disaster events

2015 Cyclone Marcia

In February 2015, the Rockhampton area experienced Tropical Cyclone Marcia with considerable damage to botanic assets, some structural damage to roads, buildings and other site improvements and local creek flooding and run off. All restoration works have been completed with the reinstatement of the asset values in the current year.

(a) Current Year

	Note	Cost \$	Accumulated depreciation \$	Asset revaluation surplus \$
Restatement of asset values - impairment no longer required		1,489,804	744,185	745,619
Increase in asset values due to 2015 disaster event	14	<u>1,489,804</u>	<u>744,185</u>	<u>745,619</u>

(b) Prior Year

	Note	Cost \$	Accumulated depreciation \$	Asset revaluation surplus \$
Restatement of asset values - impairment no longer required		-	-	-
Increase in asset values due to 2015 disaster event	14	<u>-</u>	<u>-</u>	<u>-</u>

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

	Note	2019 \$	Restated 2018 \$
27 Correction of error			
Road network - unit costs for 2014/15 revaluation:			
The estimate of the fair value of road assets in 2014/15 (stage one of a rolling valuation for unsealed and sealed road components, floodways, carparks and access roads and kerb assets) as a component of an expert valuation undertaken by Pavement Management Services, utilised the unit rates established by the Roads and Transport Alliance Valuation Project (Queensland) (RAVP).			
In the current year it was identified that the costs associated with sub-soil drainage were inadvertently omitted from the unit rate for one category of roads. The impact of the change has been processed in the current year by adjusting the opening balances at 1 July 2017.			
The change has had an immaterial impact upon Council's current year statement of comprehensive income. The impact on the statement of financial position is:			
Increase in property, plant and equipment	14	-	41,404,771
Increase in asset revaluation surplus	19	-	41,404,771

28 Financial instruments and financial risk management

The effect of initially applying AASB 9 on the Council's financial instruments is described in Note 1.D. Comparative information has not been restated to reflect the requirements.

Council's activities expose it to a variety of financial risks including; credit risk, liquidity risk and market risk.

Risk management framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk.

The Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk managements framework in relation to the risks faced by the Council. The Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Council does not enter into derivatives.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019**Credit risk**

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from the Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar state / commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

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

Cash and cash equivalents

The Council may be exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed.

Other financial assets

Other investments are held with financial institutions, which are rated A1+ to A2 based on Standard and Poor's rating agency ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

Trade and other receivables

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

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

The Council does not require collateral in respect of trade and other receivables. The Council does not have trade receivables for which no loss allowance is recognised because of collateral.

At 30 June 2019, the exposure to credit risk for trade receivables by type of counterparty was as follows:

	2019	2018
	\$	\$
Rates and utility charges	9,608,702	8,455,284
State and Commonwealth Government	2,573,885	3,443,295
Other	3,631,821	5,847,651
Total	15,814,408	17,746,230

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

A summary of the Council's exposure at period ending 30 June 2019 for which impairment requirements of AASB9 - *Financial Instruments* have been applied, being for rates and charges and other debtors:

Subject to impairment

Not past due
 Past due 1-30 days
 Past due 31-60 days
 Past due 61-90 days
 More than 90 days
Total gross carrying amount
 Loss allowance

2019	2018
\$	\$
2,837,685	2,812,915
1,159,198	2,532,385
996,601	452,407
101,211	225,090
4,678,333	4,930,447
9,773,028	10,953,244
(311,494)	(996,904)
9,461,534	9,956,340

Not subject to impairment

Other debtors
 State and Commonwealth Government

1,363,040	2,944,228
1,497,297	2,350,904
2,860,337	5,295,132

12,321,871	15,251,472
------------	------------

Refer to Note 13 for further details.

Accounting policies - Receivables

Receivables are measured at amortised cost which approximates fair value at reporting date. Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

Accounting policies - Grouping

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Accounting for impairment losses is dependent upon the individual group of receivables subject to impairment. The loss allowance for grouped receivables reflects lifetime expected credit losses (ECL) and incorporates reasonable and supportable forward-looking information. Economic changes impacting debtors, and relevant industry data form part of the impairment assessment. Council has identified 3 distinctive groupings of its receivables: Rates and Charges, State and Commonwealth government, Other Debtors.

Rates and Charges: this group of receivables possess a credit enhancement in that Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts. This results in immaterial ECL. Council does not impair rates and charges except when arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

State and Commonwealth government: amounts payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the State and Commonwealth governments have high credit ratings. Accordingly Council determines the level of credit risk exposure to be immaterial and therefore Council does not calculate ECL for State and Commonwealth government debtors.

Other Debtors: Council identifies other debtors as receivables which are not rates and charges or State and Commonwealth government debtors.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

Credit risk exposure and impairment of receivables

The maximum exposure to credit risk at balance date for receivables is the gross carrying amount of those assets. No collateral is held as security.

Council uses a provision matrix to measure the expected credit losses on statutory charges and other debtors. Loss rates are calculated separately for groupings with similar loss patterns. The calculations reflect historical observed default rates calculated using credit losses experienced on past transactions from the last 4 years for each group. Loss rates are based on actual credit loss experience over the past 4 years, current conditions and the Council's view of economic conditions over the expected lives of the receivables.

Initial application of forward looking adjustments to impairment of receivables

In Council's statements after reviewing macro economic conditions, Council reached the conclusion that forward looking conditions indicated no foreseeable expected deviations from historically calculated ratios, thus no forward looking adjustments were made.

Expected credit loss assessment as at 1 July 2018 and 30 June 2019

The Council uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers, which comprise a large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

The following table provides information about the exposure to credit risk and expected losses for receivables as at 30 June 2019:

	Weighted-average loss rate*	Gross carrying amount	Loss allowance
	%	\$	\$
Not past due	0.23%	4,200,725	2,248
Past due 1-30 days	0.43%	2,541,574	6,471
Past due 31-60 days	1.54%	1,094,857	2,294
Past due 61-90 days	6.26%	117,821	2,248
More than 90 days	10.02%	4,678,387	298,232
Total		12,633,364	311,493

*Weighted-average loss rate is only applicable to the gross carrying amount of trade receivables.

Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

Exposure to liquidity risk

The Council is exposed to liquidity risk through its trading in the normal course of business and through its borrowings with QTC.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Note 17. There are no additional facilities or lines of credit available.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

The following table sets out the liquidity risk in relation to financial liabilities held by the Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year	1 to 5 years	Over 5 years	Total	Carrying amount
	\$	\$	\$	\$	\$
2019					
Payables	10,370,764	-	-	10,370,764	10,370,764
Borrowings - QTC	27,836,188	83,560,663	24,247,214	135,644,065	119,031,917
	38,206,952	83,560,663	24,247,214	146,014,829	129,402,681
2018					
Payables	12,374,327	-	-	12,374,327	12,374,327
Borrowings - QTC	26,633,306	102,764,374	14,773,413	144,171,093	123,958,994
	39,007,633	102,764,374	14,773,413	156,545,420	136,333,321

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

Market Risk

Market risk is the risk that changes in market process, such as interest rate, will affect the Council's income or the value of its holdings of financial instruments.

Interest rate risk

The Council is exposed to interest rate risk through investments and borrowings with QTC and investments held with other financial institutions.

The Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date.

The Council does not account for any fixed-rate financial assets or financial liabilities at Fair Value through Profit or Loss, therefore a change in interest rates at the reporting date would not affect profit or loss.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period.

	Net carrying amount		Effect on Net Result		Effect on Equity	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	45,093,031	19,431,036	450,930	194,310	450,930	194,310
Investments	19,000,000	62,000,000	190,000	620,000	190,000	620,000
Net total	64,093,031	81,431,036	640,930	814,310	640,930	814,310

ROCKHAMPTON REGIONAL COUNCIL**Notes to the financial statements**
For the year ended 30 June 2019

In relation to the QTC loans held by the Council, the following has been applied:

QTC Fixed Rate Loans - financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

Fair Value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The fair value of borrowings with QTC is based on the market value of debt outstanding. The market value of a debt obligation is the discounted value of future cash flows based on prevailing market rates and represents the amount required to be repaid if this was to occur at balance date. The market value of debt is provided by QTC and is disclosed in Note 17.

QTC applies a book rate approach in the management of debt and interest rate risk, to limit the impact of market value movements to clients' cost of funding. The book value represents the carrying value based on amortised cost using the effective interest method.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019

29 National competition policy

The Council has resolved to commercialise the following activities:

- Waste and Recycling
- Fitzroy River Water
- Airport

Council also applies the Code of Competitive Conduct (CCC) to the following activity:

- Building Certification

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council, and represents an activity's cost(s) which would not be incurred if the primary objective of the activity was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council.

The following activity statements are for activities subject to the Code of Competitive Conduct:

	Building Certification	Fitzroy River Water	Rockhampton Airport	Waste & Recycling
	2019	2019	2019	2019
	\$	\$	\$	\$
Revenue for services provided to Council	8,033	7,206	278	299,874
Revenue for services provided to external clients	153,905	68,599,912	15,484,127	19,668,748
Community service obligations	196,843	702,675	324,269	1,413,178
	358,781	69,309,793	15,808,674	21,381,800
Less : expenditure	336,534	58,347,056	15,738,647	16,805,369
Surplus/(deficiency)	22,247	10,962,737	70,026	4,576,432

Community Service Obligations were paid during the reporting period to the following activities:

Activities	CSO description	Net cost
		\$
Building Certification	Non-commercial private certification services	196,843
Fitzroy River Water	Remissions to community & sporting bodies - water	40,571
	Undetected Leak Rebates - water	95,714
	Combined line charges (operating)	122,936
	Remissions to community & sporting bodies - sewerage	81,417
	Combined line charges (capital)	125,992
	Raising manholes (capital)	236,045
		702,675
Rockhampton Airport	Capricorn Rescue Helicopter Service	118,115
	Royal Flying Doctor Service	125,459
	Patient Travelling Subsidy Scheme	80,695
		324,269
Waste and Recycling	Roadside bin operations (collection)	22,406
	Roadside bin operations (cleanup)	75,108
	Roadside bin disposal costs	51,683
	Boat ramp services	3,782
	Old landfill maintenance works	276,222
	Regulated waste disposal	108,826
	Charity waste policy	51,033
	Green waste	713,887
	Clean-up Australia	243
	Waste education	20,480
	Sporting grounds	89,508
		1,413,178

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements
For the year ended 30 June 2019**30 Controlled entities that have not been consolidated**

This entity is not consolidated because its size and nature means that it is not material to Council's operations.

Rockhampton Aviation Services Pty Ltd is a proprietary company that is limited by shares and was incorporated on the 24 November 2017. Rockhampton Regional Council is the sole member. The Company was formed to provide limitation of liability to Rockhampton Regional Council in any aviation ventures. At the reporting date, the company remains dormant.

31 Transactions with related parties**(a) Transactions with Key Management Personnel (KMP)**

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management. The compensation paid to KMP for 2018/19 comprises:

Details of benefits	2019 \$	2018 \$
Short-term employee benefits	2,173,705	2,268,817
Post-employment benefits	234,328	257,973
Long-term benefits	-	178,333
Termination benefits	-	-
Total	2,408,033	2,705,123

Detailed remuneration disclosures are provided in the annual report.

(b) Transactions with other related parties

Other related parties include the close family members of KMP and any entities under significant influence by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed below:

Details of transactions	Note	2019 \$	2018 \$
Fees and charges charged to other related parties	31(b)(i)	16,448	18,838
Employee expenses for close family members of key management personnel	31(b)(ii)	68,510	80,897
Purchase of materials and services from other related parties	31(b)(iii)	426,855	344,000

(i) The fees and charges charged to entities controlled by key management personnel were on an arms length basis in accordance with the schedule of fees and charges adopted by council. The fees and charges were in relation to leases, trade waste permits, plumbing application, private works and administration services.

(ii) All close family members of key management personnel were employed through an arms length process. They are paid in accordance with the Award for the job they perform. Council employs 921 staff of which 1 is a close family member of key management personnel.

ROCKHAMPTON REGIONAL COUNCIL

Notes to the financial statements

For the year ended 30 June 2019

(iii) Council purchased the following materials and services from related parties. All purchases were at arm's length and were in the normal course of Council operations:

Details of materials and services purchased	2019 \$	2018 \$
Hospitality services	1,379	5,639
Donations	5,574	10,595
Trade services with Swadling Painting Contractors	413,477	316,331
Supply of materials	6,425	11,435
Total	426,855	344,000

Council entered into a total of 3 contracts with Swadling Painting Contractors, a company owned by a close family member of Cr Rose Swadling during 2018/2019. A contract was awarded for the provision of Trade Services for a period 1 March 2018 to 28 February 2020 based on a schedule of rates. Two contracts were classified as small scale works contracts. One was for painting services at Robert Schwaren Pavilion for a period of 1 October 2018 to 30 January 2019 and was for a value of \$52,227. The other contract was for painting of Mount Morgan Railway Station, this was for a period of 20 December 2018 to 19 April 2019 for \$125,210. All 3 contracts totalling \$413,477 (2 contracts totalling \$316,331 in 2017/2018) were awarded in accordance with Council's normal purchasing policies, procedures and Local Government legislative requirements.

(c) Outstanding balances

There are no material balances outstanding at the end of the reporting period in relation to transactions with related parties.

(d) Loans and guarantees to/from related parties

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

(e) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Rockhampton Regional Council area. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties.

Some examples include:

- Payment of rates
- Use of regional swimming pools
- Dog registration
- Borrowing books from a Council library

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

ROCKHAMPTON REGIONAL COUNCIL

Financial statements

For the year ended 30 June 2019

Management Certificate

For the year ended 30 June 2019

These general purpose financial statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with section 212(5) of the Regulation we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the general purpose financial statements, as set out on pages 1 to 48, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.



M.F. Strelow
Mayor

Date: 26 September 2019



E.A. Pardon
Chief Executive Officer

Date: 26 September 2019



INDEPENDENT AUDITOR'S REPORT

To the Councillors of Rockhampton Regional Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Rockhampton Regional Council (the council).

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2019, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the management certificate given by the Mayor and the Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises the information included in Rockhampton Regional Council's annual report for the year ended 30 June 2019, but does not include the financial report and my auditor's report thereon. At the date of this auditor's report, the other information was the current year financial sustainability statement and long-term financial sustainability statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the financial report

The council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The council is also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.



- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2019:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

4 October 2019

Melissa Read
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

ROCKHAMPTON REGIONAL COUNCIL

Current-year Financial Sustainability Statement

For the year ended 30 June 2019 .

Measures of Financial Sustainability

Council's performance at 30 June 2019 against key financial ratios and targets:	How the measure is calculated	Actual - Council	Target
Operating surplus ratio	Net result (excluding capital items) divided by total operating revenue (excluding capital items)	2.5%	Between 0% and 10%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	126.7%	Greater than 90%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue (excluding capital items)	49.3%	Not greater than 60%

Note 1 - Basis of Preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2019.

Certificate of Accuracy
For the year ended 30 June 2019

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current-year financial sustainability statement has been accurately calculated.


M.F. Strelow
Mayor

Date: 26 September 2019


E.A. Pardon
Chief Executive Officer

Date: 26 September 2019



INDEPENDENT AUDITOR'S REPORT

To the Councillors of Rockhampton Regional Council

Report on the current year financial sustainability statement

Opinion

I have audited the accompanying current year statement of financial sustainability of Rockhampton Regional Council (the council) for the year ended 30 June 2019 comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with section 212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Rockhampton Regional Council for the year ended 30 June 2019 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other Information

Other information comprises the information included in Rockhampton Regional Council's annual report for the year ended 30 June 2019, but does not include the current year financial sustainability statement and my auditor's report thereon. At the date of this auditor's report, the other information was the general purpose financial statements and the long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the council for the current year financial sustainability statement

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.
- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.



I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in grey ink that reads "Mel Read".

4 October 2019

Melissa Read
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

ROCKHAMPTON REGIONAL COUNCIL

Unaudited Long-Term Financial Sustainability Statement
Prepared as at 30 June 2019

Measures of Financial Sustainability	Measure	Target	Predicted for the years ended:									
			Actuals at 30 June 2019	30 June 2020	30 June 2021	30 June 2022	30 June 2023	30 June 2024	30 June 2025	30 June 2026	30 June 2027	30 June 2028
Operating surplus ratio	Net result divided by total operating revenue	Between 0% and 10%	2.5%	0.0%	0.6%	2.2%	2.5%	2.5%	3.2%	3.6%	4.0%	4.2%
Asset sustainability ratio	Capital expenditure on the replacement of assets (renewals) divided by depreciation expense.	greater than 90%	126.7%	99.8%	73.3%	74.6%	74.3%	67.0%	67.4%	75.7%	69.6%	78.6%
Net financial liabilities ratio	Total liabilities less current assets divided by total operating revenue	not greater than 60%	49.3%	59.6%	68.5%	62.0%	63.5%	58.5%	53.8%	47.8%	41.1%	34.5%

Council's Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Certificate of Accuracy

For the long-term financial sustainability statement as at 30 June 2019

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

M.F. Strelow
Mayor

E.A. Pardon
Chief Executive Officer

Date: 26 September 2019

Date: 26 September 2019

COMMERCIAL BUSINESS UNITS**FITZROY RIVER WATER (s190(2) LGR 2012)**

Annual statement on operations of Fitzroy River Water

Nature and Scope of Activities

Fitzroy River Water (FRW) is a commercial business unit of Council and is responsible for operating and maintaining water and sewerage assets totaling approximately \$622.7M.

General functions of these assets include the storage and supply of raw water for urban, commercial and agricultural purposes, treating and distributing potable water for urban and industrial use and the collection and treatment of sewage and discharge of treated effluent or supply of recycled water.

Broadly, the scope of FRW (based upon the 2018-19 financial year) is as follows:

Item	\$M
Total income (operating)	\$69.5M
Total expenses (operating)	\$36.8M

Annual Operations Report

Financial Indicators

Item	2018-19 Target	2018-19 Achieved
Operating surplus ratio	46.7%	47.0%
Interest coverage ratio	5.8 times	5.9 times
Asset sustainability ratio	72.7%	91.1%
Gross revenue	\$67,196,547	\$69,481,147
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	\$47,099,730	\$48,270,687
Competitive neutrality ratio (% of gross revenue)	31.7%	30.3%
Depreciation ratio	20.9%	19.8%
Total written down asset value	\$558,611,561	\$622,717,180
Return on assets	5.3%	5.2%

Financial Performance**Operational**

FRW raised operational income of \$69.5 million with the majority raised through utility charges. Operating revenue in the 2018-19 financial year has increased by 6.2% from the 2017-18 financial year. Utility charges realised an increase of 5.73%, with water consumption charges increasing by 12.7%, as a result of increases in consumption patterns. Some other revenue streams also realised increases.

Operational expenditure for the 2018-19 financial year was \$36.8 million, which has increased slightly from the 2017-18 financial year.

Employee costs, materials and services and depreciation continually remain as the largest portion of expenditure for FRW each year. All of these expenditure streams have increased slightly, with finance costs decreasing as a result of paying down debt and not drawing new loans to fund capital expenditure.

Net Result Attributable to Fitzroy River Water

FRW net result before tax, a surplus of \$27.7 million, is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate from year to year. After appropriations (payment of return to Council, transfers of capital income and expenditure and income tax payment), the increased movement in FRW's community equity amounted to \$103.5 million in the 2018-19 financial year. This large increase is a result of the water and sewerage infrastructure revaluation.

Capital

Total capital expenditure for the 2018-19 financial year was \$21.8 million including debt redemption. Extensive refurbishment programs of underground water and sewerage assets were undertaken and also construction of new aboveground infrastructure was prominent.

The year saw the commencement and/or completion of the following projects:

- Completion of Athelstone High Zone water meter replacement program;
- Completion of Yaamba Road 600mm water pipeline relocation and renewal;
- Completion of the Mount Morgan gravity main sewerage expansion, rising main and Sewerage Pump Station;
- Continuation of the Glenmore Water Treatment Plant electrical and control renewal;
- Continuation of the Elizabeth Street water main extension project in Gracemere;
- Completion of mechanical dewatering at the Gracemere Sewage Treatment Plant;
- Commencement of concept design for North Rockhampton Sewage Treatment Plant augmentation;
- Completion of North Rockhampton Sewage Treatment Plant complete electrical renewal and continuation of aerator replacement;
- Completion of South Rockhampton Sewage Treatment Plant methane flaring system, primary & secondary sludge pump renewal and primary sedimentation tank mechanical & electrical renewal;
- Continuation of the installation of a sewer rising main to allow transfer of West Rockhampton Sewage Treatment Plant inflows to the South Rockhampton Sewage Treatment Plant and decommissioning of the West Rockhampton Sewage Treatment Plant;
- Completion of several smaller sewerage pump station electrical renewals and continuation of electrical/control upgrades;
- Continuation of the refurbishment of the sewerage network; and
- Continuation of the replacement of water mains.

Directions the Local Government gave the Unit – Non Commercial Directives

Community Service Obligations (CSO) arise as a result of FRW receiving a direction from Council (RRC) to undertake activities that would generally be considered not to be in the interests of a commercial entity to undertake. The amount attributed to CSO reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by FRW during the 2018-19:

Water	
Remissions to Community and Sporting Bodies	\$40,571
Undetected Leak Rebates	\$95,714
Sewerage	
Combined Line Charges (expenses)	\$122,936
Combined Line Charges (capital)	\$125,992

Raising Manholes (capital)	\$236,045
Sporting Bodies Sewerage Access	\$81,417
TOTAL	\$702,675

The following CSO were funded by a contribution from Council to FRW:

WATER	OBJECTIVE
Other Rate Remissions	RRC upon review of applications, at times grants remissions for Water Charges. These amounts are then claimed as a CSO by FRW.
Undetected Leak Rebates	A resolution dated 23 May 2017 states that "the implementation of the Undetected Leak Rebate Policy for both residential and commercial customers be identified as a CSO to the amount of \$110,000 per annum".
Sporting Bodies Rate Remissions	RRC upon review of applications, at times grants remissions for Water Charges. These amounts are then claimed as a CSO by FRW. Refer to Council Rate Rebates and Remissions Policy.

SEWERAGE	OBJECTIVE
Combined Line Charges (expenses)	A resolution dated 22 June 1999 states that "Council continue its current policy of maintaining combined line house drains and fund all such work carried out by
Combined Line Charges (Capital)	Further to the above resolution regarding the maintenance of combined lines, FRW has begun a full replacement program of these assets. As a result the cost of the replacement of these Combined Lines also constitutes a CSO and the full cost incurred is claimed.
Raising Manholes (Capital)	A resolution dated 29 May 2000 states that "FRW carries out the raising of sewerage manholes and claims this as a CSO".
Sporting Bodies Rate Remissions	RRC upon review of applications, at times grants remissions for Sewerage Charges. These amounts are then claimed as a CSO by FRW. Refer to Council Rate Rebates and Remissions Policy.
Other Rate Remissions	RRC upon review of applications grants remissions for Sewerage Charges. These amounts when remitted are then claimed as a CSO by FRW.

Asset Management

FRW has been working with Council's Assets team to review and update Asset Management Plans (AMP) for water and sewerage infrastructure in accordance with the requirements of the *Local Government Act 2009*. The purpose of this planning is to develop a long term strategy for the management of water and sewerage infrastructure to ensure the safe and reliable provision of water and sewerage service for the community.

The AMP provides details of the current condition and value of water and sewerage assets as well as forecasting the required future investment to ensure continued safe and reliable operation. The AMP also describes the performance of water and sewerage infrastructure against the adopted Customer Service Standards (CSS) which define the standard of service provided to customers. A summary of FRW's performance in meeting the targets and CSS is provided in this report along with additional supporting information where performance targets have not been met.

Comparison with Annual Performance Plan

Water Services Performance

Water - Day to Day Continuity

CSS Reference	Performance Indicator	Potable Water Schemes							Potable Water Schemes						
		Rockhampton and Gracemere Water Supply Scheme Number of access charges - 38,285 as at January 2019							Mt Morgan Water Supply Scheme Number of access charges - 1,511 as at January 2019						
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	
CSS1	Extent of unplanned interruptions - connections based (no. per 1,000 connections per year)	18	16	15	8	<80	57		2	15	1	7	<80	25	
CSS2	Extent of unplanned interruptions - incidents based (no. per 100 km of main per year) Rockhampton and Gracemere 775 km Mt Morgan 71 km	13	14	15	12	<30	54		4	1	1	8	<30	14	
CSS3	Time for restoration of service - unplanned interruptions (% restored within 5 hours)	100%	100%	96%	100%	>90%	99%		100%	100%	100%	100%	>90%	100%	
CSS4	Customer interruption frequency:														
	1 interruption per year	1.70%	1.37%	2.16%	0.86%	12%	6.09%		0.19%	1.78%	1.91%	0.72%	12%	4.60%	
	2 interruptions per year	0.14%	0.16%	0.01%	0.05%	2%	0.36%		ND	ND	ND	ND	2%	0.00%	
	3 interruptions per year	ND	0.04%	ND	ND	1%	0.04%		ND	ND	ND	ND	1%	0.00%	

	4 interruptions per year	ND	ND	ND	ND	0.00%	ND	ND	ND	0.50%	ND	0.00%
	5 or more interruptions per year	ND	ND	ND	ND	0.00%	ND	ND	ND	0.25%	ND	0.00%
CSS5	Relative incidence of planned and unplanned interruption incidents (% of planned versus total number of interruptions)	9%	3%	6%	7%	>30%	6%	0%	80%	67%	0%	37%
CSS6	Average interruption duration - planned and unplanned (hours)	3	1.88	1.46	2.37	3 hrs	2.18	0.15	1.08	0.92	0.21	3 hrs
CSS7	Responsetime											
	Priority 1 – 1 hour response	95%	99%	96%	100%	95%	98%	ND	100%	100%	100%	95%
	Priority 2 – 2 hours response	95%	97%	96%	99%	95%	97%	100%	100%	100%	100%	95%
	Priority 3 – 24 hours response	100%	100%	100%	100%	95%	100%	100%	100%	100%	100%	95%
	Restoration time											
	Priority 1 – 5 hours restoration	97%	95%	94%	90%	95%	94%	ND	100%	67%	100%	95%
	Priority 2 – 24 hours restoration	97%	98%	99%	100%	95%	99%	100%	100%	100%	100%	95%
	Priority 3 – 5 days restoration	100%	100%	100%	98%	95%	100%	86%	100%	100%	100%	95%
												97%

Adequacy and Quality of Normal Supply of Water Supply

CSS Reference	Performance Indicator	Potable Water Schemes							Potable Water Schemes				
		Rockhampton and Gracemere Water Supply Scheme Number of access charges – 38,032 as at January 2019							Mt Morgan Water Supply Scheme Number of access charges - 1,511 as at January 2019				
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date
CSS8	Minimum pressure standard at the water meter (kPa)	220	220	220	220	220 kPa	220	220	220	220	220 kPa	220	220
CSS9	Minimum flow standard at the water meter	9	9	9	9	9 L/min	9 L/min	9	9	9	9	9 L/min	9 L/min
CSS10	Connections with pressure deficient and/or flow (% of total connections)	0.3%	0.3%	0.3%	0.3%	<2.5%	0.3%	2.0%	2.0%	2.0%	2.0%	<2.5%	2.0%
CSS11	Drinking water quality (compliance with industry standard)	100%	100%	100%	100%	>98%	100%	100%	100%	100%	100%	>98%	100%
FRW's Drinking Water Quality Management Plan identifies the following key water quality parameters as reference indicators for customer service purposes: Physical and Chemical Water Quality Parameters - Target: >99% of all samples tested compliant with Australian Drinking Water Guidelines and E.coli - Target: None detected in >98% of all samples tested													
CSS12	Drinking water quality complaints (number per 1,000 connections)	0.33	0.23	0.20	0.45	<5	1.21	These figures are combined with the Rockhampton and Gracemere figures to give a total across all water supply schemes.					
CSS13	Drinking water quality incidents (number per 1,000 connections)	0	0	0	0	<5	0	0	0	0	0	<5	0

Long Term Continuity of Water Services

CSS Reference	Performance Indicator	Potable Water Schemes							Potable Water Schemes						
		Rockhampton and Gracemere Water Supply Scheme Number of access charges – 38,285 as at January 2019							Mt Morgan Water Supply Scheme Number of access charges - 1,511 as at January 2019						
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to
CSS14	Water main breaks (number per 100 km main) Rockhampton and Gracemere 775 km Mt Morgan 71 km	3	3	3	3	<40	12		4	3	1	1	<40		9
CSS15	Water services breaks (number per 1,000connections)	4	3	6	5	<40	18		7	8	7	7	<40		29
CSS16	System water loss (litres per connection per day)	161	160	158	195	< 200 L	169		114	176	137	97	< 200 L		131

Effective Transportation of Sewage

CSS Reference	Performance Indicator	Sewerage Schemes							Sewerage Schemes						
		Rockhampton and Gracemere Sewerage Scheme Number of access connections – 51,794 as at January 2019							Mt Morgan Sewerage Scheme Number of access connections – 556 as at January 2019						
		1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	to	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year Date	
CSS17	Sewage overflows – total (number per 100 km main) Rockhampton and Gracemere 721 km Mt Morgan 14 km	14.05	11.94	9.43	4.02	<30	39.44		ND	ND	ND	ND	<10	0	
CSS18	Sewage overflows to customer property (number per 1,000 connections)	2.02	1.69	1.31	1.6	<10	6.62		ND	ND	ND	ND	<5	0	
CSS19	Odour complaints (number per 1,000 connections)	0.1	0.3	0.15	0.08	<1	0.63		These figures are combined with the Rockhampton and Gracemere figures to give a total across all water supply schemes.						
CSS20	Response time														
	Priority 1 – 1 hour response	92%	78%	100%	94%	>95%	91%		ND	ND	ND	ND	>95%	0%	
	Priority 2 – 2 hours response	96%	91%	96%	96%	>95%	95%		ND	ND	ND	ND	>95%	0%	
	Priority 3 – 24 hours response	100%	100%	100%	100%	>95%	100%		ND	ND	ND	ND	>95%	0%	
	Restoration time														
	Priority 1 – 5 hours restoration	94%	96%	92%	97%	>95%	95%		ND	ND	ND	ND	>95%	0%	
	Priority 2 – 24 hours restoration	97%	100%	99%	98%	>95%	99%		ND	ND	ND	ND	>95%	0%	
	Priority 3 – 5 days restoration	100%	100%	100%	100%	>95%	100%		ND	ND	ND	ND	>95%	0%	

Long Term Continuity of Sewerage Services

Long Term Continuity of Sewerage Services		Sewerage Schemes							Sewerage Schemes				
		Performance indicator	Rockhampton and Gracemere Sewerage Scheme Number of access connections – 51,794 as at January 2019							Mt Morgan Sewerage Scheme Number of access connections - 556 as at January 2019			
CSS Reference	1st qtr		2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date	1st qtr	2nd qtr	3rd qtr	4th qtr	Annual Target	Year to Date
CSS21	Sewer main breaks and chokes (number per 100 km main) Rockhampton and Gracemere 721 km Mt Morgan 14 km	6.18	6.45	5.55	11.51	<50	29.69	ND	ND	ND	ND	<20	0
CSS22	Sewer inflow and infiltration (ratio of Peak Day Flow to Average Day Flow)	3.1	4.4	3.4	1.2	<5	3.03	1.4	1.4	1.5	1.6	<5	1.48

Reference Codes

A blank field should contain one of the following:

- a. 0 (zero)
- b. ND (no data is available, although the indicator is relevant)
- c. NR (not relevant; the indicator is not relevant to that scheme)

Customer Service Standards

A summary of the additional performance indicators and targets set out in FRW's CSS and actual performance is outlined below. Where performance has not met the minimum targets set, commentary is provided qualifying the data.

Customer Service Targets

Performance indicator	1st qtr	2nd qtr	3rd qtr	4th qtr	Target	Year to Date
Installation of new water connections (within the water service area)	94%	100%	90%	70%	15 working days	89%
Installation of sewerage connections (within the sewered area)	62%	50%	83%	14%	15 working days	52%
Complaints – (excluding maintenance of water and sewerage services) – advise outcome	100%	100%	100%	100%	20 working days	100%

Financial Performance Targets

Performance indicator	1st qtr date reported	2nd qtr date reported	3rd qtr date reported	4th qtr date reported	Target
RRC Operational Plan Reporting Frequency: quarterly	12/10/2018	18/01/2019	15/04/2019	15/07/2019	Initiatives successfully completed by year end
Operating Budget Reporting Frequency: quarterly or when variations arise	30/09/2018	31/12/2018	31/03/2019	30/06/2019	Conduct all activities in accordance with required timelines and budget
Annual Revenue Reporting Frequency: quarterly or when variations arise	30/09/2018	31/12/2018	31/03/2019	30/06/2019	Timely reporting of any significant variations to budget revenue and collection timing
Capital Works Reporting Frequency: quarterly or when variations arise	30/09/2018	31/12/2018	31/03/2019	30/06/2019	Completion of capital program in accordance with adopted timeframe and budget (within 3%)

Reference Codes

A blank field should contain one of the following:

- 0 (zero)
- ND (no data is available, although the indicator is relevant)
- NR (not relevant; this indicator is not relevant to that scheme)

Non Compliance Comments

CSS Reference	Scheme	Comment
CSS2	Rockhampton and Gracemere Water Supply Scheme	Response A total of 95 unplanned incidents affecting 312 connections for the quarter has contributed to this result. Larger scale unplanned interruptions during the last three quarters has influenced this result dramatically.
CSS5	Rockhampton and Gracemere Water Supply Scheme	Response As was the case in the previous quarters, a significant reduction in the number of planned interruptions during water main construction projects is the main contributor to this result. The reduction in planned interruptions is due to the nature of recent water main construction activities requiring less isolations.
CSS5	Mount Morgan Water Supply Scheme	Response As was the case in the previous quarters, a significant reduction in the number of planned interruptions during water main construction projects is the main contributor to this result. The reduction in planned interruptions is due to the nature of recent water main construction activities requiring less isolations.
CSS7	Rockhampton and Gracemere Water Supply Scheme	Response P2 - Total of 272 requests with 265 (94%) being restored within 24 hour restoration time for the year.
CSS7	Mount Morgan Water Supply Scheme	Restoration P1 - Total of 13 requests with 11 (89%) being restored within 5 hours restoration time for the year.
CSS17	Rockhampton and Gracemere Water Supply Scheme	Response Rockhampton and Gracemere Sewerage Scheme. A total number of 619 blockages and 342 overflows for the year. This total of 619 blockages includes all mainline, connection and combined line blockages. FRW is continuing to implement approved inspection programs in order to reduce the amount of storm water entering the sewerage network and the resulting surcharges.
CSS20	Rockhampton and Gracemere Water Supply Scheme	Response P1 - Total of 26 requests with 24 being responded to within the 1 hour response time.
Customer Service	Rockhampton and Gracemere Water Supply Scheme	Response Large number of jobs have not met target in part due to delays caused by factors beyond FRW's control, e.g.: coordinating with customers.

Water Supply (Safety and Reliability) Act 2008

In accordance with the *Water Supply (Safety and Reliability) Act 2008*, FRW has an approved Drinking Water Quality Management Plan (DWQMP) to manage the ongoing safe and reliable supply of drinking water to the community. Each year FRW reviews the DWQMP and completes and publishes an annual report that documents the performance of the drinking water schemes against national standards, state regulatory targets and the objectives outlined in the DWQMP. FRW continues to review and update important plan documents that describe the strategies associated with asset management, drought management, trade waste management and system leakage management. Together these activities help to ensure long term safe and reliable provision of water and sewerage services. FRW also undertakes the various significant activities associated with the safe management of the Mount Morgan No. 7 Dam which is a referable dam that supplies water to the Mount Morgan community.

As a business unit of Council, FRW provides the following services:

Overview of Services

Type	Scheme Name
Potable Water	Rockhampton Water Supply Scheme (including Gracemere) Mount Morgan Water Supply Scheme
Recycled Water Scheme	Gracemere Recycled Water Scheme Mount Morgan Recycled Water Scheme, North Rockhampton Recycled Water Scheme
Irrigation / Other Scheme	Fitzroy Barrage Water Supply Scheme (Raw water scheme)
Sewerage	North Rockhampton Sewerage Scheme, South Rockhampton Sewerage Scheme, West Rockhampton Sewerage Scheme, Gracemere Sewerage Scheme, Mount Morgan Sewerage Scheme

Customer Service Standards Processes**Service Connections**Water

FRW aims to install all new connections in the Water Service Area within 15 working days of approval of the application and payment of the related fee; or by the installation date agreed with the customer outside the 15 day period.

A standard fee for water connections applies within each scheme. An application may be made for water connections to properties outside the Water Service Area. If approved, the applicant will be required to meet all associated costs.

Sewerage

A standard sewerage connection is provided free to each property within existing sewered areas. Any additional connection or reconnection where a service is removed will incur the appropriate fee. Where a request is made for a sewerage connection outside the sewered area, FRW will assess if it is practical to make the service available or if the Sewerage Scheme should be extended. The applicant will be required to meet all associated costs where it is a connection outside an existing sewered area and, in the case of the extension of a Sewerage Scheme; FRW will assess the costs to be apportioned amongst the relevant property owners.

FRW aims to install all new sewerage connections within the sewered area within 15 working days of approval of the application and payment of the related fee or by the installation date agreed with the customer outside the 15 day period.

Trade Waste Services

Trade waste is any wastewater that is acceptable either treated or untreated for discharge to sewer. Trade waste specifically excludes any sewage discharged from private residential premises. A customer may discharge trade waste into the sewerage system provided the customer has first entered into a Trade Waste Agreement with FRW and in accordance with the Trade Waste Environmental Management Plan.

Metering and Billing

Water consumption bills are individually and independently issued by FRW on a quarterly basis.

FRW's water access and sewer charges are integrated with Council rate notices which are issued twice a year.

Accounting

If a customer is over charged, the amount over charged will be credited to the customer's next bill or refunded at the customer's request. If a customer is under charged, the next account will be adjusted or an additional payment will be required.

Customers who choose to pay their account in full, including arrears and interest accrued daily (if any), by the date specified, will receive a discount on current half yearly rates and utility charges excepting water consumption charges on which there is no discount applicable.

Payment can be made in the following manner:

- BPAY;
- Mail;
- Direct debit;
- Australia Post;
- Personal payment to Council – payments can be made at a Customer Service Centre or through Council's website; or
- Phone – Call 1300 BPOINT.

Customers who hold a Pensioners Concession Card or a Department of Veterans' Affairs Card are eligible for government funded concessions on rates and utility charges only.

Complaints

All complaints received regarding maintenance of water and sewerage services will be acted upon to meet the stated performance indicators. Other complaints will be investigated and FRW will endeavour to advise of the outcome within 20 working days.

Dispute Resolution

Customers not satisfied with FRW's response to an enquiry or complaint, can address their concerns in writing to the Chief Executive Officer at:

Chief Executive Officer Rockhampton Regional Council PO Box 1860
Rockhampton QLD 4700

Customers not happy with the response at this point, may raise their concerns with the Queensland Ombudsman's Office on (07) 3005 7000 or toll free 1800 068 908.

Review of Customer Service Standards

Legislation requires service providers to review the CSS every year. FRW's performance against financial and non-financial targets and key strategies are reported to Council on a quarterly basis in accordance with the adopted 2016-17 Performance Plan. The Annual Performance Plan report as at 30 June 2017 was presented to Council with the CSS and adopted on 11 July 2017.

The CSS will be reviewed in the current period. The current CSS are available under the FRW section on Council's website.

ROCKHAMPTON REGIONAL WASTE & RECYCLING (s190(2) LGR 2012)

Annual statement on operations of Rockhampton Regional Waste and Recycling

Nature and Scope of Activities

Rockhampton Regional Waste and Recycling (RRWR) is a commercial business unit of Council and is responsible for the operation and maintenance of waste and recycling assets totalling approximately \$60.2 million (replacement value).

General functions of these assets include the provision of waste collection points for the bulk transport of waste to landfill and the provision of 'airspace' to receive the Region's waste in an environmentally sound process and associated recycling and reuse support facilities.

Broadly, the scope of RRWR (based upon the 2018-19 financial year) is as follows:

Item	RRWR
Total Income (operating)	\$21.1M
Total Expenses (operating)	\$14.5M
Number of staff	32
Properties served—General Waste	32,149
Properties served—Recycling	32,031
Total waste to Landfill – including kerbside waste collection but not including cover material and green waste (tonnes)	51,620
Kerbside Waste Collected (tonnes)	21,345
Kerbside Recycling Collected (tonnes)	4,760
Landfills	1
Transfer Stations (manned), including Lakes Creek Road	6
Roadside Bin Stations	0
Trench Stations, Enclosed Wheelie Bin Collection Points, Bank of Bins	0

Annual Operations Report

Financial Indicators

Item	2018-19 Target	2018-19 Achieved
Operating Surplus Ratio	22.5%	31.2%
Interest Coverage Ratio	2.1x	2.8x
Asset Sustainability Ratio	90.0%	21.2%
Depreciation Ratio	5.2%	3.9%

**Comparison with Annual Performance Plan
Non-Financial Performance Targets**

CSS Reference	Performance Indicator	Target	Rockhampton Region
WCSS1	Weekly collection of domestic waste on the same day every week	98%	99.94%
WCSS2	Weekly collection of commercial waste	95%	99.94%
WCSS3	Fortnightly collection of domestic recyclable waste	98%	98.53%
WCSS4	Fortnightly collection of commercial recyclable waste	98%	98.53%
WCSS5	Missed service collection provided within two working days from notification when notification is within one working day of scheduled collection	95%	96.78%
WCSS6	Collection services will be made available within four working days upon application by the owner	98%	99.62%
WCSS7	Provision of assisted services within ten working days from application by the resident	100%	98.40%
WCSS8	Repair or replacement of stolen, removed, damaged, vandalised mobile bins within four working days from notification	100%	98.06%
WCSS7 and WCSS8 have not achieved the target in 2018-19 due to only receiving a small number of requests for the year, which makes it difficult to achieve the set target if a single request misses the target timeframe.			

Financial Performance Targets

Performance Indicator	Target	1st qtr date reported	2nd qtr date reported	3rd qtr date reported	4th qtr date reported
RRC Operational Plan Reporting Frequency: quarterly	Initiatives successfully completed by year end	Reported monthly			
Operating Budget Reporting Frequency: quarterly or when variations arise	Conduct all activities in accordance with required timelines and budget	30/09/2018	31/12/2018	31/03/2019	30/06/2019
Annual Revenue Reporting Frequency: quarterly or when variations arise	Timely reporting of any significant variations to budget revenue and collection timing	30/09/2018	31/12/2018	31/03/2019	30/06/2019
Capital Works Reporting Frequency: quarterly or when variations arise	Completion of capital program in accordance with adopted timeframe and budget (within 3%)	30/09/2018	31/12/2018	31/03/2019	30/06/2019

Review of Customer Service Standards

Legislation requires service providers to review the CSS every year. RRWR's performance against financial and non-financial targets and key strategies are reported to Council on a monthly basis.

Financial Performance**Operational**

RRWR raised operational income of \$21.1 million, including internal charges revenue, with the majority raised through rates and utility charges, and landfill fees and charges.

Operating revenue in the 2018-19 financial year is higher than the 2017-18 financial year by 6.7%, which is attributed to higher utility charge revenue received for the 2018-19 year in comparison to 2017-18.

Operational expenditure for the 2018-19 financial year amounted to \$14.5 million which does not include capital expenditure and company tax equivalents.

Materials and services and employee costs formed the largest portion of expenditure for RRWR in the financial period. Expenditure incurred for materials and services (62%) is essential in providing critical waste services to the community and maintaining RRWR property, plant and equipment. RRWR also supports a medium sized in-house workforce in order to provide and maintain these services for today and into the future with employee costs being 24% of operational expenditure.

Net Result Attributable to Rockhampton Regional Waste and Recycling

RRWR's net result of a deficit of (\$3.3 million) before income tax is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate from year to year. After appropriations (payment of return to Council, transfers of capital income and expenditure) the decrease in RRWR's retained surplus was \$5.9million.

Capital

Total capital expenditure for the 2018-19 financial year was \$4.2 million which fell short of the capital program budgeted of \$ 4.8 million.

The year saw the commencement and/or completion of the following projects:

- Continuation of the LCR life extension project, with the completion of Cell A
- Continuation of capping of Gracemere Landfill and Stage 1 of LCR Landfill
- Continuation of storm water outlets at the WTS
- Continuation of Alton Downs Waste Transfer Station
- Completion of the Bajool Waste Transfer Station
- Completion of the Donga Office extension at LCR
- Virtual completion of the Levy Ready project
- Purchase of land for Bushley Waste Transfer Station

Directions the Local Government gave the Unit – Non Commercial Directives

CSO's arise as a result of RRWR receiving a direction from Council to undertake activities that would generally be considered not to be in the interests of a commercial entity to undertake. The amount attributed to CSO's reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by RRWR during the 2018-19 financial year:

DESCRIPTION	ACTUAL COST
Roadside Bin Station Operations (3 months), closure and clean-up, on-going interim Sunday collection.	\$ 149,197
Boat ramp services	\$ 3,782
Old Landfill Maintenance Works	\$ 276,222
Regulated waste disposal	\$ 108,826
Charity Waste Policy	\$ 51,033
Green Waste Processing	\$ 713,887
Clean-up Australia	\$ 243
Waste Education	\$ 20,480
Sporting grounds	\$ 89,508
TOTAL CSO	\$1,413,178

Authorised Group	Date	Limit	Expiry
Anglicare Central Queensland Limited	01/07/2018	60 tonne	30/06/2019
Australian Red Cross	01/07/2018	½ tonne	30/06/2019
Lifeline Central Queensland	01/07/2018	250 tonne	30/06/2019
St Vincent de Paul Society Queensland	01/07/2018	120 tonne	30/06/2019
The Salvation Army	01/07/2018	120 tonne	30/06/2019
The Umbrella Network	01/07/2018	3 tonne	30/06/2019
Rockhampton Women's Shelter	01/07/2018	2 tonne	30/06/2019
Cancer Council - Relay for Life	01/07/2018	6 tonne	30/06/2019
Care & Share Rockhampton	01/07/2018	50 tonne	30/06/2019
Ring Pull Association	01/07/2018	5 tonne	30/06/2019
The Jolly Rogers Fishing Club	22/03/2018	5 tonne	30/06/2019

In accordance with Council's Community Service Obligation Policy, the following requests have been approved:

ROCKHAMPTON AIRPORT (s190(2) LGR 2012)

Annual statement on operations of Rockhampton Airport.

Nature and Scope of Activities

Rockhampton Airport is a commercial business unit of Council and is a major Australian Regional Airport that services the City of Rockhampton and Central Queensland, with flights to Brisbane, Gladstone, Mackay, Townsville and Cairns.

The Airport is used by both domestic and international airlines using a mix of aircraft including wide-bodied aircraft such as the B747 to B777 and A340 types, as being an alternate for the A380.

Rockhampton Airport is responsible for the operation and maintenance of Airport assets totaling approximately \$148.3 million (replacement value).

Annual Operations Report

Item	As at 30 June 2019
Total income	\$15.8M
Total expenses	\$12.2M
Passenger movements	558,971
Number of staff	19
Number of paid parking car parks	788
Aircraft movements	23,940

Comparison with Annual Performance Plan**Annual Performance Report**

The 2013-14 financial year was the first year that the Rockhampton Airport operated as a significant business activity under the *Local Government Act 2009*. This necessitated the requirement of an Annual Performance Plan.

The non-financial performance targets and corresponding results are included below.

Performance Indicator	Target	Annual Result
Increase Passenger numbers	1%	-0.99%
Increase Aircraft Movements	1%	-8.6%
Bird Strikes	Less than 36	26
Lost Time Days – workplace injuries	0	0
Reported Public Injuries on Airport Precinct	0	0
Customer Requests Actioned	100%	100%
Airline Engagement Meetings held Quarterly	Yes	Yes
All Military Exercise Briefings Attended	Yes	Yes

Financial Performance**Operational**

Total Income for the financial period was \$15.8 million, including revenue from RRC and excluding capital income. Operating income is lower in comparison to the previous financial year by 3% as a result of a one off \$0.5 million insurance payment received in 17/18.

Operational expenditure for the 2018-19 financial year was \$12.2 million, this does not include capital expenditure and company tax equivalents. Materials and services, depreciation and employee costs formed the largest portion of expenditure for Rockhampton Airport in the financial period. Expenditure incurred for materials and services (54%) is essential in providing critical services to the community and maintaining Rockhampton Airport property, plant and equipment. Rockhampton Airport also supports a reasonable size in-house workforce in order to provide and maintain these services for today and into the future with employee costs being 18% of operating expenditure.

Rockhampton Airport net result of \$5.5 million before income tax is the difference between total income and total expenditure. Included in the total income and total expenditure are items of capital revenue and capital expenditure which fluctuate from year to year. Overall, Rockhampton Airport achieved a surplus of \$4.3 million for the 2018-19 financial year. After appropriations (payment of return to Council, transfers of capital income and expenditure and application of previous year's surplus) the Airport incurred a retained surplus of \$1.9 million.

Capital

Total capital expenditure for the 2018-19 financial year was \$12.5 million against a budget of \$14.7 million.

The year saw the commencement and/or completion of the following projects:

- Practical completion of the main runway resurface
- Practical completion of the replacement of the Hertz Building
- Continuation of renewal of the aviation security infrastructure
- Practical completion of the digital display board in the terminal building
- Commencement of improvements to the Airside Stormwater

Directions the Local Government gave the Unit – Non Commercial Directives

CSO arise as a result of the Airport receiving a direction from Council to undertake activities that would generally be considered not to be in the interests of a commercial entity to undertake. The amount attributed to CSO reflects the value of the non-commercial concessional benefit provided by the business to the community. This is equal to either the cost of providing the service less any attributable revenue received or, alternatively, the benchmarked cost of providing the service less any attributable revenue received where the benchmark has been obtained from equivalent service providers.

The following table summarises the types of CSO revenue received by Rockhampton Airport during the 2018-19 financial year.

Description	Actual Cost
Royal Flying Doctors Service and Capricorn Helicopter Rescue Service	\$ 243,574
Patient Travelling Subsidy Scheme	\$ 80,695
TOTAL CSO	\$ 324,269

STATUTORY INFORMATION**Beneficial Enterprises (s41 LGA 2009)****Identifying beneficial enterprises**

- Building Certification

Significant Business Activities (s45 LGA 2009)**All Business Activities**

- Water and Sewerage
- Regional Waste
- Rockhampton Airport

Identify all significant business activities stating where new for the financial year and whether Competitive Neutrality Principles were applied

- Water and Sewerage
- Regional Waste
- Rockhampton Airport

The Code of Competitive Conduct was applied to all significant business activities.

All significant business activities were conducted in the previous year.

Assessment of Council Performance in implementing 5 year corporate plan (s190(1)(a) LGR 2012)

Performance against the Corporate Plan activities was measured on a quarterly basis and the majority of activities were achieved by all departments.

Assessment of Council performance in implementing the annual operational plan (s190(1)(a) LGR 2012)

Honest, transparent and accountable corporate governance in line with corporate values has resulted in the majority of key outcome targets being achieved with those results reported to Council via its Operational Plan on a quarterly basis.

The detailed annual results for the 2018-19 Operational Plan were reported to Council's meeting on the 20 August 2019 in accordance with *s174(3) Local Government Regulation 2012*.

Particulars of other issues relevant to making an informed assessment of the local government's operation and performance in the financial year (s190(1)(b) LGR 2012)

No contingent issues impacted the assessment of Council's performance for the period under review.

Details of any action taken for, and expenditure on a service, facility or activity supplied by another local government under an agreement for conducting a joint government activity and for which the local government levied special rates or charges for the financial year (s190(1)(d) LGR 2012)

Council has not been engaged in providing services to any other local government or joint local government.

Number of invitations to change tenders under section 228(7) during the financial year (s190(1)(e) LGR 2012)

Tender 13052 – Rockhampton Hockey Kalka Shades Redevelopment

Council identified the need to amend the specification to meet budget constraints.

List of the registers kept by Council (s190(1)(f) LGR 2012)

- Register of Asbestos Register
- Register of Asset Register
- Register of Cemetery Register
- Register of Dog Registry
- Register of Infrastructure Charges Register
- Register of Local Laws Register
- Register of Activities for Competitive Neutrality
- Register of Administrative Action Complaints Received
- Register of Authorised Persons (Environmental Protection Act 1994)
- Register of Beneficial Enterprises
- Register of Biosecurity Orders
- Register of Building Development Application Register
- Register of Certifier Application Register
- Register of Complaints about the Conduct or Performance of Councillors
- Register of Contact with Lobbyists
- Register of Cost-Recovery Fees (Council Fees and Charges)
- Register of Delegations
- Register of Designated Natural Hazard Management Areas (Flood)
- Register of Development Applications
- Register of Direction Notices
- Register of Application Documents for an Application for an Environmental Authority or Amendment of Environmental Authority, Including Information Requests and Responses to Information Requests
- Register of Environmental Authorities
- Register of Environmental Evaluations
- Register of Environmental Protection Orders
- Register of Environmental Reports
- Register of Impounded Animals
- Register of Installed On-site Sewerage and Greywater Use Facilities
- Register of Interests of Chief Executive Officer and Persons related to Chief Executive Officer
- Register of Interests of Councillors
- Register of Interests of Persons related to a Councillor
- Register of Interests of Senior Executive Employees and Persons related to a Senior Executive Employee
- Register of Monitoring Programs
- Register of Pre-qualified Suppliers
- Register of Permits and Inspection Certificates
- Register of Results of Monitoring Programs
- Register of Roads and Road Maps
- Register of Show Cause and Enforcement Notices
- Register of Surrendered Environmental Authorities
- Register of Suspended or Cancelled Environmental Authorities
- Register of Temporary Emissions Licences
- Register of Testable Backflow Prevention Devices
- Register of Transitional Environmental Programs
- Register of Risk Register

A summary of all concessions for Rates and Charges granted by the Local Government**Approved Government Pensioners**

The Queensland Government Pensioner Rate Subsidy Scheme is directed to the elderly, invalid or otherwise disadvantaged citizens of the community whose principal or sole source of income is a pension or allowance paid by Department of Human Services or the Department of Veterans' Affairs.

Unless stated otherwise, the terms and conditions of the Queensland Government Pensioner Rate Subsidy Scheme will apply to the application of the Council subsidy.

Eligibility

The following ratepayers are eligible for a concession/subsidy:

- (a) A holder of a Queensland "Pensioner Concession Card" issued by Department of Human Services or the Department of Veterans' Affairs, or
- (b) A holder of a Queensland "Health Card – For All Conditions" (Gold Card) issued by the Department of Veterans Affairs; or
- (c) A person receiving a Widow's Allowance; and
- (d) Is the owner or life tenant (either solely or jointly) of the property which is his/her principal place of residence; and
- (e) Has, either solely or jointly with a co-owner, the legal responsibility for the payment of rates and charges which are levied in respect of the property.

Applications for Concessions

Applications for concessions are considered during the rating period (that is, half year). Applications received after the date of levy are considered only from the commencement of the current rating period. Rebates are not granted retrospectively without prior approval from the State Government Concessions unit.

A completed Pensioner Rates Subsidies Form must be submitted. A new application is required when a change of address occurs.

Amount of Rebate

Approved ratepayers whose property in which they reside is located within the Region, may be entitled to a rebate of 20% (to a maximum of \$260 each year) on all rates levied in respect of each eligible property, excluding environment separate charge, special rates/charges, water consumption charges and rural and state fire levies/charges.

Should a person be entitled to only part of the State subsidy, because of part ownership of the property, or other relevant reason, the Council rebate would be similarly reduced.

Not-For-Profit/Charitable Organisations

Rate concessions are available to approved organisations whose objectives do not include the making of profit and who provide services to their membership and the community.

Eligibility

To be eligible, the not-for-profit/charitable organisation – an incorporated body must:

- (a) Not include the making of profit in its objectives;
- (b) Not charge a fee for service;
- (c) Be located within the Region and the majority of its members reside in the Region;
- (d) Not receive income from gaming machines and/or from the sale of alcohol in an organised manner (for example, bar with regular hours of operation with permanent liquor license);
- (e) Be the owner, lessee or life tenant of the property and is the incorporated bodies main grounds/base/club house or residence;
- (f) Either solely or jointly with a co-owner, have the legal responsibility for the payment of rates and charges which are levied in respect of the property; and
- (g) Not be a religious body or entity or educational institution recognised under State or Federal statute or law.

Should an applicant only have part ownership of the property, the Council concession is similarly reduced.

Applications for Concessions

Eligibility for a concession is assessed by Council annually prior to the issue of the first rate notice each financial year (generally June/July). Organisations not automatically provided with a concession, and believe they meet the relevant criteria, may apply at any time. If an application is approved by Council, concessions are applied from the beginning of the current rating period (concessions are not applied retrospectively).

Amount of Rebate

The amount of rebate applied to eligible organisations are as follows:

- (a) Category One – Surf Life Saving Organisations
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap – N/A
- (b) Category Two - Showground Related Organisations
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap – N/A
- (c) Category Three – Kindergartens
 - Rebate Level General Rates – 50%
 - Rebate Level Road Network Separate Charge – 50%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Environment Separate Charge – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – Charged at residential rates
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap - \$ 1,000.00
- (d) Category Four – Charitable Organisations Benefiting the Aged/Disadvantaged
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 50%
 - Rebate Level Water Consumption Charges – 0%
 - Rebate Level Sewerage Charges – 50%
 - Rebate Level Waste Charges – 50%
 - Cap - \$ 1,000.00 for Service Charges only

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- (e) Category Five – Sporting Clubs and Associations – Without Liquor and Gaming Licenses
Rebate Level General Rates – 100%
Rebate Level Separate Rates/Charges – 100%
Rebate Level Special Rates/Charges – 0%
Rebate Level Water Access Charges – 55%
Rebate Level Water Consumption Charges – Charged at residential rates
Rebate Level Sewerage Charges – 55%
Rebate Level Waste Charges – 55%
Cap - \$ 4,000.00 for Service Charges only
- (f) Category Six – Sporting Clubs and Associations – With Liquor Licenses but No Gaming Licenses
Rebate Level General Rates – 100%
Rebate Level Road Network Separate Charge – 100%
Rebate Level Environment Separate Charge – 0%
Rebate Level Special Rates/Charges – 0%
Rebate Level Water Access Charges – 55%
Rebate Level Water Consumption Charges – Charged at residential rates
Rebate Level Sewerage Charges – 55%
Rebate Level Waste Charges – 55%
Cap - \$ 4,000.00
- (g) Category Seven – Sporting Clubs and Associations situated on highly valued leasehold land – With Liquor Licenses but No Gaming Licenses
Rebate Level General Rates – 85%
Rebate Level Road Network Separate Charge – 75%
Rebate Level Environment Separate Charge – 0%
Rebate Level Special Rates/Charges – 0%
Rebate Level Water Access Charges – 50%
Rebate Level Water Consumption Charges – Charged at residential rates
Rebate Level Sewerage Charges – 50%
Rebate Level Waste Charges – 50%
Cap - \$ 2,000.00 for Service Charges only
Applies to Assessment Number 105813 – Rockhampton Bowls Club only.
- (h) Category Eight – Sporting Clubs and Associations – With Liquor and Gaming Licenses
Rebate Level General Rates – 0%
Rebate Level Separate Rates/Charges – 0%
Rebate Level Special Rates/Charges – 0%
Rebate Level Water Access Charges – 0%
Rebate Level Water Consumption Charges – 0%
Rebate Level Sewerage Charges – 0%
Rebate Level Waste Charges – 0%
Cap – N/A
- (i) Category Nine - All Other Not-For- Profit/Charitable Organisations
Rebate Level General Rates – 100%
Rebate Level Separate Rates/Charges – 100%
Rebate Level Special Rates/Charges – 0%
Rebate Level Water Access Charges – 50%
Rebate Level Water Consumption Charges – Charged at residential rates
Rebate Level Sewerage Charges – 50%
Rebate Level Waste Charges – 50%
Cap - \$ 3,000.00 for Service Charges only.
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- (j) Category Ten - Rural Fire Brigade
 - Rebate Level General Rates – 100%
 - Rebate Level Separate Rates/Charges – 100%
 - Rebate Level Special Rates/Charges – 0%
 - Rebate Level Water Access Charges – 100%
 - Rebate Level Water Consumption Charges – 100%
 - Rebate Level Sewerage Charges – 100%
 - Rebate Level Waste Charges – 100%
 - Cap - N/A

NOTE: Sewerage charges are not levied in respect of public amenities blocks that are locked and controlled by clubs.

General Rate Rebates

In accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, the properties where 100% rebate of general rates applies may be exempted from payment of general rates in lieu of the provision of a rebate.

Permits to Occupy Pump Sites and Separate Pump Site Assessments

Council will grant rebates on the following basis for those assessments that only contain pump sites and where the land area is 25 square meters or less:

- (b) Separate Charges – 100% rebate
- (c) General Rates – Maximum rebate of \$600.00.

Water Consumption Charges

Council will grant a rebate on the following basis for the following assessments:

- (a) 237107 – Gracemere Lakes Golf Club
- (b) 237109 – Gracemere Bowling Club
- Water Consumption Charges – 50% rebate.

Lot 1 South Ulam Rd, Bajool

Council will grant a rebate on the following basis for the following assessment:
146963-2 – being Lot 1 South Ulam Rd, Bajool (L1 MLG80014 Parish of Ultimo)

- (a) General Rate 100%
- (b) Road Network Charge 100%
- (c) Environment Separate Charge 100%

Limit in Increases in Rates and Charges

For the 2019-2020 financial year Council will not be resolving to limit any increases in rates and charges.

Rockhampton CBD Commercial Properties with Mixed Residential Use

The purpose of this concession is to encourage inner city residential living and reduce vacancies in the Rockhampton CBD by providing an incentive for commercial property owners within the defined CBD area (as per Appendix A - Rockhampton CBD Extent) to utilise unoccupied commercial space for residential purposes. Residential purposes is defined as any space constructed and permitted for residential use and occupied by the owner or tenant as a residence.

Council will consider granting a concession of up to \$2,200 per annum or a maximum of 75% of the general rate whichever is the lesser for a CBD mixed use category one property. The concession is primarily intended to facilitate the adaptation of established vacant commercial spaces, particularly above ground floor, to residential use.

Conditions

The following conditions apply:

- (a) The residential component should not be vacant longer than six months within the financial year;
- (b) Verification of use may be provided by a registered real estate agent or through pre-arranged inspection by a Council officer; and
- (c) Properties receiving the concession must advise Council if the residential use is discontinued.

The rates concession may be subject to reversal if the above conditions are not adhered to.

Applications for Concession

To apply a completed CBD Commercial Property Rates Concession Application Form must be submitted and will be subject to approval by Council.

Applications for concessions will be considered during the rating period (that is, half year). Applications received after the date of levy will be considered only from the commencement date of the current rating period (concessions are not applied retrospectively).

Leased Council Vacant Land

Council will grant rebates of 100% of the general rate and separate charges on vacant land owned or held by Council as trustee if the land is leased to another person and the land is not used for any business or commercial/industrial purpose.

In accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, properties where 100% rebate of general rates and separate charges apply may be exempt from the payment of general rates and separate charges in lieu of the provision of a rebate.

Waste Rebates for Multi-Residential Unit Developments

The purpose of this concession is to waive the waste/recycling charge where it has been deemed by Council impractical for Council to provide waste and recycling collection services to a multi-residential unit development consisting of six or more individual attached or semi attached premises or units for which a community title scheme exists under the *Body Corporate and Community Management Act 1997*.

Council may grant a concession of 100% of the waste/recycling charge for each multi-residential unit or units for which a community title scheme exists.

Applications for Concession

To apply a completed Waste Charges Rebate Form must be submitted and will be subject to approval by Council.

Applications will be considered during the rating period (that is, half year). The concession may be applied retrospectively for the full financial year where the service has not been provided in accordance with this policy and the Waste and Recycling Collection Services Policy and Procedure.

Report On Internal Audit For The Year (s190(1)(h) LGR 2012)

The Internal Audit function and Audit Committee (Audit and Business Improvement Committee) are mandatory compliance requirements of the *Local Government Act 2009*.

Audit and Business Improvement Committee

This advisory committee operates under best practice guidelines with a majority independent membership consisting of three external experts. The voting member profiles are –

- Mr A MacLeod (Committee Chair and Independent External Member)
- Cr M Strelow (Mayor)
- Cr E Smith
- Mr M Parkinson (Independent External Member)
- Mr G Mullins (Independent External Member)

Committee responsibilities include review and monitoring of the effectiveness of Governance, Risk and Compliance processes and functions, strategic asset management, fraud prevention, including the internal and external audit process. The Committee's role includes making recommendations to Council about any matters reviewed. The Committee meets four times a year.

Internal Audit

Internal Audit's mission is to independently and objectively examine and evaluate Council activities to help ensure that Council meets its objectives. The risk management function is managed through Internal Audit providing a consulting and reporting function to management and Council. Besides assisting with the management of both risks and opportunities relevant to council meeting its key objectives, this function provides the basis for the risk-based audits undertaken.

Internal Audit provides consulting, analyses, appraisals, recommendations for improvement, and evaluation of internal controls across all areas of operations which assist the Council in the effective discharge of its responsibilities. These in-house audit services extend to investigations for fraud and corruption. Internal Audit is empowered to report functionally directly to the Audit and Business Improvement Committee, thus following a best practice governance approach to protect the public interest.

Internal Audit Plan

Specific audits and audit activities planned and completed during the 2018-19 financial year included:

- Business Continuity Planning – covering Council's critical business functions
- Environment Act – covering the state of environment management systems
- Heritage Village – covering site operation safety for volunteer workers
- Tender Consideration Plans – covering compliance with Local Government Regulation
- Contracting Exceptions – covering compliance with Local Government Regulation
- Rockhampton Show – covering cash handling integrity for this event
- Status Reports – ensuring audit recommendations have been effectively implemented
- Annual Risk-based Audit Plan and Assurance Strategy
- Business Improvement Activities – related to the Internal Audit activity operation

Summary of investigation notices given in the year under section 49 for competitive neutrality complaints (s190(1)(i) LGR 2012)

Nil.

Responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under sections 52(3) and 190(1)(j) LGR 2012

Nil.

Senior Employees (s201 LGA 2009)

The total of all remuneration packages that are payable (in the year to which the annual report relates) to the senior management of the local government.

The total remuneration packages that were payable to senior management for the financial year was
\$1,444,533.68

Number of employees in senior management who are being paid each band of remuneration

No senior contract employees with a total remuneration package in the range of <\$200,000.

Three senior contract employees with a total remuneration package in the range of \$200,000-\$299,000.

Two senior contract employees with a total remuneration package in the range of \$300,000-\$399,000.

Please note: Packages include base salary, vehicle allocation, annual leave loading and superannuation.

Administrative Action Complaints (s187 LGR 2012)

Council takes all complaints about its services seriously and is committed to responding quickly and efficiently. Complaints may be lodged by an affected person either in writing, by telephone or face to face. The department referred to in the complaint will be responsible for the initial investigation.

Council manages complaints through the Complaints Management Policy and related procedures. If a customer is dissatisfied with the outcome of the investigation undertaken by the department they may appeal to the CEO to have the complaint investigated under Council's Complaints Management Policy and Administrative Action Complaint Procedure.

A total of 263 complaints were received by Council under the Administrative Action Complaint Procedure this financial year. 248 of those complaints were able to be resolved before the end of the financial year, along with nine (9) complaints from the previous financial year.

Number of administrative action complaints received in financial year	263
Number of administrative action complaints resolved in financial year	257
Number of administrative action complaints not resolved in financial year	15
Number of administrative action complaints that were from a previous financial year	9

COUNCILLORS**Resolutions made under s250(1) LG Regulation 2012 (Requirement to adopt expenses reimbursement policy or amendment) (s185(a) LGR 2012)**

Adopted at Council Meeting on 11 December 2018:

THAT Council adopt the:

1. Draft Councillor Gifts, Benefits and Hospitality Policy as amended; and
2. Revised Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy as amended.

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

Adopted at Council Meeting on 15 January 2019:

THAT Council adopt the revised Expenses Reimbursement and Provision of Facilities for Mayor and Councillors Policy, with the inclusion of the following wording in Section 5.4:

"Council will cover costs incurred through injury, investigation, hearings or legal proceedings into the conduct of a Councillor, or arising out of, or in connection with the Councillors performance of their civic functions. If it has been found that the Councillor breached the provisions of the governing legislation, the Councillor will reimburse Council with all associated costs incurred by Council. Should a Councillor obtain their own legal advice, Council may consider at its discretion making a contribution in full or in part towards the legal costs incurred subject to the Councillor not being found to be in breach of the provisions of the governing legislation."

Moved by: Councillor Schwarten
Seconded by: Councillor Smith
MOTION CARRIED

Resolutions made under section 206(2) LG Regulation 2012 (Valuation of non-current physical assets) (s185(b) LGR 2012)

Nil

Remuneration and superannuation contributions paid to each Councillor (S186(a) LGR 2012)

Councillor	YTD Salary 'Work'	Employer Super	Gross
Mayor, Councillor M F Strelow	\$151,878	\$14,422	\$166,300
Councillor C R Rutherford	\$99,921	\$11,986	\$111,907
Councillor R A Swadling	\$87,929	\$10,547	\$98,476
Councillor N K Fisher	\$87,929	\$8,350	\$96,279
Councillor A P Williams	\$87,929	\$10,547	\$98,476
Councillor C E Smith	\$87,929	\$10,547	\$98,476
Councillor M D Wickerson	\$87,929	\$10,547	\$98,476
Councillor S J Schwarten	\$87,929	\$10,547	\$98,476

Expenses incurred by and provided to each Councillor under the Expenses Reimbursement Policy (s186(b) LGR 2012)

Councillor	Travel Expenses/ Vehicle Allowances
Mayor, Councillor M F Strelow	\$43,316
Councillor C R Rutherford	\$17,858
Councillor R A Swadling	\$22,816
Councillor N K Fisher	\$29,119
Councillor A P Williams	\$15,128
Councillor C E Smith	\$30,132
Councillor M D Wickerson	\$29,084
Councillor S J Schwarten	\$12,479

Details of the number of meetings attended by each Councillor during the financial year (s186(c) LGR2012)
Meeting Attendance Figures: 1 July 2018 – 30 June 2019

Councillor	Council Meeting	Special Council Meeting	Airport, Water & Waste Committee	Audit Advisory Committee	Community Services Committee	Infrastructure Committee	Parks, Recreation & Sport Committee	Planning & Regulatory Committee
Mayor, Councillor M F Strelow	21	2	6	2	7	8	5	13
Deputy Mayor, Councillor C R Rutherford	21	2	10		9	8	9	17
Councillor R A Swadling	17	2	7		10	9	7	
Councillor N K Fisher	19	2	11		11	10	10	14
Councillor A P Williams	20	2	10		8	9		
Councillor C E Smith	21	2	10	4		8	9	17
Councillor M D Wickerson	19	1	11		11	10	10	17
Councillor S J Schwarten	8	1						
Total Meetings Held	22	2	11	4	11	10	10	18

Note: Where the field is blank this denotes that the Councillor is not a member of that Committee.

Orders and complaints during the financial year are shown in tables:

- Period 1 July 2018 to 2 December 2018
- Period 3 December 2018 to 30 June 2019

<i>For the period 1 July 2018 to 2 December 2018 (former legislation – see extracts of the relevant prior sections of the Act below):</i>	
(d) the total number of the following during the financial year -	0
(i) orders and recommendations made under S180(2) or (4) of the Act; and	0
(ii) orders made under S181; and	0
<i>For the period 3 December 2018 to 30 June 2019:</i>	
(d) the total number of the following during the financial year	
(i) orders made under section 150I(2) of the Act	0
(ii) orders made under section 150AH(1) of the Act;	0
(iii) decisions, orders and recommendations made under section 150AR(1) of the Act; and	0
<i>For the period 1 July 2018 to 2 December 2018:</i>	
(e) each of the following during the financial year -	
(i) the name of each Councillor for whom an order or recommendation was made under S180 of the Act or an order was made under S181 of the Act;	NA
(ii) a description of the misconduct or inappropriate conduct engaged in by each of the Councillors;	NA
(iii) a summary of the order or recommendation made for each Councillor; and	NA
<i>For the period 3 December 2018 to 30 June 2019:</i>	
(i) the name of each Councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made	NA

(ii) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the Councillors;	NA
(iii) a summary of the decision, order or recommendation made for each Councillor; and	NA
<i>For the period 1 July 2018 to 2 December 2018:</i>	
(f) the number of each of the following during the financial year -	
(i) complaints about the conduct or performance of Councillors for which no further action was taken under S176C (2) of the Act;	3
(ii) complaints referred to the department's chief executive under S176C (3) (a)(i) of the Act;	0
(iii) complaints referred to the mayor under S176C(3)(a) (ii) or (b)(i) of the Act;	0
(iv) complaints referred to the department's chief executive under S176C(4)(a) of the Act;	0
(v) complaints assessed by the chief executive officer as being about corrupt conduct under the Crime and Corruption Act;	0
(vi) complaints heard by a regional conduct review panel;	0
(vii) complaints heard by the tribunal;	0
(viii) complaints to which S176C (6) of the Act applied.	0
<i>For the period 3 December 2018 to 30 June 2019:</i>	
(f) the number of each of the following during the financial year -	
(i) complaints referred to the assessor under section 150P(2)(a) of the Act by the local government; a Councillor of the local government and the chief executive officer of the local government.	0
(ii) matters, mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission	0
(iii) notices given under section 150R(2) of the Act;	0
(iv) notices given under section 150S(2)(a) of the Act	0
(v) decisions made under section 150W(a), (b) and (d) of the Act;	0
(vi) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act	0
(vii) occasions information was given under section 150AF(4)(a) of the Act	0
(viii) occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the Act for the local government, the suspected inappropriate conduct of a Councillor	0
(ix) applications heard by the conduct tribunal about the alleged misconduct of a Councillor	0

Overseas Travel (s188 LGR 2012)**Overseas travel by Councillor or employee in an official capacity**

Name/Job Title	Reason	Date	Amount (excl GST)	Destination
Councillor Tony Williams	Supply chain discussions to develop aquaculture opportunities within the region <i>(RRC lead delegation funded by Australia-ASEAN Council grant)</i>	27 October – 2 November 2018	\$2,635.37	Singapore
Wade Clark Senior Economic Development Officer	Supply chain discussions to develop aquaculture opportunities within the region <i>(RRC lead delegation funded by Australia-ASEAN Council grant)</i>	27 October – 2 November 2018	\$3,115.20	Singapore
Young Beamish Senior Executive Trade and Investment	Supply chain discussions to develop aquaculture opportunities within the region <i>(RRC lead delegation funded by Australia-ASEAN Council grant)</i> Attend China International Import Expo	27 October – 14 November 2018	\$9,100.91	Singapore/China
Mayor Margaret Strelow	International Sister Cities Ceremony with Zhenjiang	4-10 November 2018	\$5,859.48	China
Tony Cullen General Manager Advance Rockhampton	Attend China International Import Expo Meetings in Singapore	4-15 November 2018	\$7,292.39	China/Singapore
Mayor Margaret Strelow	Meet with representatives of Singapore Defence and associated partners	17-24 January 2019	\$67.27* <i>*Note: The only cost incurred was an additional insurance premium. All other travel costs were paid personally by Mayor.</i>	Singapore

Evan Pardon Chief Executive Officer	Meet with representatives of Singapore Defence and associated partners	19-28 January 2019	\$2,578.18	Singapore
Tony Cullen General Manager Advance Rockhampton	Meet with representatives of Singapore Defence and associated partners	20-24 January 2019	\$5,917.43	Singapore
Tony Cullen General Manager Advance Rockhampton	Join Queensland Government's Trade Mission to the 2019 Bio International Convention	31 May – 6 June 2019	\$13,735.38	Philadelphia

Expenditure on Grants to Community Organisations (s189 LGR 2012)

Summary of expenditure for the financial year on grants to community organisations

A total of \$528,515 was granted to community organisations during the 2018-19 financial year.

Grant Program	Expenditure for 2018-19
Community Assistance Program	\$405,222.96
Waste and Recycling Community Service	\$ 51,033.00
Australia Day Community Events	\$ 5,800.000
Exemptions of hire costs for public events	\$ 7,806.36
Regional Arts Development Fund	\$ 58,653.07
	\$528,515.39

Summary of expenditure from each Councillor's discretionary fund detailing organisation, amount and purpose

2018-2019 Councillors Discretionary Fund

Mayor, Councillor Margaret Strelow

Community Organisation	Purpose	Amount
Meals on Wheels Rockhampton	Donation towards Christmas luncheon for all Meals on Wheels volunteers in Rockhampton	\$500.00
St Matthews Cottages	Assistance towards painting the cottages	\$2,000.00
Rockhampton Symphony Orchestra	Donation towards "A Night at the Proms" event to cover professional fees for guest conductor.	\$2,000.00
Stanwell & Surrounds Community Club Inc	Donation towards community BBQ to thank the fireys and emergency services for fighting the November fires	\$1,000.00
Rotary Club of Mount Morgan	Financial assistance to assist with the costs for Mount Morgan ANZAC Day Services	\$500.00
Cathedral Parish of St Joseph	Financial support towards the Multicultural celebrations in 2019 at the Rockhampton Cathedral Parish	\$500.00
State Emergency Service Central Region	Financial assistance towards hiring the Rockhampton Showgrounds for the State Disaster Rescue Challenge	\$1,000.00
Legacy Rockhampton & Central Queensland	Ongoing service delivery to the Families (widows, childre & dependants with disabilities) of current and ex-defence service members	\$1,000.00
Cockscomb Veterans Retreat	Urgent maintenance required for power supply	\$1,000.00
TOTAL		\$9,500.00

Deputy Mayor, Councillor Cherie Rutherford

Community Organisation	Purpose	Amount
Welfare Bowls	Donation towards plaques for 100th Birthday Celebrations	\$467.50
The Ridglands and District Sporting and Agricultural Association Inc	Financial assistance with the costs of printing programs for the Ridglands Show	\$800.00
Mount Morgan Promotion and Development Incorporated	Donation towards purchasing water and barbeque supplied for the Mount Morgan Clean Up Australia Day event	\$100.00
Mount Morgan Historical Museum Inc	Donation towards shipping costs of glass display cabinets for the Mount Morgan Museum displays	\$400.00
The Hall State School P&C Association	Financial assistance for purchasing a set of School sports shirts	\$936.20
Central Queensland Pipes and Drums	Donation towards the purchase of training instruments for learner pipers and for use during public performances	\$150.00
Mount Morgan Show	Donation of prize money for Concours D'Elegance Costume event for the Mount Morgan Show 2019	\$100.00
CQ Community Suicide Prevention Network	Donation towards safeTALK workshops being held in Rockhampton	\$100.00
Peace International Archery Club Inc	Financial assistance towards the costs of a new building for the club	\$300.00
Rocky Roller Derby	Financial assistance for new Junior League equipment	\$600.00
TOTAL		\$3,953.70

Councillor Rose Swadling

Community Organisation	Purpose	Amount
Cockscomb Veteran's Bush Retreat	Donation towards National Veterans Day and 50th Anniversary of the Battle of Coral-Balmoral	\$500.00
Rockhampton Cathedral Parish of St Joseph	Financial support towards the Multicultural celebrations in 2018 at the Rockhampton Cathedral Parish	\$250.00
Crime Stoppers	Financial assistance to help promote Crime Stoppers 1800 number	\$250.00
Police Citizens Youth Club Rockhampton	Donation towards Sunstate Amateur Boxing League QLD State Titles at PCYC	\$250.00
RSL Capricornia & Rockhampton Region Sub Branch Inc	Donation towards bus trip for the volunteers	\$250.00
Lighthouse Christian School	Financial assistance towards a sound mixer for use at School events	\$500.00
Parkhurst State School P&C Association	Financial assistance towards Remembrance Day Project	\$250.00
Leinster Place	Financial assistance towards replacing lighting fixture for Azur House Memorial Garden and water feature	\$500.00
Central Queensland Pipes and Drums	Donation towards the purchase of training instruments for learner pipers and for use during public performances	\$160.00
St. Anthony's Primary School	Donation towards creating and maintaining a vegetable garden for the year 5 & 6 environment student group	\$250.00
Rockhampton Relay for Life	Financial assistance towards the running expenses for the Relay For Life fundraising event	\$250.00
Community Supporting Police (CSP) Rockhampton	Donation towards ongoing costs for program	\$250.00
Rockhampton Mt Archer Lions Club	Donation towards equipment for community food van	\$250.00
Emmaus College	Financial assistance to support the recycling program to purchase recycling bin	\$250.00
Rockhampton Senior Citizens Club	To purchase 2 catering trolleys	\$400.00
Project Booyah	Donation towards operational costs	\$250.00
Queensland Retired Police Association	Fund raising for annual dinner & donation to Queensland Police Legacy Scheme	\$190.00
TOTAL		\$5,000.00

Councillor Neil Fisher

Community Organisation	Purpose	Amount
Jason Rich Foundation	Financial assistance towards costs of hiring venue for young driver education course	\$100.00
Diggers Memorial Ladies Bowling Club	Financial assistance towards annual ladies bowls open fours event 2018	\$300.00
Rockhampton Dog Obedience Club Inc	Financial assistance towards replacing agility and obedience trial jumps	\$340.00
Central Queensland Pipes and Drums	Donation towards the purchase of training instruments for learner pipers and for use during public performances	\$160.00
Capricorn Scouts District	Donation towards the purchase of flags for the new Scouts district area	\$470.00
Rockhampton Horticultural Society Inc	Prize money for Rockhampton Agricultural Show in June	\$504.00
Diggers Memorial Bowling Club	Donation towards open mixed bowls carnival	\$500.00
Frenchville State School	Funding to support students with a disability to construct a sensory obstacle course	\$560.00
Mount Archer State School	Financial assistance to purchase recycling bins to assist the students in a recycle collection project	\$550.00
Stitch and Chat	Donation towards members creating rugs, quilts, pillow cases and turbans for people in need to be distributed by Police and the Hospitals	\$900.00
Capricornia Budgerigar Society	Donation towards the purchase of new judging stands and new catering equipment	\$316.00
Meals on Wheels Rockhampton	Financial assistance to purchase a portable workplace first aid kit for the Volunteer meeting room	\$300.00
TOTAL		\$5,000.00

Councillor Tony Williams

Community Organisation	Purpose	Amount
Rockhampton Australian South Sea Island Community	Financial assistance towards the cost of bins for the South Sea Islander Twilight Markets	\$166.00
Drug Arm	Donation towards Drug Awareness manual	\$250.00
Multicultural Development Australia	Donation towards Armstrong St Community Garden	\$100.00
Queensland Blue Light Association Inc	Financial assistance towards crime prevention programs for Rockhampton at risk youth	\$200.00
Nerimbera Football Club	Donation towards purchasing marquees for teams travelling to events	\$615.00
CQ Touch Football Association Inc	Financial assistance towards purchasing a large marquee for the junior players	\$1,000.00
St Mary's Catholic Primary School	Donation of extra wheelie bins for St Mary's Parish Fair	\$273.50
Rockhampton Saloon Car Club Inc	Financial assistance towards advertising for the Aaron Smithwick Memorial Super Stocker Title	\$500.00
Football Rockhampton Inc	Financial assistance towards purchasing a BBQ for Norbridge Park	\$500.00
CQ Community Suicide Prevention Network	Donation towards safeTALK workshops being held in Rockhampton	\$100.00
All Blacks Community Sports Club	Donation towards purchasing tables and chairs for community hall	\$1,000.00
RSPCA Op Shop and Animal Adoptions Rockhampton	Financial assistance towards advertising in promoting awareness of the RSPCA Op Shop and Animal Adoption Centre	\$295.50
TOTAL		\$5,000.00

Councillor Ellen Smith

Community Organisation	Purpose	Amount
Jason Rich Foundation	Financial assistance towards costs of hiring venue for young driver education course	\$500.00
Gracemere Scout Group	Financial assistance towards purchasing kitchen appliances and accessories for the Scout hut	\$500.00
Gracemere Croquet Club	Financial assistance towards upkeep and maintenance of club facilities	\$500.00
Gracemere Community Voice Association	Financial assistance towards letter drop and Christmas Party	\$380.00
Gracemere Cub JRL	Donation towards the purchase of canteen equipment	\$500.00
Gracemere Bowls Club	Donation towards the Ladies Fours Carnival and the Mens Fours Carnival in October	\$800.00
Stanwell State School P&C Association	Donation towards School's fundraising event	\$100.00
Bouldercombe Singers	Financial assistance towards travel performances in the community	\$200.00
Mount Morgan State High School	Donation towards 2018 Awards Night	\$50.00
Bouldercombe State School P&C Association	Financial assistance towards school grounds maintenance and beautification	\$500.00
Bouldercombe Progress Association Inc	Donation towards purchasing Hams for the Bouldercombe Community Christmas Fair	\$200.00
Waraburra State School	Financial assistance to upgrade the Prep playground	\$500.00
Gracemere Girl Guides	Donation towards 100 years of Guiding in Qld Celebrations	\$270.00
TOTAL		\$5,000.00

Councillor Drew Wickerson

Community Organisation	Purpose	Amount
Community Solutions	Financial assistance towards luncheon to increase work opportunities for people with disabilities	\$1,000.00
NAIDOC	Donation of plants for Naidoc Week Celebrations	\$536.25
Bajool State School	Financial assistance towards raised garden beds for the community harvest gardens.	\$500.00
Birdlife Capricornia	Financial assistance towards conservations works for the critically endangered Capricorn Yellow Chat bird	\$500.00
Rockhampton Golf Club	Financial assistance towards running the Rockhampton Golf Club Ladies Closed Championships	\$500.00
Rockhampton Mallets Sports Club	Financial assistance towards facilities maintenance	\$500.00
Marmor State School	Financial assistance towards installing data points and outlets for the school's computer lab	\$1,000.00
Marmor ANZAC Day Commemorations Committee	Financial assistance toward Marmor ANZAC day services	\$450.00
TOTAL		\$4,986.25

Councillor Stephen Schwarten

Community Organisation	Purpose	Amount
St Matthews Cottages	Assistance towards painting the cottages	\$5,000.00
TOTAL		\$5,000.00

11.11 SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019**File No:** 8148**Attachments:**
1. **Income Statement September 2019**[↓](#)
2. **Key Indicator Graphs September 2019**[↓](#)**Authorising Officer:** Ross Cheesman - Deputy Chief Executive Officer**Author:** Alicia Cutler - Chief Financial Officer

SUMMARY

The Chief Financial Officer presenting the Rockhampton Regional Council Summary Budget Management Report for the period ended 30 September 2019.

OFFICER'S RECOMMENDATION

That the Rockhampton Regional Council Summary Budget Management Report for the period ended 30 September 2019 be 'received'.

COMMENTARY

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

1. Income Statement (Actuals and Budget for the period 1st July 2019 to 30 September 2019), Attachment 1.
2. Key Indicators Graphs, Attachment 2.

The attached financial statement provides Council's position after the first quarter of the 2019/20 financial year. Results should be approximately 25% of the adopted budget on an even monthly distribution basis.

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

Total Operating Revenue is at 39% of the adopted budget. Key components of this result are:

- Net Rates and Utility Charges are at 46% of budget. Council's rates and utility charges for the first six months of the financial year ending 31 December 2019 have been raised and fell due on 4th September 2019.
- Private and recoverable works has slipped behind budget at 15%, this is due to projects commencing later in the current financial year.
- Grants, subsidies and contributions are behind budget at 17% - this is due to the timing of receipt of the Federal Assistance Grant with 50% of the 19/20 Grant being received in the 18/19 financial year.
- Interest revenue is ahead of budget at 36%. 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 income is at 44% of the budget. This is ahead of the target due to insurance proceeds received and Airport commercial commissions received. Waste levy payments from the State Government has been allocated as other income based on latest technical accounting advice; at the time of budget preparation the Waste levy payment was allocated as grant income.

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

- Contractors and consultants are at 21%. This is largely due to the timing of contract payments under Waste and Recycling Section and Advance Rockhampton.
- Materials and plant is at 18%. This is mostly due to some private and recoverable works projects yet to commence in 2019/20.
- Other expenses are only at 12%. This is partly due to the timing of grants and sponsorships to local community groups.
- All other expenditure items are in proximity to the adopted budget.

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

Total Capital Income is at 10% of adopted budget. The majority of capital revenue budgeted to be received in 2019/20 is from grants and subsidies tied to performance obligations. As Council progresses through the year and meets performance milestones, grants will be claimed.

Total Capital Expenditure is at 10% of the adopted budget. This represents an actual spend of \$15.3M for the financial year. Some of the large projects are still in early project delivery stages – for example the new Art Gallery construction phase has not yet begun. Once construction starts it is expected that the capital spend will accelerate.

Total Investments are approximately \$85.6M as at 30 September 2019.

Total Loans are \$113.5M as at 30 September 2019.

CONCLUSION

Total operational revenue is ahead of budget at 39% due to the levying of the General Rates and Utility Charges for the six months ending 31 December 2019.

The capital program saw \$6.9M spent during September and will need to gain momentum in the coming months to deliver the projects budgeted in 2019/20.

SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Income Statement September 2019

Meeting Date: 5 November 2019

Attachment No: 1

Income Statement
For Period July 2018 to September 2019
25% of Year Gone



	Adopted Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Adopted Budget
	\$	\$	\$	\$	
OPERATING					
Revenues					
Net rates and utility charges	(149,627,173)	(68,253,209)	0	(68,253,209)	46%
Fees and Charges	(26,271,007)	(6,432,175)	(135)	(6,432,310)	24%
Private and recoverable works	(13,292,943)	(1,964,566)	0	(1,964,566)	15%
Rent/Lease Revenue	(3,117,903)	(832,686)	0	(832,686)	27%
Grants Subsidies & Contributions	(14,762,254)	(2,531,917)	0	(2,531,917)	17%
Interest revenue	(934,000)	(331,743)	0	(331,743)	36%
Other Income	(4,423,646)	(1,936,916)	0	(1,936,916)	44%
Total Revenues	(212,428,927)	(82,283,212)	(135)	(82,283,347)	39%
Expenses					
Employee costs	83,397,224	20,472,412	184,080	20,656,492	25%
Contractors & Consultants	17,959,240	3,717,310	7,974,228	11,691,538	21%
Materials & Plant	19,244,295	3,385,001	2,978,598	6,363,599	18%
Asset Operational	25,149,294	5,566,787	2,206,469	7,773,256	22%
Administrative expenses	14,368,947	3,461,432	3,262,127	6,723,559	24%
Depreciation	54,365,738	13,591,645	0	13,591,645	25%
Finance costs	6,046,530	1,539,613	0	1,539,613	25%
Other Expenses	1,247,340	153,843	35,633	189,476	12%
Total Expenses	221,778,608	51,888,042	16,641,135	68,529,177	23%
Transfer / Overhead Allocation					
Transfer / Overhead Allocation	(9,382,328)	(2,111,814)	0	(2,111,814)	23%
Total Transfer / Overhead Allocation	(9,382,328)	(2,111,814)	0	(2,111,814)	23%
TOTAL OPERATING POSITION (SURPLUS)/DEFICIT	(32,647)	(32,506,984)	16,641,000	(15,865,984)	99571%
CAPITAL					
Total Developers Contributions Received	(2,262,800)	(534,021)	0	(534,021)	24%
Total Capital Grants and Subsidies Received	(63,960,122)	(5,901,177)	0	(5,901,177)	9%
Total Proceeds from Sale of Assets	0	0	0	0	0%
Total Capital Income	(66,222,923)	(6,435,199)	0	(6,435,199)	10%
Total Capital Expenditure	149,316,405	15,255,199	63,675,158	78,930,357	10%
Net Capital Position	83,093,482	8,820,000	63,675,158	72,495,158	11%
TOTAL INVESTMENTS		85,623,868			
TOTAL BORROWINGS		113,539,333			

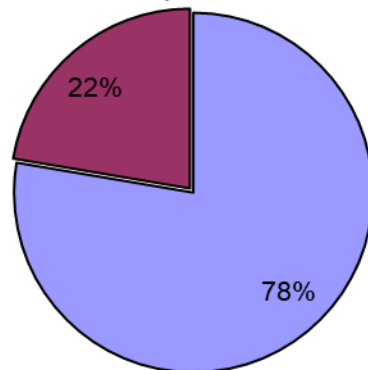
SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2019

Key Indicator Graphs September 2019

Meeting Date: 5 November 2019

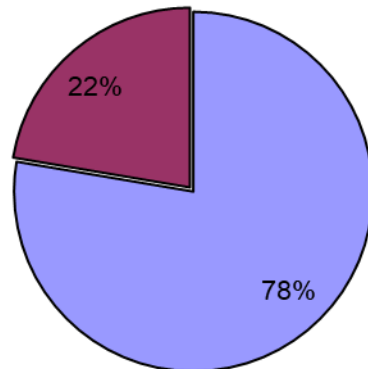
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**Operating Revenue
(Excluding Net Rates and Utility Charges)
(25% of Year Gone)**



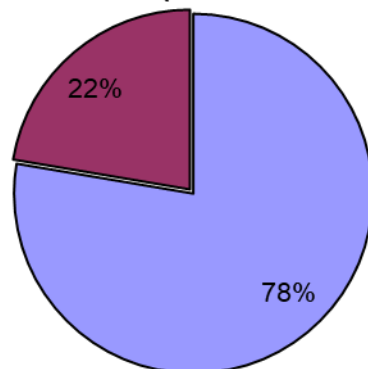
■ Uncollected
Operating
Revenue
■ Collected
Operating
Revenue

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

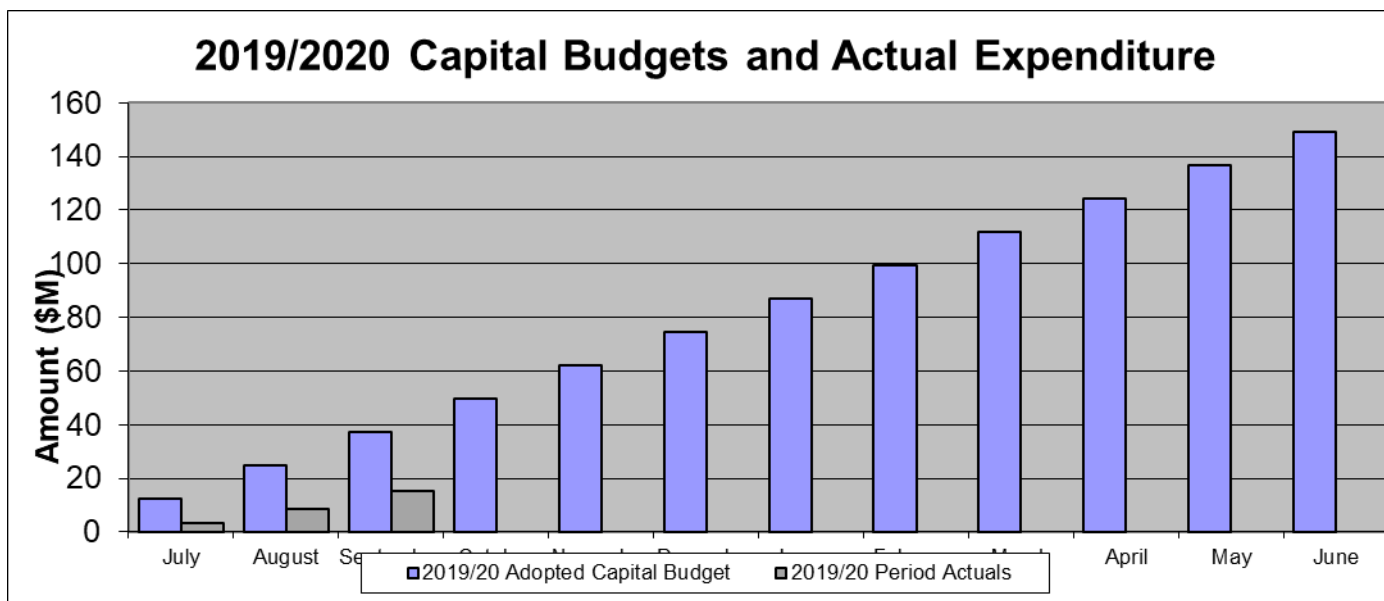
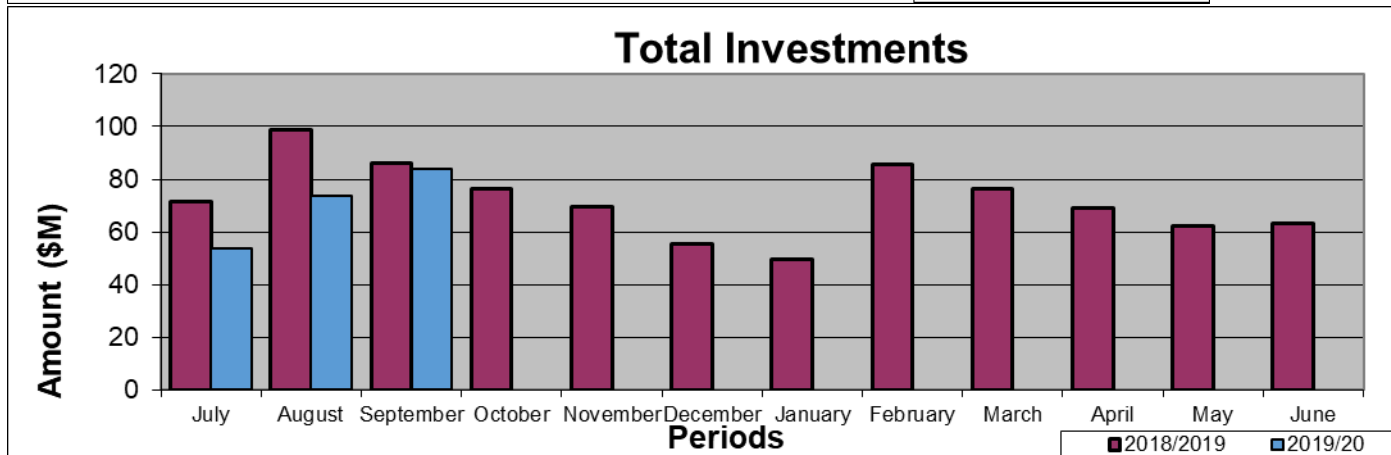
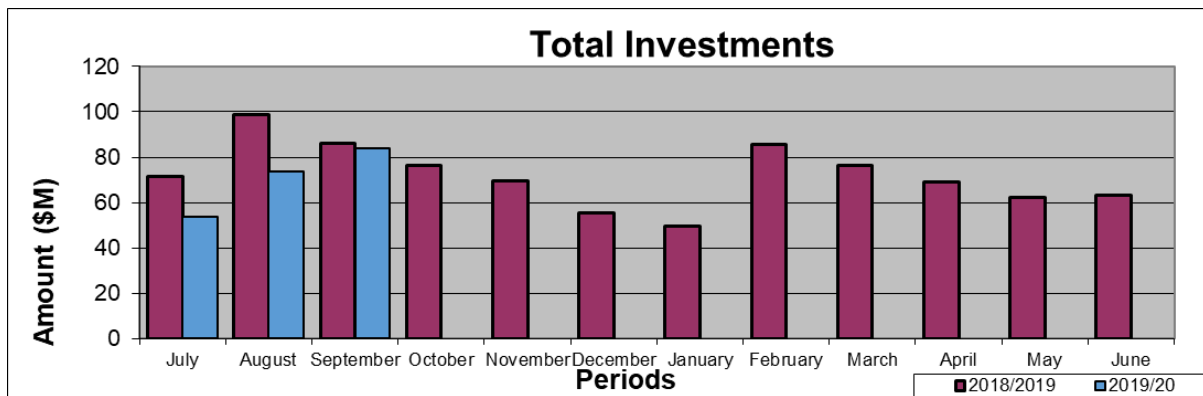


■ Uncollected
Operating
Revenue
■ Collected
Operating
Revenue

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



■ Uncollected
Operating
Revenue
■ Collected
Operating
Revenue



12 NOTICES OF MOTION

12.1 NOTICE OF MOTION - COUNCILLOR STEPHEN SCHWARTEN - QUAY STREET PAVER RECTIFICATION

File No: 11359

Attachments: 1. Notice of Motion - Councillor Stephen Schwarten - Quay Street Pavers [↓](#)

Responsible Officer: Evan Pardon - Chief Executive Officer

SUMMARY

Councillor Stephen Schwarten has indicated his intention to move a Notice of Motion at the Council Meeting on 5 November 2019 regarding the resolution of Council dated 1 October 2019 regarding Quay Street Pavers.

COUNCILLOR'S RECOMMENDATION

THAT:

- (a) Council rescinds and otherwise revokes the Resolution of the Ordinary meeting held on 1 October 2019 "That Council accepts the proposal to trial six (6) locations for paver rectification in the report" about Quay Street; and
- (b) Council adopts a different Resolution providing for qualified private consulting civil engineering parties to be engaged to best recommend to Council what best to do to fix the problem that is the crumbling roadway surface in the interest of present and future residents of Rockhampton Region.

**NOTICE OF MOTION –
COUNCILLOR STEPHEN SCHWARTEN
QUAY STREET PAVER
RECTIFICATION**

**Notice of Motion –
Councillor Stephen Swarten**

Meeting Date: 5 November 2019

Attachment No: 1



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

Ordinary Meeting of Council 15 October 2019

Councillor Schwarden
Councillor for Division 7
Direct telephone 07 4936 8:

Notice of Motion

I, Councillor Stephen Schwarden, Division 7, do with this give Notice that at the following Ordinary Meeting I shall move:

- a) That Council rescinds and otherwise revokes the Resolution of the Ordinary Meeting held 01 October 2019 "That Council accepts the proposal to trial six (6) locations for paver rectification in the report" about Quay Street.
- b) That Council adopts a different Resolution providing for qualified private consulting civil engineering parties to be engaged to best recommend to Council what best to do to fix the problem that is the crumbling roadway surface in the interest of present and future residents of Rockhampton Region.

NOTES:

No Conflict of Interest applicable here

I have no Conflict of Interest unlike Councillor Wickerson who at the previous meeting identified a \$5,000 "gift" he said had been given to him by a certain husband and wife couple, and that this gift had been "received by Team McMillian". I too was a Team McMillian candidate whom due to debilitating symptoms of major depressive mood disorder symptoms, as Councillor Wickerson can attest first-hand to, precluded my attendance and all except a few earlier meetings of this team and after this NO meetings that dealt with donations received and NO meetings where decisions were made about campaign spending.

The tabled Minutes of the Special Council Meeting held 29 September 2015 show my vote is recorded as being against the Quay Street re-development proposal and this Notice of Motion by me is consistent with and in accord with my then stated reasons for doing so. I publicly advocated at that meeting and since for the usual 50mm hot mix asphalt seal at then estimated cost of \$750,000.

Actions of the mayor

In the mayor making public selected pieces of this Confidential Report to Council (TMB 4 October 2019) arguably the report in its entirety is now public.

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Un-reliability of report

Without imputing the professional reputation of the author of this report it is self-evident it is not the work of a certified Civil Engineer (Roads & Drainage) the standard of report necessary for reliable decision-making in Council returning the roadway surface of Quay Street to a state of repair, more particularly to a state of safe repair. Increasingly the present surface is crumbling into a potential safety hazard for pedestrians and motorists.

I urge immediate fixing of the '4PLY timber patch' screwed some year or more into the pavement adjacent to carpark of old Morning Bulletin building, now lifting to expose a long metal screw sticking up to pose risk of potential harm/possible personal injury.

The report is ambiguous about any "review" of the outcome of 8 month 'trial rectification' of six (6) locations, from a total of fifty-eight (58) such locations. With no mention of a possibility of the decide-on trial being a failure, the report instead goes directly to mentioning "full rectification" and at a total cost of almost \$500,000

The report makes no mention of several significant failures that are additional to the fifty-eight (58) locations identified. So-called rectification at these locations would push the above half million-dollar cost up even further.

Ethics

No imputations are made by me about the ethic and the professional standing of the two senior council officers most responsible for this report. I do however question the ethics of sitting councillors on *any* local government adopting such a Resolution as this so late in the life of this present council. Unless it was revoked this Resolution would bind, to unknown financial cost, the council taking office in this region following the March 2020 Queensland local government elections.

In conclusion, politically I believe a mandate from the residents must first be sought before any decisions are taken about spending any further sums on this \$13.5 million, expensive road re-construction project, road surface included, the estimated life span being 50 years, when the surface has not lasted 50 months.


Councillor Stephen Schwarten
Member Division 7

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13 QUESTIONS ON NOTICE

Nil

14 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.

15 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.

16.1 Rockhampton Alcohol and Other Drugs Rehabilitation Facility Update

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.

16.2 Final Management Report for Rockhampton Regional Council 2018/2019

This report is considered confidential in accordance with section 275(1)(c), of the *Local Government Regulation 2012*, as it contains information relating to the local government's budget.

16.3 Outstanding Rates

This report is considered confidential in accordance with section 275(1)(c), of the *Local Government Regulation 2012*, as it contains information relating to the local government's budget.

16.4 Economic Opportunity at the Airport

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.

16 CONFIDENTIAL REPORTS

16.1 ROCKHAMPTON ALCOHOL AND OTHER DRUGS REHABILITATION FACILITY UPDATE

File No: 11051

Attachments:

1. Site Plan - 24 July 2019 Council Meeting
2. AOD Rehab Facility Concept Layout - Rev Oct 19

Authorising Officer: Ross Cheesman - Deputy Chief Executive Officer

Author: Drew Stevenson - Manager Corporate & Technology

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

The purpose of this report is to update Council and seek guidance on matters regarding the development of Rockhampton Alcohol and Other Drug (AOD) Rehabilitation Facility as they relate to the disposal of Council land.

**16.2 FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL
2018/2019****File No: 8151****Attachments: 1. 2019 Final Audit Management Letter****Authorising Officer: Ross Cheesman - Acting Chief Executive Officer****Author: Alicia Cutler - Chief Financial Officer**

This report is considered confidential in accordance with section 275(1)(c), of the *Local Government Regulation 2012*, as it contains information relating to the local government's budget.

SUMMARY

Following the certification of the Financial Statements for the period ended 30 June 2019, the Final Management Report was received from Thomas Noble & Russell (as delegate of the Auditor-General of Queensland). As required by the Local Government Regulation 2012, this is now presented to the next ordinary meeting of Council.

16.3 OUTSTANDING RATES**File No:** 521**Attachments:** 1. Email Request from Ratepayer**Authorising Officer:** Ross Cheesman - Deputy Chief Executive Officer**Author:** Alicia Cutler - Chief Financial Officer

This report is considered confidential in accordance with section 275(1)(c), of the *Local Government Regulation 2012*, as it contains information relating to the local government's budget.

SUMMARY

The purpose of this report is for Council to consider and approve a course of action for an outstanding debt.

16.4 ECONOMIC OPPORTUNITY AT THE AIRPORT**File No:** 1689**Attachments:**

1. New Works Estimate
2. Option 1
3. Option 2

Authorising Officer: Tony Cullen - General Manager Advance Rockhampton**Author:** Marcus Vycke - Commercial Manager

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 provides preliminary advice on a potential commercial opportunity for the Rockhampton Airport and seeks support for progressing discussions with the proponent.

17 CLOSURE OF MEETING