

# NOTICE OF MEETING & AGENDA

## Ordinary Meeting

**Wednesday 27 October 2021**

Roma Administration Centre

### NOTICE OF MEETING

Date: 18 October 2021

Mayor:

Councillor T D Golder

Deputy Mayor:  
Councillors:

Councillor G B McMullen  
Councillor J R P Birkett  
Councillor M C Edwards  
Councillor J L Guthrie  
Councillor J M Hancock  
Councillor W L Ladbrook  
Councillor C J O'Neil  
Councillor W M Taylor

Chief Executive Officer:

Ms Julie Reitano

Executive Management:

Mr Rob Hayward Deputy Chief Executive Officer/ (Acting) Director  
Regional Development  
Ms Sharon Frank (Acting) Director Corporate Services)

Attached is the agenda for the **Ordinary Meeting** to be held at the Roma Administration Centre on **27 October, 2021 at 9.00AM.**

A handwritten signature in black ink, appearing to read 'Julie Reitano', is written over a horizontal line.

Julie Reitano  
**Chief Executive Officer**

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## **Status Reports**

### **Next General Meeting**

- To be held at the Surat Administration Centre on 10 November 2021.

## **Confidential Items**

In accordance with the provisions of section 254J(3) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public to discuss confidential items that it's Councillors or members consider it necessary to close the meeting.

### **C Confidential Items**

- C.1 2021/22 Quarter 1 budget review to 30 September 2021**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(c) the local government's budget.
- C.2 Extension of Sunrise Road, Hodgson**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.
- C.3 Request for Rates Recategorisation - Assessment No. 13006713**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.
- C.4 State Government Surplus Properties - Maranoa Region**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.
- C.5 Application for a Permit to Occupy - Land adjoining Lot 12 on COG61**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.
- C.6 Application for Permit to Occupy - Lot 28 on KE107**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.

- C.7 Small Scale Minor Works Contract - Element 5 and 6 RMPC**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(i) a matter the local government is required to keep confidential under a law of, or formal arrangement with, the Commonwealth or a State.
- C.8 2021/22 Quarter 1 Report - progress on implementing the Corporate Plan and Operational Plan to 30 September 2021**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(c) the local government's budget.
- C.9 Rating Review**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(c) the local government's budget.
- C.10 Amendment to the 2021/22 Capital Project Program: PCYC roof repairs**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(c) (g) the local government's budget; AND negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.
- C.11 Strategic Material Resource**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.
- C.12 Surat Pool - Management Agreement**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.
- C.13 Flood Mitigation - Community Knowledge / Levy Preparedness**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(f) matters that may directly affect the health and safety of an individual or a group of individuals.
- C.14 Donation Boxes**  
**Classification:** Closed Access  
Local Government Regulation 2012 Section 254J(3)(c) (g) the local government's budget; AND negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.

**C.15 Dust reduction and sound proofing solutions****Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(f) matters that may directly affect the health and safety of an individual or a group of individuals.

**C.16 Chief Executive Officer (CEO) Annual Leave****Classification:** Closed Access

Local Government Regulation 2012 Section 254J(3)(b) industrial matters affecting employees.

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## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 11 October 2021

**Item Number:** 11.1

**File Number:** D21/82002

**SUBJECT HEADING:** Monthly Financial Report as at 30 September 2021

**Classification:** Open Access

**Officer's Title:** Program Funding & Budget Coordinator

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### **Executive Summary:**

The purpose of this report is for the Chief Executive Officer to present the monthly financial report to Council in accordance with section 204 of the *Local Government Regulation 2012* for the period ended 30 September 2021.

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

That the Monthly Financial Report for the period ended 30 September 2021 be received and noted.

---

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Maranoa Regional Council

### **Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
Nil	Nil

### **Context:**

***Why is the matter coming before Council?***

To present the monthly financial report for the period ended 30 September 2021, in accordance with section 204 of the *Local Government Regulation 2012*.

### **Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

This report presents the high-level consolidated statement of income and expenditure for operating and capital budgets versus actuals for the period ended 30 September 2021.

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

Please note that the current budget does not include carry over budgets or quarter 1 amendments

**1. Operating Budget:**

<b>Maranoa Regional Council Statement of Income and Expenditure 30 September 2021</b>				
<b>Council Consolidated Operating</b>	<b>2021-22 Current Budget \$</b>	<b>Sept - 21 Actual \$</b>	<b>% of budget</b>	<b>Comments</b>
<b>Operating revenue</b>				
Net rates, levies and charges	42,188,978	20,936,389	50%	First half rates notices issued
Fees and charges	2,594,085	708,968	27%	On track
Rental income	834,814	187,654	22%	Rental for Council and Community Housing for September not yet processed
Interest received	785,400	112,198	14%	Investment and QTC interest lower than forecast
Recoverable works and sales revenue	17,226,663	3,090,314	18%	External contract claim for September not yet processed Airport revenue not yet processed for August and September 2021 due to additional information required
Other income	2,617,245	696,814	27%	On track
Grants, subsidies, contributions	25,949,775	3,510,991	14%	Flood restoration works revenue to be received as works progress
<b>Total operating revenue</b>	<b>92,196,960</b>	<b>29,243,328</b>	<b>32%</b>	
<b>Operating expenses</b>				
Employee benefits (includes Councillor remuneration)	31,992,619	7,022,040	22%	Recruitment in progress / currently unfilled.
Materials and services	37,399,097	10,000,359	27%	On track
Finance costs	694,663	179,884	26%	On track
Depreciation	19,292,810	0	0%	Depreciation will be processed next quarter
<b>Total operating expenses</b>	<b>89,379,189</b>	<b>17,202,283</b>	<b>19%</b>	
<b>Operating result</b>				
Operating revenue	92,196,960	29,243,328	32%	
Operating expenses	89,379,189	17,202,283	19%	
<b>Net Operating result total</b>	<b>2,817,771</b>	<b>12,041,045</b>		

## Operating revenue:

Operating revenue of \$29.243 million has been received to end of September 2021 which is 32% of the annual budget. Rates notices for the first half of the year have been issued.

## Operating expenses:

Operating expenses of \$17.202 million is currently 19% of annual current budget. Depreciation will be processed for the first quarter when the property, plant & equipment of the financial statements for 2020/21 are finalised.

## 2. Capital Budget:

Maranoa Regional Council Capital 30 September 2021				
Council Consolidated	2021-22 Current Budget \$	Sept-21 Actual \$	% of budget	Comments
<b>Capital revenue</b>				
Contributions – capital	2,042,281	2,880,000	141%	Actual contribution exceeds budget. Budget will be adjusted in Quarter 1 budget review
Developer contributions/infrastructure charges	61,000	22,485	37%	Applications received to date
Government grants and subsidies	23,795,324	1,862,345	8%	Flood restoration revenue to be received as works progress
<b>Total capital revenue</b>	<b>25,898,605</b>	<b>4,764,830</b>	<b>18%</b>	
<b>Capital expenditure</b>				
Projects – capital	42,727,921	9,099,125	21%	On track
Loan repayments	1,711,081	420,842	25%	On track
<b>Total capital expenditure</b>	<b>44,439,002</b>	<b>9,519,967</b>	<b>21%</b>	

## Capital revenue:

Capital revenue received/invoiced to 30 September 2021 is \$4.765 million. As externally funded projects are commenced/completed, external funding will be received.

## Capital expenditure:

Council's investment in community infrastructure capital works year to date is \$9.099 million.

Major projects currently in progress/completed:

- The Bigger Big Rig – observation tower and tree walk
- Roma Flood Mitigation – Stage 2b – Railway Dam works
- Riggers Road Roma repairs
- Hoganthulla Road gravel resheet
- Overstone Road gravel resheet
- Queen Street Roma rehabilitation
- Mt Everdale Road upgrade
- Water main renewal/upgrade Miscamble Street Roma
- Repairs to Sewage Treatment Plant lagoons

## Loans:

The closing balance of Queensland Treasury Corporation (QTC) loans at 30 September 2021 is **\$18,463,821**.

Quarter 1 loan repayments \$567,396

Quarter 1 interest and admin \$146,553

**Total 2021/22 loan redemption to 30 September 2021 \$420,842**

## Rates & Charges

### Number of Assessments – September 2021

	Total Number of Assessments
As at 31 August 2021	7,910
As at 30 September 2021	7,924
As at 30 September 2020	7,863

### Rates Outstanding - Balance & Number – September 2021

	Total Amount Outstanding
As at 31 August 2021	\$2,145,217
As at 30 September 2021	\$22,297,082
As at 30 September 2020	\$23,796,887

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

**Assessment by Category Type**

Category	Total Number of Rates Assessments	Amount Outstanding	Number of Assessments Outstanding	Percentage of the Category Outstanding
<b>Residential</b>				
As at 31 August 2021	4387	\$350,891	359	8.18%
As at 14 October 2021	3649	\$3,381,720	2323	63.66%
30 September 2020	4383	\$5,755,588	4040	92.17%
<b>Commercial/ Industrial</b>				
As at 31 August 2021	617	\$328,829	42	6.81%
As at 14 October 2021	620	\$1,388,892	408	65.80%
30 September 2020	615	\$1,806,130	594	96.58%
<b>Rural</b>				
As at 31 August 2021	1684	\$342,397	49	2.91%
As at 14 October 2021	1697	\$3,460,938	1027	60.51%
30 September 2020	1662	\$4,642,771	1607	96.69%
<b>Non-Urban Industrial</b>				
As at 31 August 2021	186	\$1,139,204	27	14.51%
As at 14 October 2021	189	\$9,401,484	142	75.13%
30 September 2020	186	\$10,700,090	186	100%

**Prepaid rates:**

	Prepaid Rates & Charges	Number of Assessments
As at 31 August 2021	\$825,044	851
As at 14 October 2021	\$310,393	464
30 September 2020	\$241,366	360

**Payment Arrangements:**

	Number of Accounts that have Payment Arrangement	Value Outstanding in Payment Arrangements	Percentage of Rates arrears in payment arrangements
31 August 2021	204	\$1,002,894	46.75%
30 September 2021	207	\$2,577,872	11.56%
30 September 2020	78	\$488,079	2.05%

**Reminder & Demand Letters – 1 July 2020 – 30 September 2021**

	Issue Date	Number Issued
<b>First Reminder Letter – Levy 1 - 2021</b>	Not issued yet	0
<b>Second Reminder Letter – Levy 1 - 2021</b>	Not issued yet	0
<b>Demand Letter – Levy 1 – 2021</b>	Not issued yet	0
<b>Statement of Liquidated Claims – Levy 1 - 2021</b>	Not issued yet	0
<b>First Reminder Letter – Levy 100 - 2022</b>	Not issued yet	0
<b>Second Reminder Letter – Levy 100 – 2022</b>	Not issued yet	0
<b>Demand Letter – Levy 100 – 2022</b>	Not issued yet	0
<b>Statement of Liquidated Claims – Levy 100 – 2022</b>	Not issued yet	0

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

**Local Government Regulation 2012**

**204 Financial report**

- (1) The local government must prepare a financial report.*
- (2) The chief executive officer must present the financial report -
  - (a) If the local government meets less frequently than monthly - at each meeting of the local government; or*
  - (b) Otherwise - at a meeting of the local government once a month.**
- (3) The financial report must state the progress that has been made in relation to the local government's budget for the period of the financial year up to a day as near as practicable to the end of the month before the meeting is held.*

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

N/A

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Lead Rates and Utility Billing Officer / System Administrator  
Specialist – Finance Systems Support

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

Projects with external funding are required to be delivered in accordance with funding agreements.

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

The purpose of this report is to present financial information on the progress that has been made in relation to Council's budget for the period ended 30 September 2021.

**Future Years' Budgets:**

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

This report is for information purposes.

**Impact on Other Individuals or Interested Parties:**

***Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?***  
(Interested Parties Analysis - IS9001:2015)

Interested Parties – Maranoa residents, Department of State Development, Infrastructure, Local Government & Planning, Queensland Audit Office.

**Risks:**

***What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)*** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Compliance with <i>Local Government Regulation 2012</i>	The presentation of the financial report is in accordance with the Regulation.

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

The presentation of monthly financial statements is a legislative requirement.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

That the monthly financial report for the period ended 30 September 2021 be received and noted.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 2: Delivering strong financial management

2.5 Financial Reporting

**Supporting Documentation:**

Nil.

**Report authorised by:**

Director - Corporate & Community Services

Chief Executive Officer

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 13 October 2021

**Item Number:** 11.2

**File Number:** D21/82642

**SUBJECT HEADING:** 2020/21 Annual Financial Statements

**Classification:** Open Access

**Officer's Title:** Operations Manager - Finance

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### **Executive Summary:**

The Annual Financial Statements for the year ended 30 June 2021, including the General Purpose Financial Statements and Current Year Financial Sustainability Statement, were certified by Queensland Audit Office on 12 October 2021 with an unmodified audit opinion 'clean bill of health' for the financial statements.

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

That Council receive and note the audited Annual Financial Statements for 2020/21.

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### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Nil

### **Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
QAO	Queensland Audit Office

### **Context:**

***Why is the matter coming before Council?***

Council is required to prepare General Purpose Financial Statements and current year Financial Sustainability Statements for 2020/21 which must be given to the Auditor-General for auditing in accordance with section 212 of the *Local Government Regulation 2012*.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

The External Auditors were onsite for their final visit from 13 August to 24 August 2021, and continued their audit off-site for the remainder of September.

The Financial Statements were finalised and presented to the Audit Committee meeting on 5 October 2021. The Annual Statements were then forwarded to the Auditor-General's office. The Mayor and Chief Executive Officer signed the certificates on 11 October 2021. Final sign-off from the Auditor-General was on 12 October 2021, well before the statutory deadline of 31 October 2021.

The final audit opinion certified by the Auditor-General was in the form of an unmodified audit opinion, or a 'clean bill of health' for both the General Purpose Financial Statements and the Current Year Financial Sustainability Statement.

The highlights to the Financial Statements having regard to the relevant local government financial sustainability measures that are determined by the State Government include:

- An operating surplus of \$5.648 million; with the operating surplus ratio at 6.13% which is mid-way within the target range of 0-10%. The operating surplus ratio indicates the extent to which revenues raised covered operational expenses with revenue also available to fund the capital works program and for unexpected events.  
This is the third consecutive year that Council has achieved an operating surplus ratio within the target range (2018/19 - 4.95%, 2019/20 – 2.49%).
- The asset sustainability ratio for renewals on infrastructure assets was 134.35%; which was significantly better than the target of more than 90%. This ratio indicates the extent to which the infrastructure assets managed are being replaced as they reach the end of their useful lives.  
This is the third consecutive year that Council has achieved an asset sustainability ratio better than the target of more than 90% (2018/19 – 205.94%, 2019/20 – 188.01%).
- The net financial liabilities ratio was -43.58%; the target is less than 60%. This ratio is an indicator of the extent to which the net financial liabilities can be serviced by its operating revenue. A minus figure for this measure indicates current assets exceed total liabilities and that Council may have capacity to increase loan borrowings if required.  
Council has consistently maintained a negative ratio (less the target of less than 60%) since 2012/13.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

*Local Government Act 2009 and Local Government Regulation 2012*  
*Australian Accounting Standards*

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

N/A

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

N/A

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

N/A

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

N/A

**Future Years' Budgets:**

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

**Impact on Other Individuals or Interested Parties:**

***Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?***

(Interested Parties Analysis - IS9001:2015)

N/A

**Risks:**

***What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)*** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Nil	Nil

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

That Council receive and note the audited Annual Financial Statements for 2020/21.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy?***

***If so, for what reason?***

No

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 2: Delivering strong financial management

2.5 Financial Reporting

**Supporting Documentation:**

1 [Financial Statements 2020-2021 - Maranoa Regional Council - Final](#) D21/82621

**Report authorised by:**

Director - Corporate & Community Services

# Maranoa Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2021

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## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

for the year ended 30 June 2021

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## Maranoa Regional Council

## Statement of Comprehensive Income

for the year ended 30 June 2021

\$'000	Notes	2021	2020
<b>Income</b>			
<b>Revenue</b>			
<b>Recurrent revenue</b>			
Rates, levies and charges	3a	41,839	36,559
Fees and charges	3b	3,953	3,493
Sales revenue	3c	17,100	20,969
Grants, subsidies, contributions and donations	3d(i)	24,330	19,397
Other revenue		3,451	3,383
<b>Total recurrent revenue</b>		<b>90,673</b>	<b>83,801</b>
<b>Recurrent other income</b>			
Rental income		663	656
Interest received		829	1,499
<b>Total recurrent other income</b>		<b>1,492</b>	<b>2,155</b>
<b>Total recurrent revenue and other income</b>		<b>92,165</b>	<b>85,956</b>
<b>Capital revenue</b>			
Grants, subsidies, contributions and donations	3d(ii)	23,316	29,361
<b>Capital other income</b>			
Capital income	4	418	157
<b>Total capital revenue and other income</b>		<b>23,734</b>	<b>29,518</b>
<b>Total income</b>		<b>115,899</b>	<b>115,474</b>
<b>Expenses</b>			
<b>Recurrent expenses</b>			
Employee and councillor costs	5	28,894	28,915
Materials and services	6	37,146	33,749
Finance costs	7	1,035	1,391
Depreciation and amortisation	11	19,442	19,764
<b>Total recurrent expenses</b>		<b>86,517</b>	<b>83,819</b>
<b>Other expenses</b>			
Capital expenses	8	8,174	8,612
<b>Total other expenses</b>		<b>8,174</b>	<b>8,612</b>
<b>Total expenses</b>		<b>94,691</b>	<b>92,431</b>
<b>Net result</b>		<b>21,208</b>	<b>23,043</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Increase/(decrease) in asset revaluation surplus	11	50,676	(1,637)
<b>Total other comprehensive income for the year</b>		<b>50,676</b>	<b>(1,637)</b>
<b>Total comprehensive income for the year</b>		<b>71,884</b>	<b>21,406</b>

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

## Maranoa Regional Council

Financial Statements 2021

## Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	59,310	33,902
Financial assets	9	48,950	47,450
Receivables	10	6,053	13,418
Inventories		1,595	1,844
Contract assets	12	517	1,170
Other assets		373	372
<b>Total current assets</b>		<b>116,798</b>	<b>98,156</b>
<b>Non-current assets</b>			
Property, plant and equipment	11	869,834	813,286
<b>Total non-current assets</b>		<b>869,834</b>	<b>813,286</b>
<b>Total Assets</b>		<b>986,632</b>	<b>911,442</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	13	13,423	11,811
Contract liabilities	12	11,442	8,919
Borrowings	14	1,731	1,536
Provisions	15	4,251	4,117
<b>Total current liabilities</b>		<b>30,847</b>	<b>26,383</b>
<b>Non-current liabilities</b>			
Borrowings	14	17,154	17,384
Provisions	15	28,633	29,561
<b>Total non-current liabilities</b>		<b>45,787</b>	<b>46,945</b>
<b>Total Liabilities</b>		<b>76,634</b>	<b>73,328</b>
<b>Net community assets</b>		<b>909,998</b>	<b>838,114</b>
<b>Community equity</b>			
Asset revaluation surplus		325,754	275,078
Retained surplus		584,244	563,036
<b>Total community equity</b>		<b>909,998</b>	<b>838,114</b>

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

## Maranoa Regional Council

Financial Statements 2021

## Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Asset revaluation surplus	Retained surplus	Total equity
<b>2021</b>				
Balance as at 1 July		275,078	563,036	838,114
<b>Restated balance as at 1 July</b>		<b>275,078</b>	<b>563,036</b>	<b>838,114</b>
<b>Net result</b>		<b>–</b>	<b>21,208</b>	<b>21,208</b>
<b>Other comprehensive income for the year</b>				
- Increase/(decrease) in asset revaluation surplus	11	49,664	–	49,664
- (Increase)/decrease in future rehabilitation - refuse sites		1,012	–	1,012
<b>Other comprehensive income</b>		<b>50,676</b>	<b>–</b>	<b>50,676</b>
<b>Total comprehensive income for the year</b>		<b>50,676</b>	<b>21,208</b>	<b>71,884</b>
<b>Balance as at 30 June</b>		<b>325,754</b>	<b>584,244</b>	<b>909,998</b>
<b>2020</b>				
Balance as at 1 July		276,715	546,646	823,361
Adjustment on initial application of AASB 15 / AASB 1058		–	(6,653)	(6,653)
<b>Restated balance as at 1 July</b>		<b>276,715</b>	<b>539,993</b>	<b>816,708</b>
<b>Net result</b>		<b>–</b>	<b>23,043</b>	<b>23,043</b>
<b>Other comprehensive income for the year</b>				
- Increase/(decrease) in asset revaluation surplus	11	(1,637)	–	(1,637)
<b>Other comprehensive income</b>		<b>(1,637)</b>	<b>–</b>	<b>(1,637)</b>
<b>Total comprehensive income for the year</b>		<b>(1,637)</b>	<b>23,043</b>	<b>21,406</b>
<b>Balance as at 30 June</b>		<b>275,078</b>	<b>563,036</b>	<b>838,114</b>

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

## Maranoa Regional Council

Financial Statements 2021

## Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(70,529)	(72,950)
Receipts from customers		75,082	67,026
		<u>4,553</u>	<u>(5,924)</u>
<b>Receipts</b>			
Rental income		663	656
Interest and investment revenue received		829	1,499
Non capital grants and contributions		30,457	28,811
<b>Payments</b>			
Borrowing costs		(700)	(864)
Net cash inflow (outflow) from operating activities	19	<u>35,802</u>	<u>24,178</u>
<b>Cash flows from investing activities</b>			
<b>Receipts</b>			
Proceeds from sale of property, plant and equipment		1,287	1,586
Grants, subsidies, contributions and donations		26,251	23,594
<b>Payments</b>			
Payments for financial assets		(1,500)	(16,998)
Payments for property, plant and equipment		(36,397)	(54,514)
Net cash inflow (outflow) from investing activities		<u>(10,359)</u>	<u>(46,332)</u>
<b>Cash flows from financing activities</b>			
<b>Receipts</b>			
Proceeds from borrowings		1,478	2,825
<b>Payments</b>			
Repayment of borrowings		(1,513)	(1,290)
Net cash flow (outflow) from financing activities		<u>(35)</u>	<u>1,535</u>
Net increase/(decrease) for the year		<u>25,408</u>	<u>(20,619)</u>
plus: cash and cash equivalents - beginning		33,902	54,521
Cash and cash equivalents - closing	9	<u>59,310</u>	<u>33,902</u>
Additional information:			
plus: Investments on hand – end of year	9	48,950	47,450
Total cash, cash equivalents and financial assets		<u>108,260</u>	<u>81,352</u>

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

## Maranoa Regional Council

Financial Statements 2021

### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 1. Information about these financial statements

##### (a) Basis of preparation

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

These general purpose financial statements are for the period 1 July 2020 to 30 June 2021. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment.

##### (b) New and revised Accounting Standards adopted during the year

Maranoa Regional Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020. None of the standards had a material impact on reported position, performance and cash flows.

##### (c) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. The standards are not expected to have a material impact on Council's financial statements in the period of initial recognition.

##### (d) Estimates and Judgements

Council make a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Valuation and depreciation of Property, Plant & Equipment - Note 11
- Provisions - Note 15
- Contingent Liabilities - Note 17
- Financial instruments and financial risk management – Note 21
- Revenue recognition - Note 3

##### (e) Rounding and Comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard / comparative information is prepared on the same basis as prior year.

##### (f) Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

##### (g) Impacts from the COVID-19 pandemic

Council has assessed the impact of the COVID-19 global pandemic and found there were no material implications for the financial year ending 30 June 2021.

However, Council acknowledges that the COVID-19 restrictions have impacted some industries within the region and has initiated the following financial incentives:

- Fee waivers have been provided for selected Council Fees & Charges. The value of this incentive was \$340,055.

## Maranoa Regional Council

Financial Statements 2021

### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 2a. Council functions – component descriptions

Details relating to the Council's functions / activities as reported in Note 2(b) are as follows:

##### OFFICE OF THE CEO

The objective of this function is to provide open and accountable leadership through our Corporate Vision of Quality, Safety, Environment and Affordability. It includes organisational development, recruitment and onboarding, and human resource management, onboarding, and human resource management.

##### CORPORATE AND COMMUNITY SERVICES

The objective of this function is to provide professional corporate and community services including financial management, information and communication technology, information management, customer service, animal control and community safety, elected member services, communications, cemeteries and integrated quality, safety and environment (including enterprise risk) and asset management.

##### DEVELOPMENT FACILITIES AND ENVIRONMENT

The objective of this function is to provide emergency management, town planning, building control and pool safety, environmental and public health, facilities, rural land management, economic development, tourism, sport and recreation, local development and events, arts and culture, libraries, council housing, affordable land and housing across our region.

##### ENERGY SECTOR ROADWORKS

The objective of this function is to deliver identified road projects that mitigate energy sector impacts ensuring they are undertaken within time, cost and scope of expectations, with a high level of monitoring and supervision.

##### ROAD NETWORK

The objective of this function is to administer, maintain, renew and upgrade the region's road network, incorporating the related functional areas of kerb and channel, stormwater drainage, lighting, footpaths and other pathways.

##### INFRASTRUCTURE SERVICES

The objective of this function is to demonstrate best practice in our service and delivery. Includes depots, commercial road activities, quarry pits, town and surrounds (including parks, gardens and reserves), street lighting and public space lighting and flood mitigation.

##### WASTE

The objective of this function is to provide affordable collection, receipt and disposal of waste generated by households, businesses and industry that is compliant with legislation and the agreed service levels for presentation and maintenance of Council's waste facilities.

##### GAS

The objective of this function is to provide a safe and reliable retail supply to an expanding distribution network within a commercially viable framework.

##### PLANT, FLEET AND WORKSHOPS

The objective of this function is to provide a competitively priced, reliable and fit for purpose plant that enables the delivery of Council's services and programs.

##### WATER INFRASTRUCTURE

The objective of this function is to provide water for domestic, commercial and industrial use in accordance with legislation and Council standards, established for the safety and benefit of the community.

##### SEWERAGE INFRASTRUCTURE

The objective of this function is to provide for the transporting and treating of effluent from domestic, commercial and industrial properties within defined urban areas in accordance with legislation and Council standards, established for safety and benefit of the community.

##### QUARRY (ROMA)

The objective of this function is to provide Council and external customers, within our region and beyond, aggregate road base and rock suitable for use in asphalt, concrete, road construction and infrastructure construction works.

##### AIRPORTS

The objective of this function is to provide an air transport gateway to the Maranoa region that supports the commercial expansion and social connection of the region.

##### SALEYARDS (ROMA)

The objective of this function is to provide an accredited centre for store, prime, stud and special sales, private weighing and spelling services.

## Maranoa Regional Council

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 2b. Council functions - analysis of results by function

Functions \$ '000	Gross program income				Gross program expenses				Net result from recurring operations	Net result	Total assets
	Recurring grants	Recurring other	Capital grants	Capital other	Total income	Recurring	Capital	Total expenses			
Functions											
2021											
Corporate and community services	17,463	32,316	125	—	49,904	(9,885)	—	(9,885)	39,894	40,019	118,132
Office of the CEO	117	1	—	—	118	(1,302)	—	(1,302)	(1,184)	(1,184)	—
Development, facilities and environment	1,414	2,734	1,596	3	5,747	(17,777)	(129)	(17,906)	(13,629)	(12,159)	127,438
Energy sector roadworks	927	3,948	10,631	—	15,506	(5,279)	—	(5,279)	(404)	10,227	—
Road network	3,274	163	8,569	—	12,006	(22,288)	(6,064)	(28,352)	(18,851)	(16,346)	569,339
Infrastructure services	—	3,182	44	—	3,226	(5,441)	—	(5,441)	(2,259)	(2,215)	3,868
Waste	492	3,380	271	140	4,283	(3,826)	—	(3,826)	46	457	2,660
Gas	—	1,083	—	—	1,083	(774)	(31)	(805)	309	278	5,167
Plant, fleet and workshops	575	96	—	275	946	(44)	(555)	(599)	627	347	21,045
Water infrastructure	—	6,385	1,958	—	8,343	(5,793)	(232)	(6,025)	592	2,318	37,661
Sewerage infrastructure	—	2,924	—	—	2,924	(2,182)	(957)	(3,139)	742	(215)	48,391
Quarry (Roma)	—	5,411	—	—	5,411	(4,883)	(106)	(4,989)	528	422	2,292
Airports	68	2,403	122	—	2,593	(2,949)	(100)	(3,049)	(478)	(456)	27,708
Saleyards (Roma)	—	3,809	—	—	3,809	(4,094)	—	(4,094)	(285)	(285)	22,931
Total	24,330	67,835	23,316	418	115,899	(86,517)	(8,174)	(94,691)	5,648	21,208	986,632
2020											
Corporate and community services	16,833	28,086	68	—	44,987	(9,725)	(12)	(9,737)	35,194	35,250	99,177
Office of the CEO	87	145	—	—	232	(1,543)	—	(1,543)	(1,311)	(1,311)	—
Development, facilities and environment	893	2,396	1,232	—	4,521	(15,527)	(421)	(15,948)	(12,238)	(11,427)	127,553
Energy sector roadworks	331	5,011	14,006	—	19,348	(4,364)	—	(4,364)	978	14,984	—
Road network	262	373	6,904	—	7,539	(22,304)	(4,762)	(27,066)	(21,669)	(19,527)	505,298
Infrastructure services	6	3,867	—	—	3,873	(5,773)	—	(5,773)	(1,900)	(1,900)	3,807
Waste	325	3,233	—	—	3,558	(3,859)	(1,396)	(5,255)	(301)	(1,697)	2,326
Gas	—	921	—	—	921	(768)	(96)	(864)	153	57	4,468
Plant, fleet and workshops	660	40	—	157	857	834	(311)	523	1,534	1,380	20,552
Water infrastructure	—	6,585	1,137	—	7,722	(6,209)	(831)	(7,040)	376	682	48,293
Sewerage infrastructure	—	2,872	—	—	2,872	(2,431)	(31)	(2,462)	441	410	51,205
Quarry (Roma)	—	5,271	—	—	5,271	(4,765)	(95)	(4,860)	506	411	2,566
Airports	—	3,531	282	—	3,813	(3,462)	(360)	(3,822)	69	(9)	24,633
Saleyards (Roma)	—	4,228	5,732	—	9,960	(3,923)	(297)	(4,220)	305	5,740	21,564
Total	19,397	66,559	29,361	157	115,474	(83,819)	(8,612)	(92,431)	2,137	23,043	911,442

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Revenue

\$ '000	2021	2020
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**(a) Rates, levies and charges**

Rates and annual charges are recognised as revenue when the council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

General rates	32,497	27,059
Water	3,470	3,440
Water consumption, rental and sundries	2,404	2,477
Sewerage	2,764	2,751
Waste management	1,563	1,560
Special rates and charges	713	736
<b>Total rates and utility charge revenue</b>	<b>43,411</b>	<b>38,023</b>
Less: discounts	(1,326)	(1,172)
Less: pensioner remissions	(246)	(292)
<b>Total rates, levies and charges</b>	<b>41,839</b>	<b>36,559</b>

**(b) Fees and charges**

Revenue arising from fees and charges is recognised at the point in time when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Building and development fees	209	118
Infringements	18	52
Licences and registrations	24	91
Town planning fees	221	145
Animal registrations	124	126
Cemetery fees	151	125
Other statutory fees	1,134	1,375
User fees and charges	1,730	1,301
Other fees and charges	342	160
<b>Total fees and charges</b>	<b>3,953</b>	<b>3,493</b>

continued on next page ...

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Revenue (continued)

## (c) Sales revenue

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed. There are no contracts in progress at the year end. The contract work carried out is not subject to retentions.

\$ '000	2021	2020
<b>Rendering of services</b>		
Contract and recoverable works	5,911	7,977
Saleyards	3,627	4,054
Gas supply	893	868
Airport services	2,075	3,524
<b>Total sale of services</b>	<b>12,506</b>	<b>16,423</b>
<b>Sale of goods</b>		
Quarry materials	4,594	4,546
<b>Total sale of goods</b>	<b>4,594</b>	<b>4,546</b>
<b>Total sales revenue</b>	<b>17,100</b>	<b>20,969</b>

## (d) Grants, subsidies, contributions and donations

**Grant income under AASB 15**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Performance obligations vary in each agreement but include rural services projects, such as noxious weed spraying and collaborative feral pest initiatives. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of the benefit.

**Grant income under AASB 1058**

Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset are received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

**Capital grants**

Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and under an agreement which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 3. Revenue (continued)

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by the Council.

Physical assets contributed to Council by developers in the form of roadworks, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. the 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 with a value in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

\$ '000	2021	2020
<b>(i) Operating</b>		
General purpose grants	17,355	16,720
Queensland government subsidies and grants	1,813	1,243
Australian government subsidies and grants	1,038	854
Donations	2	4
Contributions	949	356
Flood damage grants	3,173	220
<b>Total recurrent grants, subsidies, contributions and donations</b>	<b>24,330</b>	<b>19,397</b>

**(ii) 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.

Queensland government subsidies and grants	4,912	5,162
Australian government subsidies and grants	7,115	9,615
Contributions	11,289	14,584
	<b>23,316</b>	<b>29,361</b>
<b>Total capital grants, subsidies, contributions and donations</b>	<b>23,316</b>	<b>29,361</b>

**(iii) Timing of revenue recognition for grants, subsidies, contributions and donations**

\$ '000	2021		2020	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	23,893	23,753	19,138	29,620
	<b>23,893</b>	<b>23,753</b>	<b>19,138</b>	<b>29,620</b>

## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 4. Capital income

\$ '000	Notes	2021	2020
<b>(a) Gain / loss on disposal of non-current assets</b>			
Proceeds from the disposal of property, plant and equipment		627	820
Less: carrying value of disposed property, plant and equipment	11	(349)	(663)
		<u>278</u>	<u>157</u>
<b>Gain on disposal of non-current assets</b>		<u>278</u>	<u>157</u>
<b>(b) Provision for restoration of land</b>			
Discount rate adj. - refuse restoration	15	140	—
		<u>140</u>	<u>—</u>
<b>Total capital income</b>		<u>418</u>	<u>157</u>

## Note 5. Employee and councillor costs

\$ '000	Notes	2021	2020
Employee benefit expenses are recorded when the service has been provided by the employee.			
Wages and salaries		20,608	20,031
Councillors remuneration		783	788
Annual, sick and long service leave entitlements		4,419	4,828
Superannuation	18	3,017	2,915
		<u>28,827</u>	<u>28,562</u>
Other employee related expenses		67	353
<b>Total employee and councillor costs</b>		<u>28,894</u>	<u>28,915</u>

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

**Additional information:**

Total Council employees at the reporting date:

Elected members	9	9
Other	305	325
<b>Total full time equivalent employees</b>	<u>314</u>	<u>334</u>

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 6. Materials and services

\$ '000	2021	2020
Expenses are recorded on an accruals basis as Council receives the goods or services.		
Advertising and marketing	83	122
Administration supplies and consumables	60	60
Audit of annual financial statements by the Auditor-General of Queensland	67	97
Communications and IT	1,492	1,417
Consultants	45	83
Contractors	6,356	8,825
Donations paid	321	159
Power	1,657	1,924
Subscriptions and registrations	209	125
Travel	2	9
Insurance	1,586	988
Commercial waste levy	576	707
Legal services	695	724
Materials issued from store	1,392	1,532
Plant and vehicle running costs	1,777	1,992
Operations and maintenance	15,295	13,499
Other materials and services	5,533	1,486
<b>Total materials and services</b>	<b>37,146</b>	<b>33,749</b>

Total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$101,000 (2020: \$101,000).

## Note 7. Finance costs

\$ '000	Notes	2021	2020
Finance costs charged by the Queensland Treasury Corporation		661	587
Bank charges		51	124
Impairment of receivables		45	189
Change in expected credit loss	10	(58)	(36)
Quarry rehabilitation	15	24	26
Landfill rehabilitation	15	312	501
<b>Total finance costs</b>		<b>1,035</b>	<b>1,391</b>

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 8. Capital expenses

\$ '000	Notes	2021	2020
<b>(a) Loss on disposal of non-current assets</b>			
Proceeds from the disposal of property, plant and equipment		660	758
Less: carrying value of disposed property, plant and equipment	11	(1,206)	(1,157)
		<u>546</u>	<u>399</u>
<b>Loss on disposal of non-current assets</b>		<u>546</u>	<u>399</u>
<b>(b) Provision for restoration of land</b>			
Discount rate adjustment to refuse restoration provision		–	1,346
Discount rate adjustment to quarry rehabilitation liability		106	95
	15	<u>106</u>	<u>1,441</u>
The discount rate adjustment to the quarry rehabilitation liability was adjusted recognised as a capital expense as there was an insufficient asset revaluation reserve in the relevant asset class.			
<b>(c) Other capital expenses</b>			
Loss on write-off of assets		7,522	6,772
		<u>7,522</u>	<u>6,772</u>
<b>Total capital expenses</b>		<u>8,174</u>	<u>8,612</u>

## Note 9. Cash and cash equivalents

\$ '000	2021	2020
Cash and cash equivalents in the statement of cash flows include 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 cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.		
<b>Cash and cash equivalents</b>		
Cash at bank and on hand	2,337	2,379
Deposits at call	56,973	31,523
<b>Net cash and cash equivalents</b>	<u>59,310</u>	<u>33,902</u>
<b>Investment securities - current</b>		
Term deposits	48,950	47,450
<b>Total current investments securities</b>	<u>48,950</u>	<u>47,450</u>
<b>Financial assets - non-current</b>		
<b>Total cash, cash equivalents and investments</b>	108,260	81,352

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 9. Cash and cash equivalents

\$ '000	2021	2020
<b>(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:</b>		
Unspent government grants and subsidies	8,463	8,673
Contract liabilities	11,442	8,919
Unspent loan monies	4,889	4,016
Unspent developer contributions	3,772	5,166
<b>Total externally imposed restrictions on cash assets</b>	<b>28,566</b>	<b>26,774</b>
<b>(ii) Internal allocations of cash at the reporting date:</b>		
Internal allocations of cash may be lifted by a Council with a resolution.		
Future capital works	28,176	27,108
<b>Total internally allocated cash</b>	<b>28,176</b>	<b>27,108</b>
<b>Total unspent restricted cash</b>	<b>56,742</b>	<b>53,882</b>

All term deposits comply with the Investment Policy and are less than 12 months in maturity. Some grants and contributions included in the restricted cash disclosures are not sufficiently specific to be recognised as contract liabilities.

## Trust Funds

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 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). The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

## Trust funds held for outside parties

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

Security deposits	73	265
	512	496
	<b>585</b>	<b>761</b>

## Note 10. Receivables

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is required within 30 days after the invoice is issued.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

The loss is recognised in finance costs. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated cash flows discounted at the effective interest rate.

Subsequent recoveries of amounts previously written off in the same period are recognised as finance costs in the Statement of Comprehensive Income.

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 10. Receivables (continued)

\$ '000	2021	2020
<b>Current</b>		
Rates and charges	3,159	3,294
Other debtors	2,521	10,272
GST recoverable	665	203
<b>Total</b>	<b>6,345</b>	<b>13,769</b>
<b>less: Provision for impairment</b>		
Other	(292)	(351)
<b>Total provision for impairment - receivables</b>	<b>(292)</b>	<b>(351)</b>
<b>Total current receivables</b>	<b>6,053</b>	<b>13,418</b>
<b>Movement in accumulated impairment losses is as follows:</b>		
Opening balance at 1 July	351	391
Add		
Increases (or decreases) in the allowance for expected credit loss	(58)	(36)
Less		
Impaired receivables written-off during year	(1)	(4)
<b>Balance at the end of the year</b>	<b>292</b>	<b>351</b>

Refer also to Note 21 for further information about credit risk.

Interest is charged on outstanding rates (4.0% per annum from 1 July 2020, previously 8.95% per annum).

**Disclosure - credit risk exposure and impairment of 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.

When Council has no reasonable expectation of recovering an amount owned 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 4 distinctive groupings of its receivables: rates and charges, sales of services or goods, funding and other debtors.

Rates and charges: Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective property.

Sales of services or goods: included in this group are charges for airport services, saleyards and quarry materials. Council recognises impairment on these sales based on historical analysis.

Funding: 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 does not record an expected credit loss for these counterparties. Also includes Energy Sector funding under contract agreements which Council determines the level of credit risk exposure to be immaterial.

Other debtors: Council identifies other debtors as receivables which are not rates and charges; sales of services or goods; or grants.

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 6 years for each group. Loss rates are based

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 10. Receivables (continued)

on actual credit loss experience over the past 6 years, current conditions and the Council's view of economic conditions over the expected lives of the 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. Council does not expect that the rate of loss on debtors outstanding as at 30 June 2021 will materially increase as a result of the COVID-19 pandemic.

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 tables provide information about the expected losses for trade receivables for each group of trade receivables as at 30 June 2021 and 30 June 2020.

2021			
	Closing balance \$ '000	Loss given default %	Lifetime expected credit loss \$ '000
<b>Ageing</b>			
<b>Sales of services or goods</b>			
Current	743	2%	12
31-60 days	12	11%	1
61-90 days	9	37%	3
90+ days	39	79%	31
<b>Total</b>	<b>803</b>		<b>47</b>
<b>Other debtors</b>			
Current	423	0%	1
31-60 days	71	15%	11
61-90 days	1	34%	-
90+ days	302	77%	233
<b>Total</b>	<b>797</b>		<b>245</b>
<b>2020</b>			
	Closing balance \$ '000	Loss given default %	Lifetime expected credit loss \$ '000
<b>Ageing</b>			
<b>Sales of services or goods</b>			
Current	529	1%	4
31-60 days	11	7%	1
61-90 days	2	29%	1
90+ days	28	74%	21
<b>Total</b>	<b>570</b>		<b>27</b>
<b>Other debtors</b>			
Current	2,868	2%	47
31-60 days	57	14%	8
61-90 days	121	35%	42
90+ days	314	72%	227
<b>Total</b>	<b>3,360</b>		<b>324</b>

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment

\$ '000	Works in progress	Land and site improvements	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other infrastructure	Airport	Total
<b>2021</b>										
Measurement basis	Cost	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	-
<b>Opening gross balance</b>	40,951	45,473	133,955	45,644	645,005	83,040	72,135	42,762	23,802	1,132,767
Additions - new	35,407	-	-	-	-	-	-	-	-	35,407
Disposals	-	(75)	(65)	(4,106)	-	-	-	-	-	(4,246)
Write-offs	-	-	(142)	(249)	(14,120)	(517)	(1,101)	(91)	-	(16,220)
Revaluation decrements to equity (ARS)	-	(39)	-	-	-	-	-	-	-	(39)
Revaluation increments to equity (ARS)	-	-	581	-	17,845	3,486	973	4,116	116	27,117
Work in progress transfers	(29,084)	252	503	4,901	18,405	1,820	1,898	1,305	-	-
Adjustments and other transfers	-	(486)	(2)	(55)	(1,329)	-	-	1,865	-	(7)
<b>Total gross value of property, plant and equipment</b>	<b>47,274</b>	<b>45,125</b>	<b>134,830</b>	<b>46,135</b>	<b>665,806</b>	<b>87,829</b>	<b>73,905</b>	<b>49,957</b>	<b>23,918</b>	<b>1,174,779</b>
<b>Opening accumulated depreciation and impairment</b>	-	136	36,915	19,664	183,384	36,851	21,974	15,326	5,231	319,481
Depreciation expense	-	50	2,206	2,863	10,540	1,418	772	947	546	19,442
Disposals	-	-	(3)	(2,688)	-	-	-	-	-	(2,691)
Revaluation increments to equity (ARS)	-	-	(669)	-	(38,495)	-	-	-	(2,823)	(41,987)
Revaluation decrements to equity (ARS)	-	-	-	-	-	14,191	4,786	424	-	19,401
Adjustments and other transfers	-	-	4	(7)	(763)	-	-	763	-	(3)
Write-offs	-	-	(51)	(102)	(7,542)	(306)	(636)	(61)	-	(8,698)
<b>Total accumulated depreciation of property, plant and equipment</b>	<b>-</b>	<b>186</b>	<b>38,402</b>	<b>19,730</b>	<b>147,124</b>	<b>52,154</b>	<b>26,896</b>	<b>17,399</b>	<b>3,054</b>	<b>304,945</b>
<b>Total net book value of property, plant and equipment</b>	<b>47,274</b>	<b>44,939</b>	<b>96,428</b>	<b>26,405</b>	<b>518,682</b>	<b>35,675</b>	<b>47,009</b>	<b>32,558</b>	<b>20,864</b>	<b>869,834</b>
<b>Other information</b>										
Asset Revaluation Surplus	-	23,102	34,340	-	191,253	26,688	23,522	23,490	3,359	325,754
Range of estimated useful life (years)	Not depreciated	0-10	8-130	3-100	10-200	6-210	6-210	10-200	13-210	-
<b>*Asset additions comprise</b>										
Asset renewals on infrastructure	22,205	-	-	-	-	-	-	-	-	22,205
Asset renewals on other asset classes	2,142	-	-	-	-	-	-	-	-	2,142
Other additions	11,060	-	-	-	-	-	-	-	-	11,060
<b>Total asset additions</b>	<b>35,407</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,407</b>

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

\$ '000	Works in progress	Land and site improvements	Buildings	Plant and equipment	Road, drainage and bridge network	Water	Sewerage	Other infrastructure	Airport	Total
<b>2020</b>										
Measurement basis	Cost	Fair Value	Fair Value	Cost	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	-
<b>Opening gross balance</b>	38,486	41,911	124,611	43,059	838,272	80,019	85,232	43,013	24,059	1,098,662
Additions - new	54,514	-	-	-	-	-	-	-	-	54,514
Disposals	-	(32)	(135)	(4,687)	-	-	-	-	-	(4,854)
Write-offs	-	-	(1,216)	-	(6,816)	(1,647)	(2,803)	(464)	(644)	(13,590)
Revaluation decrements to equity (ARS)	-	-	-	-	(12,716)	-	-	(1,136)	(111)	(13,963)
Revaluation increments to equity (ARS)	-	1,476	2,376	-	-	1,985	5,938	-	-	11,775
Work in progress transfers	(52,049)	1,895	8,319	7,272	26,265	2,683	3,768	1,349	498	-
Adjustments and other transfers	-	223	-	-	-	-	-	-	-	223
<b>Total gross value of property, plant and equipment</b>	<b>40,951</b>	<b>45,473</b>	<b>133,955</b>	<b>45,644</b>	<b>645,005</b>	<b>83,040</b>	<b>72,135</b>	<b>42,762</b>	<b>23,802</b>	<b>1,132,767</b>
<b>Opening accumulated depreciation and impairment</b>	-	107	35,111	20,169	177,018	35,261	23,069	14,557	4,820	310,112
Depreciation expense	-	29	2,120	2,520	11,016	1,402	732	997	948	19,764
Disposals	-	-	(4)	(3,025)	-	-	-	-	-	(3,029)
Revaluation increments to equity (ARS)	-	-	-	-	(2,596)	-	-	-	(253)	(2,849)
Revaluation decrements to equity (ARS)	-	-	344	-	-	1,006	944	4	-	2,298
Write-offs	-	-	(656)	-	(2,054)	(818)	(2,771)	(232)	(284)	(6,815)
<b>Total accumulated depreciation of property, plant and equipment</b>	<b>-</b>	<b>136</b>	<b>36,915</b>	<b>19,664</b>	<b>183,384</b>	<b>36,851</b>	<b>21,974</b>	<b>15,326</b>	<b>5,231</b>	<b>319,481</b>
<b>Total net book value of property, plant and equipment</b>	<b>40,951</b>	<b>45,337</b>	<b>97,040</b>	<b>25,980</b>	<b>461,621</b>	<b>46,189</b>	<b>50,161</b>	<b>27,436</b>	<b>18,571</b>	<b>813,286</b>
<b>Other information</b>										
Range of estimated useful life (years)	Not depreciated	Not depreciated	8-130	3-100	10-200	6-210	6-210	10-200	13-210	-
<b>*Asset additions comprise</b>										
Asset renewals on infrastructure	32,366	-	-	-	-	-	-	-	-	32,366
Asset renewals on other asset classes	9,249	-	-	-	-	-	-	-	-	9,249
Other additions	12,899	-	-	-	-	-	-	-	-	12,899
<b>Total asset additions</b>	<b>54,514</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,514</b>

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## Maranoa Regional Council

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### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 11. Property, plant and equipment (continued)

##### (a) Recognition

Each class of property, plant and equipment is stated at cost or fair value less, where applicable, accumulated depreciation and accumulated impairment losses.

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 engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

##### Land under roads

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.

##### (b) Measurement

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

Items of plant and equipment with a total value of less than \$5,000, and infrastructure 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.

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

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

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

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

Road formation and earthworks are considered to be a non depreciable asset under AASB Interpretation 1055 – *Accounting for Road Earthworks*.

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

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### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 11. Property, plant and equipment (continued)

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.

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

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 the annual valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date.

##### Key judgements and estimates

Straight line depreciation is used as that is consistent with the even consumption of service potential of these assets over their useful life to the Council.

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

#### (d) Valuation

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

##### Valuation Processes

Council's valuation policies and procedures are reviewed annually taking into consideration an analysis of movements in fair value and other relevant information.

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 independent, professionally qualified valuers to determine the fair value for each class of property, plant and equipment assets at least once every three years. This process involves the valuer physically sighting a representative sample of Council assets across all asset classes and making their own assessments of the condition of the assets at the date of inspection.

In the intervening years, Council uses independent qualified valuers, internal engineers and asset managers to assess the cost assumptions associated with all infrastructure assets, the results of which are considered in combination with an appropriate cost index for the region. Together these are used to form the basis of a management valuation for infrastructure asset classes in each of the intervening years. With respect to the valuation of the land and site improvements and buildings classes in the intervening years, management engage independent qualified valuers to perform a "desktop" valuation. A desktop valuation involves management providing updated information to the valuer regarding additions, deletions and changes in assumptions such as useful life, residual value and condition rating. The valuer then determines suitable indices which are applied to each of these asset classes.

An analysis performed by management has indicated that, on average, the variance between an indexed asset value and the valuation by an independent valuer when performed is not significant and the indices used by Council are appropriate. Further details in relation to valuers, the methods of valuation and the key assumptions used in valuing each different asset class are disclosed below.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. Separately identified components of assets are measured on the same basis as the assets to which they relate.

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

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities,

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly,

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:**

\$ '000	Date of latest comp. valuation	Fair value measurement using			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 significant unobservable inputs	
2021					
Property, plant and equipment					
Land and site improvements	30/06/19	–	44,939	–	44,939
Buildings - residential	30/06/19	–	5,835	–	5,835
Buildings - other	30/06/19	–	–	90,593	90,593
Road, drainage and bridge network	30/06/21	–	–	519,670	519,670
Water	30/06/19	–	–	35,681	35,681
Sewerage	30/06/19	–	–	47,009	47,009
Other infrastructure assets	30/06/19	–	–	32,558	32,558
Airport	30/06/21	–	–	20,864	20,864
Total property, plant and equipment		–	50,774	746,375	797,149
2020					
Property, plant and equipment					
Land and site improvements	30/06/19	–	45,337	–	45,337
Buildings - residential	30/06/19	–	5,569	–	5,569
Buildings - other	30/06/19	–	–	91,471	91,471
Road, drainage and bridge network	30/06/19	–	–	461,621	461,621
Water	30/06/19	–	–	46,189	46,189
Sewerage	30/06/19	–	–	50,161	50,161
Other infrastructure assets	30/06/19	–	–	27,436	27,436
Airport	30/06/18	–	–	18,571	18,571
Total property, plant and equipment		–	50,906	695,449	746,355

**(2) Transfers between level 1 and level 2 fair value hierarchies**

During the year, there were no transfers between Level 1 and Level 2 Fair Value hierarchies for recurring fair value measurements.

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

**(3) Valuation techniques used to derive level 2 and level 3 fair values**

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

**Land and site improvements (level 2)**

Land and site improvements assets were comprehensively valued by APV Valuers as at 30 June 2019. A desktop revaluation update was subsequently undertaken effective 30 June 2021.

Level 2 valuation inputs were used to value land held in freehold title (investment and non-investment) as well as land used for special purposes, which is restricted in use under current zoning rules. The direct comparison to sales approach is the preferred and most commonly used approach in land valuations. In this approach to value, the property is compared to recently sold properties which are of a similar type. This comparison is adjusted to take into consideration the characteristics of the land, such as size, zoning, topography, configuration etc. The most significant inputs into this valuation approach are price per square metre.

**Buildings (level 2 and 3)**

Buildings assets were comprehensively valued by APV Valuers as at 30 June 2019. A desktop revaluation update was subsequently undertaken effective 30 June 2021.

Level 2 inputs were used to determine the fair value of a range of properties. This included the bulk of residential and commercial properties. The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Some residential properties were located in isolated locations where there was no evidence to support a market approach. These properties were valued using the cost approach and due to the range of assumptions used to determine the fair value have been classified as Level 3.

Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (Level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using Level 3 valuation inputs.

In determining the level of accumulated depreciation the assets have been disaggregated into significant components, and further disaggregated into short and long-term components, which exhibit different useful lives and service potential patterns. Allowance has been made for the typical asset life cycle and renewal treatments of each component, and the condition of the asset. When assessing the level of remaining service potential or the rate of consumption of that service potential (depreciation) a range of factors are considered including condition, obsolescence, restrictions and other relevant factors. They can generally be described and split into two types, holistic and component specific. Holistic factors impact at the whole asset level and include factors such as functionality, capacity, utilisation, safety and obsolescence. Component specific factors include physical condition and breakage and repair history.

The consumption score methodology is based on assessing the relative level of remaining service potential.  
The scale is as follows:

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

Phase Points	Description
0.00 - 0.99	New or very good condition - very high level of remaining service potential.
1.00 - 1.99	Not new but in very good condition with no indicators of any future obsolescence and providing a high level of remaining service potential.
2.00 - 2.99	Aged and in good condition, providing an adequate level of remaining service potential. No signs of immediate or short term obsolescence.
3.00 - 3.99	Providing an adequate level of remaining service potential but there are some concerns over the asset's ability to continue to provide an adequate level of service in the short to medium term. May be signs of obsolescence in short to mid-term.
4.00 - 4.99	Indicators showing the need to renew, upgrade or scrap in near future. Should be reflected by inclusion in the Capital Works Plan to renew or replace in short-term. Very low level of remaining service potential.
5.00	At intervention point. No longer providing an acceptable level of service. If remedial action is not taken immediately the asset will need to be closed or decommissioned.

The Indexation Percentage for the Building Valuations has been derived from reference to actual costs where details have been provided of recent construction, costing guides issued by the Australian Institute of Quantity Surveyors, Rawlinson's (Australian Construction Handbook), Construction Data from the Australian Bureau of Statistics and APV's own internal market research and costings. Analysis of these construction cost guides and research has determined that the approximate increase in building costs over the period from the 30 June 2020 to 30 June 2021 for each building type is:

Building Category	Index %
Residential	0.50%
Commercial	0%
Industrial	0.00%
Civic	0%
Amenities	0%
Other Structures	0 - 2.7%

## Infrastructure assets

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

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

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

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## Maranoa Regional Council

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### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 11. Property, plant and equipment (continued)

##### Roads and airport

##### Current replacement cost:

Roads, drainage and bridge and airport assets were comprehensively valued by APV Valuers as at 30 June 2021.

Council categorises its road infrastructure into urban and rural roads and the further sub-categorises these into sealed and unsealed roads. Roads are split into segments which vary in length depending on the attributes of each segment and the previous construction history – as described below. All road segments are then componentised into formation, pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

All road network infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

CRC was calculated by reference to asset linear and area specifications, estimated labour and material inputs, services costs, and overhead allocations. Segment lengths and widths and pavement depths are actual where known from design plans and/or construction records, or are confirmed by field measure. Unconfirmed pavement depths are assumed constructed to 200mm for sealed roads and 150mm for unsealed roads. Council also assumes that all raw materials can be sourced from local quarries. For internal constructions estimates, material and services prices were based on existing supplier contract rates and supplier price lists while labour wage rates were based on Council's Certified Agreement. All direct costs were allocated to assets at standard usage quantities according to recently completed similar projects. Where construction is outsourced, CRC was based on the average of completed similar projects over the last few years, where sufficiently representative capital works have been undertaken; otherwise, these were based on rates supplied by an independent valuer determined using professional judgement, and externally available cost data.

CRC for airport assets was calculated based on expected replacement costs. In all cases the assets were disaggregated to component level to ensure a reliable measure of cost and service capacity and deterioration of estimated remaining life.

##### Accumulated depreciation:

In determining the level of accumulated depreciation, roads and airports were disaggregated into significant components which exhibited different useful lives and bridges are summarised into one lump sum item.

Useful lives are an estimate of the total service capacity in years for that type of asset. The remaining useful life of the asset is determined based on an asset condition rating, which reflects both physical characteristics (e.g. age and physical condition) as well as holistic factors such as functionality, capability, utilisation and obsolescence. Accumulated depreciation represents the decline in service potential (i.e. the difference between useful life and remaining useful life) for an asset. In periods when a comprehensive valuation is not undertaken, the remaining useful of the asset is then calculated based purely on the time elapsed since the previous valuation, as adjusted for any known improvements or deterioration in asset condition.

In order to assess the level of remaining service potential the following consumption scoring methodology was applied.

Phase Points	Description
0.00 - 0.99	New or very good condition - very high level of remaining service potential.
1.00 - 1.99	Not new but in very good condition with no indicators of any future obsolescence and providing a high level of remaining service potential.
2.00 - 2.99	Aged and in good condition, providing an adequate level of remaining service potential. No signs of immediate or short term obsolescence.
3.00 - 3.99	Providing an adequate level of remaining service potential but there are some concerns over the asset's ability to continue to provide an adequate level of service in the short to medium term. May be signs of obsolescence in short to mid-term.

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

4.00 - 4.99	Indicators showing the need to renew, upgrade or scrap in near future. Should be reflected by inclusion in the Capital Works Plan to renew or replace in short-term. Very low level of remaining service potential.
5.00	At intervention point. No longer providing an acceptable level of service. If remedial action is not taken immediately the asset will need to be closed or decommissioned.

**Water, sewerage and gas infrastructure****Current replacement cost:**

Water, sewerage and gas infrastructure assets were comprehensively valued by APV Valuers as at 30 June 2019. A desktop revaluation update was subsequently undertaken effective 30 June 2021.

All water, sewerage and gas network infrastructure assets were valued using Level 3 valuation inputs using the cost approach. CRC was calculated using a range of sources including actual construction or purchase prices for recent projects, appropriate APV databases where APV record details of actual costs from recent projects that are sourced directly from their clients. Preference is provided to nearby locations. Rawlinson's Construction Guide or similar guide and benchmarking against other valuations. An allowance was then made to adjust for condition and comparability.

The indexation percentage for the infrastructure desktop valuations effective 30 June 2021 has been derived from reference to costing guides issued by the Australian Institute of Quality Surveyors, Rawlinson's (Australian Construction Handbook), construction data from the Australian Bureau of Statistics and APV's own internal market research and costings.

The analysis of these construction cost guides and research has determined that the approximate increase in infrastructure costs over the period from 1 July 2020 to 30 June 2021 is as following:

Infrastructure Category	Index %
Water active assets	0.5% - 4.3%
Water passive assets	1.40%
Sewerage active assets	0% - 4.3%
Sewerage passive assets	1.3% - 2.2%
Gas infrastructure	1.40%

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at Level 2 given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at Level 3 we have adopted a policy that all road and water network infrastructure assets are deemed to be valued at Level 3.

**Accumulated depreciation:**

In determining accumulated depreciation, assets were either subject to a site inspection or an assessment to determine remaining useful life. Where site inspections were conducted (i.e. for active assets), the assets were allocated a consumption assessment, which was used to estimate remaining useful life. Refer to consumption scoring methodology in Roads and airport section.

For assets that are not available for visual inspection the useful life remaining was based on age and adjusted where there were known factors to impact on the condition.

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 11. Property, plant and equipment (continued)

## (4) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

\$ '000	Buildings	Total
<b>2021</b>		
Opening balance - 1/7/19	84,004	84,004
Transfers from/(to) level 2	(119)	(119)
Purchases	8,298	8,298
Disposals (WDV)	(551)	(551)
Depreciation and impairment	(1,938)	(1,938)
FV gains - other comprehensive income	1,777	1,777
<b>Closing Balance - 30/6/20</b>	<b>91,471</b>	<b>91,471</b>
<b>Opening balance - 1/7/20</b>	<b>91,471</b>	<b>91,471</b>
Transfers from/(to) level 2 FV hierarchy	(250)	(250)
Purchases	357	357
Disposals (WDV)	(78)	(78)
Depreciation and impairment	(1,992)	(1,992)
FV gains - other comprehensive income	1,085	1,085
<b>Closing balance - 30/6/21</b>	<b>90,593</b>	<b>90,593</b>

Accounting standards require disclosure of movements for level 3 fair value measurements and disclosure of transfers into and out of level 3. The need for a separate disclosure arises as the buildings class contains both level 2 and level 3.

## Note 12. Contract balances

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

\$ '000	2021	2020
<b>(a) Contract assets</b>		
<b>Current</b>		
Contract assets	517	1,170
<b>Total current contract assets</b>	<b>517</b>	<b>1,170</b>

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 12. Contract balances (continued)

\$ '000	2021	2020
(b) Contract liabilities		
<b>Current</b>		
<b>Grants</b>		
Funds received upfront to construct Council controlled assets	11,260	8,325
<b>Total grants</b>	<b>11,260</b>	<b>8,325</b>
<b>Other services</b>		
Deposits received in advance of services provided	182	594
<b>Total other services</b>	<b>182</b>	<b>594</b>
<b>Total current contract liabilities</b>	<b>11,442</b>	<b>8,919</b>
<b>Revenue recognised that was included in the contract liability balance at the beginning of the year</b>		
Funds to construct Council controlled assets	5,363	1,455
Deposits received in advance of services provided	412	55
<b>Total revenue included in the contract liability</b>	<b>5,775</b>	<b>1,510</b>

## (c) Significant changes in contract balances

The main driver behind the increase in contract liability balances is Disaster Recovery Funding Arrangements (DRFA) funding received during the 2020/2021 year, with works to be completed during the 2021/2022 year.

## Note 13. Payables

\$ '000	2021	2020
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.		
<b>Current</b>		
Creditors and accruals	6,807	5,420
Prepaid rates	567	607
Employee related accruals	589	585
Annual leave entitlements	4,619	4,582
Other	841	617
<b>Total current payables</b>	<b>13,423</b>	<b>11,811</b>

## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 14. Borrowings

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Thereafter, they are measured at amortised cost. Principal and interest repayments are made quarterly in arrears.

All borrowings are in \$A denominated amounts and interest is expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 June 2024 to 15 June 2039. There have been no defaults or breaches of the loan agreement during the period.

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

\$ '000	2021	2020
<b>Current</b>		
Loans - Queensland Treasury Corporation	1,731	1,536
<b>Total current borrowings</b>	<b>1,731</b>	<b>1,536</b>
<b>Non-current</b>		
Loans - Queensland Treasury Corporation	17,154	17,384
<b>Total non-current borrowings</b>	<b>17,154</b>	<b>17,384</b>

## Reconciliation of Loan Movements for the year

## Loans - Queensland Treasury Corporation

Opening balance at beginning of financial year	18,920	17,385
Loans raised	1,478	2,825
Principal repayments	(1,513)	(1,290)
<b>Book value at end of financial year</b>	<b>18,885</b>	<b>18,920</b>

The QTC loan market value at the reporting date was \$20,149,788 (2020: \$20,773,173). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

## Note 15. 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 yields attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

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

## Restoration Provisions

A provision is made for the cost of restoration in respect of refuse dumps and quarries where it is probable the Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provision is 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.

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 15. Provisions (continued)

Within each restoration provision there may be many site locations some of which can be on Council controlled land and some that are not. The following account treatments apply depending on the site location:

**Restoration on land not controlled by Council**

Where the restoration site is on State reserves which Council does not control, the cost of the provisions for restoration of these sites is treated as an expense in the year the provision is first recognised. Changes in the provision due to either time, discount rate or expected future costs are treated as a capital expense or capital income in the reporting period in which they arise.

**Restoration on land controlled by Council**

A provision is recognised for the estimated discounted cost of restoration, where required. The estimated cost of restoration is capitalised within land and improvement assets and is not immediately expensed.

As land and improvement assets are measured at fair value, the effects of a change in the measurement of a restoration provision that results from changes in the estimated timing or amount of the outflow of resources required to settle the obligation, or change in the discount rate are recognised within the asset revaluation surplus as follows:

Council has not historically recognised an asset for its landfill cells assets, and accordingly changes in the landfill restoration provision have been recognised as an expense/(benefit) in profit and loss in prior years. Council obtained a valuation of its landfill cell assets during the year and recognised these the other infrastructure asset class. As the related assets are now recognised on Council's balance sheet, Council now recognises changes in the provisions in accordance with the discussion below.

Changes in the provision not arising from the passage of time are added to or deducted from the asset revaluation surplus for other infrastructure. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passage of time (the unwinding of the discount) are treated as a finance cost.

The Council has the following restoration provisions:

*Quarry Rehabilitation*

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

*Refuse Sites Rehabilitation*

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

\$ '000	2021	2020
<b>Current</b>		
Long service leave	4,251	4,117
<b>Total current provisions</b>	<b>4,251</b>	<b>4,117</b>
<b>Non-current</b>		
Long service leave	638	856
Quarry rehabilitation	2,112	1,982
Refuse restoration	25,883	26,723
<b>Total non-current provisions</b>	<b>28,633</b>	<b>29,561</b>

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## Maranoa Regional Council

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## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 15. Provisions (continued)

\$ '000	Notes	2021	2020
<b>Details of movements in provisions</b>			
<b>Quarry rehabilitation</b>			
Balance at beginning of financial year		1,982	1,637
Increase in provision due to unwinding of discount	7	24	26
Increase/(decrease) in provision due to change in discount rate	8	106	95
Change in provision arising from revision of future cost		—	224
<b>Balance at end of financial year</b>		<b>2,112</b>	<b>1,982</b>
<b>Refuse restoration</b>			
Balance at beginning of financial year		26,723	24,876
Increase in provision due to unwinding of discount	7	312	501
Increase/(decrease) in provision due to change in discount rate		(1,152)	1,346
<b>Balance at end of financial year</b>		<b>25,883</b>	<b>26,723</b>

## Quarry rehabilitation

This is the present value of the estimated cost of restoring the quarry site to a useable state at the end of its useful life which is expected to be 2036.

## Refuse restoration

This is the present value of the estimated cost of restoring the refuse disposal site to a useable state at the end of its useful life. The sites are expected to close from 2022 to 2080 and the rehabilitation costs incurred from 2026 to 2111 to allow a period for settlement.

## Note 16. Commitments for expenditure

\$ '000	2021	2020
<b>Capital Commitments (exclusive of GST)</b>		
<b>Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:</b>		
<b>Property, plant and equipment</b>		
Infrastructure	11,701	6,984
<b>Total commitments</b>	<b>11,701</b>	<b>6,984</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	11,701	6,984
<b>Total payable</b>	<b>11,701</b>	<b>6,984</b>

## Note 17. Contingent liabilities

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

## 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.

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## Maranoa Regional Council

Financial Statements 2021

### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 17. Contingent liabilities (continued)

As at 30 June 2021 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

##### Local Government Workcare

The Council is a member of the Queensland local government workers compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$525,802 (2020: \$480,519).

#### Note 18. Superannuation - regional defined benefit fund

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 pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at the council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of the Council.

Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the 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 as required under Superannuation Prudential Standard 160 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 measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. 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 salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review was due on 1 July 2021.

The most significant risks that may result in LGIASuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

\$ '000	Notes	2021	2020
Superannuation contributions made to the Regional Defined Benefits Fund		117	133
Other superannuation contributions for employees		2,900	2,782
<b>Total superannuation contributions paid by Council for employees</b>	5	<b>3,017</b>	<b>2,915</b>

## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 19. Reconciliation of net result for the year to net cash inflow/(outflow) from operating activities

\$ '000	2021	2020
<b>Net operating result from income statement</b>	<b>21,208</b>	<b>23,043</b>
<b>Non-cash items</b>		
Depreciation and amortisation	19,442	19,764
	<u>19,442</u>	<u>19,764</u>
<b>Losses/(gains) recognised on fair value re-measurements through the income</b>		
Unwinding of discount rates on reinstatement provisions	336	527
	<u>336</u>	<u>527</u>
<b>Investing and development activities</b>		
Net (profit)/loss on disposal of assets	268	242
Loss on write-off of assets	7,522	6,772
Non cash capital grants and contributions	(25,258)	(23,594)
Capital expenses	(33)	1,441
	<u>(17,501)</u>	<u>(15,139)</u>
<b>Changes in operating assets and liabilities:</b>		
(Increase)/decrease in receivables	7,424	(2,987)
Increase/(decrease) in credit loss allowance	(59)	(40)
(Increase)/decrease in inventories	249	101
(Increase)/decrease in contract assets	653	(1,158)
(Increase)/decrease in other assets	(1)	(158)
Increase/(decrease) in payables	1,387	(3,241)
Increase/(decrease) in contract liabilities	2,523	2,255
Increase/(decrease) in employee leave entitlements	(84)	579
Increase/(decrease) in other liabilities	225	633
	<u>12,317</u>	<u>(4,016)</u>
<b>Net cash provided from/(used in) operating activities from the statement of cash flows</b>	<b>35,802</b>	<b>24,179</b>

## Note 20. Events after the reporting period

There were no material adjusting or non-adjusting events after balance date.

## Maranoa Regional Council

Financial Statements 2021

### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 21. Financial instruments and financial risk management

##### (a) Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments; (i) interest rate risk, (ii) credit risk, and (iii) liquidity risk.

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

##### Financial risk management

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

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

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

The Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The Council 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.

Council does not enter into derivatives.

##### Credit risk

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

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

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 the Council.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council.

##### Cash and cash equivalents

The Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. 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. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

##### Other financial assets

Other investments are held with financial institutions, which are rated A1+ to A2 based on rating agency Standard & Poor's ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as low. Some investments were held with unrated Authorised Deposit-taking Institutions only to the value of the Government guarantee on deposits and only one deposit per institution.

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## Maranoa Regional Council

Financial Statements 2021

### Notes to the Financial Statements

for the year ended 30 June 2021

#### Note 21. Financial instruments and financial risk management (continued)

##### Receivables

In the case of rate receivables, the Council has the power to sell the property to recover any defaulted amounts and therefore generally for rates debtors the credit risk is low.

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. Council considers that debtors with an outstanding balance greater than 90 days to be in default.

By the nature of the Council's operations, there is a geographical concentration of risk in the Council's area. Because the area is largely agricultural and energy sector, there is also a concentration in these sectors.

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.

The exposure to credit risk for trade receivables by type of counterparty was as follows:

\$ '000	2021	2020
Rates and utility charges	3,159	3,294
Sales of services or goods	803	570
Funding	126	5,296
Other debtors	797	3,360
GST recoverable	475	203
Expected credit loss	(292)	(351)
<b>Total</b>	<b>5,068</b>	<b>12,372</b>

##### 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

Council is exposed to liquidity risk through its normal course of business and through its borrowings with Queensland Treasury Corporation.

The Council manages its exposure to liquidity risk by maintaining sufficient cash deposit, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in note 14.

Council does not have any overdraft facilities at the reporting date.

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:

continued on next page ...

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 21. Financial instruments and financial risk management (continued)

\$ '000	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
<b>2021</b>					
Payables	6,807	–	–	6,807	6,807
Loans - QTC	2,272	7,550	12,908	22,730	18,885
	<u>9,079</u>	<u>7,550</u>	<u>12,908</u>	<u>29,537</u>	<u>25,692</u>
<b>2020</b>					
Payables	5,420	–	–	5,420	5,420
Loans - QTC	2,111	7,682	13,454	23,247	18,920
	<u>7,531</u>	<u>7,682</u>	<u>13,454</u>	<u>28,667</u>	<u>24,340</u>

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

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.

\$ '000	Net carrying amount	Net result		Equity	
		1% increase	1% decrease	1% increase	1% decrease
<b>2021</b>					
QTC cash fund	56,973	570	(570)	570	(570)
Other investments	48,950	490	(490)	490	(490)
Loans - QTC	(18,885)	(189)	189	(189)	189
<b>Net</b>	<u>87,038</u>	<u>871</u>	<u>(871)</u>	<u>871</u>	<u>(871)</u>
<b>2020</b>					
QTC cash fund	31,523	315	(315)	315	(315)
Other investments	47,450	475	(475)	475	(475)
Loans - QTC	(18,920)	(189)	189	(189)	189
<b>Net</b>	<u>60,053</u>	<u>601</u>	<u>(601)</u>	<u>601</u>	<u>(601)</u>

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

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

QTC Generic Debt Pool - the generic debt pool products approximate a fixed rate loan. There is a negligible impact on interest sensitivity from changes in interest rates for generic debt pool borrowings.

QTC Client Specific Pool - client specific pool products are often rebalanced to a target benchmark duration.

continued on next page ...

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 21. Financial instruments and financial risk management (continued)

This partially exposes clients to the level of interest rates at the time of rebalancing. Sensitivity on these products is provided by QTC through calculating the interest effect over the period.

## Note 22. Transactions with related parties

## (a) Associates

\$ '000	Details	Amount of transactions during year
<b>2021</b>		
Associates total		22
		22
<b>2020</b>		
Associates total		22
		22

Annual contribution to Regional Economic Development Association

## (b) Key management personnel

## Transactions with key management personnel

Key Management Personnel (KMP) are persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. At Maranoa Regional Council KMP's are considered to include Mayor and Councillors, Chief Executive Officer and Directors.

\$ '000	2021	2020
<b>The compensation paid to key management personnel for comprises:</b>		
Short-term employee benefits	1,517	1,458
Post-employment benefits	165	158
Long-term benefits	14	5
<b>Total</b>	<b>1,696</b>	<b>1,621</b>

## (c) Other Related Parties

## Transactions with other related parties

\$ '000	Details	Amount of transactions during year
<b>2021</b>		
Purchase of materials and services from entities controlled by KMP		—
Purchase of materials and services from entities controlled by a close family member of KMP		—
Payments to non-profit associations a KMP is a controlling committee member	iii	1
Purchase of materials and services from entities controlled by a close family member of KMP	iv	1
Purchase of materials and services from entities controlled by KMP	v	1

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## Maranoa Regional Council

Financial Statements 2021

## Notes to the Financial Statements

for the year ended 30 June 2021

## Note 22. Transactions with related parties (continued)

\$ '000	Details	Amount of transactions during year
		<u>3</u>
<b>2020</b>		
Purchase of materials and services from entities controlled by KMP	i	10
Purchase of materials and services from entities controlled by a close family member of KMP	ii	36
Payments to non-profit associations a KMP is a controlling committee member	iii	35
Purchase of materials and services from entities controlled by a close family member of KMP	iv	1
Purchase of materials and services from entities controlled by KMP		<u>—</u>
		<u>82</u>

i. Maranoa Regional Council purchased travel and accommodation booking services from an entity controlled by a member of key management personnel. All purchases were at arm's length and were in the normal course of council operations.

ii. Maranoa Regional Council purchased building and construction services from an entity controlled by a close family member of key management personnel. All purchases were at arm's length and were in the normal course of council operations.

iii. Community funding assistance payments were made to non-profit community organisations of which key management personnel are committee (controlling) members.

iv. Maranoa Regional Council purchased stationery items and used postal services from an entity controlled by a close family member of key management personnel. All purchases were at arm's length and were in the normal course of council operations.

v. Maranoa Regional Council purchased meat supplies from an entity controlled by a member of key management personnel. All purchases were at arm's length and were in the normal course of council operations.

## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

for the year ended 30 June 2021

## Management Certificate

for the year ended 30 June 2021

These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation, we certify that:

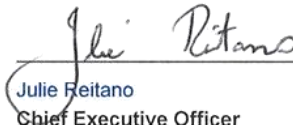
- i. the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- ii. the General Purpose Financial Statements, as set out on pages 2 to 38, present a true and 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.



Tyson Golder

Mayor

11 October 2021



Julie Reitano

Chief Executive Officer

11 October 2021



## INDEPENDENT AUDITOR'S REPORT

To the councillors of Maranoa Regional Council

### Report on the audit of the financial report

#### Opinion

I have audited the financial report of Maranoa Regional Council.

In my opinion, the financial report:

- a) gives a true and fair view of the council's financial position as at 30 June 2021, and of its financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

#### Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Maranoa Regional Council's annual report for the year ended 30 June 2021 was the current year financial sustainability statement, long-term financial sustainability statement and annual report.

The councillors are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current year financial sustainability statement.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

#### **Responsibilities of the councillors for the financial report**

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

#### **Auditor's responsibilities for the audit of the financial report**

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.



- Conclude on the appropriateness of the council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

#### **Report on other legal and regulatory requirements**

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

#### **Prescribed requirements scope**

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council's transactions and account balances to enable the preparation of a true and fair financial report.

Michael Claydon  
as delegate of the Auditor-General

12 October 2021

Queensland Audit Office  
Brisbane

## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

for the year ended 30 June 2021

## Current Year Financial Sustainability Statement

\$ '000	Actual 2021	Target 2021
<b>Measures of financial sustainability</b>		
<b>1. Operating surplus ratio</b>		
Net result (excluding capital items) <sup>1</sup>		
Total operating revenue (excluding capital items) <sup>2</sup>	6.13%	0% - 10%
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.		
<b>2. Asset sustainability ratio</b>		
Capital expenditure on the replacement of assets (renewals)	134.35%	> 90.00%
Depreciation expense		
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.		
<b>3. Net financial liabilities ratio</b>		
Total liabilities less current assets		
Total operating revenue (excluding capital items) <sup>2</sup>	(43.58)%	< 60.00%
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.		

(1) Includes only recurrent revenue and recurrent expenditure disclosed in the income statement. Excludes capital revenue grants, contributions, donations and subsidies received for capital acquisitions, capital income items such as profit from the sale of: property, plant and equipment, financial assets, real estate and investment properties (refer to note 5 for exclusions), and any capital expenditure such as write-off of assets, movements in provisions for restoration and rehabilitation and revaluation decrements that hit the statement of comprehensive income.

(2) Includes only recurrent revenue disclosed in the income statement. Excludes capital revenue grants, contributions donations and subsidies received for capital acquisitions. Also excludes any capital income items such as profit from the sale of: property, plant and equipment, financial assets, real estate and investment properties (refer to note 5 for exclusions).

**Note 1 - basis of preparation**

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2021.

## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

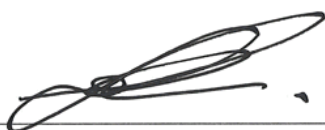
for the year ended 30 June 2021

## Certificate of Accuracy

for the year ended 30 June 2021

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current year financial sustainability statement has been accurately calculated.



Tyson Golder

Mayor

11 October 2021



Julie Reitano

Chief Executive Officer

11 October 2021



## INDEPENDENT AUDITOR'S REPORT

To the councillors of Maranoa Regional Council

### Report on the current year financial sustainability statement

#### Opinion

I have audited the accompanying current-year financial sustainability statement of Maranoa Regional Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Maranoa Regional Council for the year ended 30 June 2021 has been accurately calculated.

#### Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matter – basis of accounting

I draw attention to note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

#### Other Information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Maranoa Regional Council's annual report for the year ended 30 June 2021 was the general purpose financial statements, long-term financial sustainability statement and annual report.

The councillors are responsible for the other information.

My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.



However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

**Responsibilities of the councillors for the current year financial sustainability statement**

The councillors are responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors' responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

**Auditor's responsibilities for the audit of the current year financial sustainability statement**

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.



- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink that reads "M. Claydon".

Michael Claydon  
as delegate of the Auditor-General

12 October 2021

Queensland Audit Office  
Brisbane

## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

for the year ended 30 June 2021

## Unaudited Long Term Financial Sustainability Statement

	Target	Actual						Forecast				
\$ '000	2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031

## Measures of financials sustainability

## 1. Operating surplus ratio

Net result (excluding capital items) <sup>1</sup>

Total operating revenue (excluding capital items) <sup>2</sup>	0% - 10%	6.13%	3.06%	3.49%	2.93%	2.30%	1.69%	1.03%	0.31%	(0.54)%	(1.17)%	(1.66)%
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An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

## 2. Asset sustainability ratio

Capital expenditure on the replacement of assets (renewals)

Depreciation expense	> 90.00%	134.35%	178.05%	101.65%	116.22%	102.89%	111.80%	135.55%	147.71%	129.26%	100.55%	100.59%
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An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

## 3. Net financial liabilities ratio

Total liabilities less current assets

Total operating revenue (excluding capital items) <sup>2</sup>	< 60.00%	(43.58)%	(17.01)%	(20.05)%	(18.94)%	(22.01)%	(24.47)%	(21.39)%	(11.32)%	(7.27)%	(10.02)%	(13.29)%
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An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

(1) Includes only recurrent revenue and recurrent expenditure disclosed in the income statement. Excludes capital revenue grants, contributions, donations and subsidies received for capital acquisitions, capital income items such as profit from the sale of: property, plant and equipment, financial assets, real estate and investment properties (refer to note 5 for exclusions), and any capital expenditure such as write-off of assets, movements in provisions for restoration and rehabilitation and revaluation decrements that hit the statement of comprehensive income.

(2) Includes only recurrent revenue disclosed in the income statement. Excludes capital revenue grants, contributions donations and subsidies received for capital acquisitions. Also excludes any capital income items such as profit from the sale of: property, plant and equipment, financial assets, real estate and investment properties (refer to note 5 for exclusions).

## Maranoa Regional Council Financial Management Strategy

continued on next page ...

Page 48 of 50

## Maranoa Regional Council

Financial Statements 2021

### General Purpose Financial Statements

for the year ended 30 June 2021

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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.

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term. We have the above three sustainability indicators that have been set by the Department of State Development, Local Government and Planning to help monitor the long-term sustainability of all councils across Queensland. In summary, our operating ratio has been adversely affected by depreciation expenditure. Over the coming year, Council anticipates receipt of contributions from the Resource Sector towards Council road network with the impact showing in the asset sustainability ratio.

These ratios are the relevant measures of financial sustainability required to be reported under section 178(1) of the *Local Government Regulation 2012*.

Definitions are sourced from the Financial Management (Sustainability) Guideline issued by the Department of State Development, Local Government and Planning.

## Maranoa Regional Council

Financial Statements 2021

## General Purpose Financial Statements

for the year ended 30 June 2021

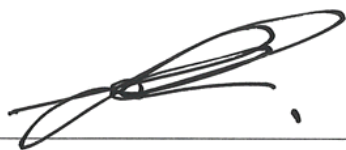
## Certificate of Accuracy - Long Term Financial Sustainability Statement

## Certificate of Accuracy

for the long-term financial sustainability statement prepared as at 30 June 2021

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.



Tyson Golder

Mayor

11 October 2021



Julie Reitano

Chief Executive Officer

11 October 2021

## **INFORMATION REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 18 October 2021

**Item Number:** 11.3

**File Number:** D21/83467

**SUBJECT HEADING:** Queensland Audit Office Final Management Letter 2020/21

**Classification:** Open Access

**Officer's Title:** (Acting) Director - Corporate Services

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### **Executive Summary:**

The 2020/21 financial audit was completed by the Queensland Audit Office (QAO) on 12 October 2021, with the certified Financial Statements forwarded to the Mayor on the same date. The Final Management Report for 2020/21 was received on 12 October 2021 and is now presented to Council by the Mayor.

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

That pursuant to section 213(3) of the *Local Government Regulation 2012*, Council receive and note the Queensland Audit Office Final Management Report for 2020/21 as presented by the Mayor.

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### **Background:**

In accordance with section 213 of the *Local Government Regulation 2012*, the Mayor must present a copy of the auditor-general's observation report (Final Management Report).

### **Body of Report:**

The Financial Statements for 2020/21 were signed off by the auditor-general on 12 October 2021.

The Final Management Report for 2020/21 was received on 12 October 2021.

QAO advised that an **unmodified opinion** (a 'clean bill of health') has been issued for the Maranoa Regional Council financial statements for 2020/21.

### ***Local Government Regulation 2012***

*Section 213 Presentation of auditor-general's observation report*

*(1) This section applies if the auditor-general gives the mayor of a local government a copy of the auditor-general's observation report about an audit of the local government's financial statements.*

*(2) An auditor-general's observation report, about an audit of a local government's financial statements, is a report about the audit prepared under section 54 of the*

*Auditor-General Act 2009 that includes observations and suggestions made by the auditor-general about anything arising out of the audit.*

*(3) The mayor must present a copy of the report at the next ordinary meeting of the local government.*

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.1 Elected members

**Supporting Documentation:**

1 [🔗](#) Queensland Audit Office - Final Management Report D21/83466  
2020/21

**Report authorised by:**

Chief Executive Officer

12 October 2021

Mayor Tyson Golder  
Maranoa Regional Council  
57 Bungil St  
ROMA QLD 4455

Dear Mayor Golder

### **Final Management Report for Maranoa Regional Council**

We have completed our 2021 financial audit for Maranoa Regional Council. An unmodified opinion has been issued on your financial statements.

The purpose of this letter is to update you on any matters that have arisen since we presented our closing report to the audit committee on 5 October 2021. Please note that under section 213 of the Local Government Regulation 2012, you must present a copy of this letter at the next ordinary meeting of the Council.

### **Reporting on issues identified after the closing report**

I can confirm that we have not identified significant issues since the presentation of our closing report. Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included as Appendix A to this letter. Our rating definitions for internal control deficiencies are shown in Appendix B.

### **Report to parliament**

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

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

### **Audit fee**

The final audit fee for this year is \$101,000 exclusive of GST (2020: \$101,000). This fee is unchanged from that estimated in our external audit plan.

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

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact myself or the engagement manager Clayton Russell on 3222 8444.

Yours sincerely



Jason Evans  
Partner

## Appendix A1—Internal control issues



### Significant deficiencies, deficiencies and other matters

The following table details control deficiencies and other matters identified since our interim report dated 23 June 2021. It includes a response from management.

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



Significant deficiency



Deficiency



Other matters



### Deficiencies

#### 21FR-1 Errors in system generated leave provision calculations

##### Information and Communication

During our recalculation of annual leave balances for a sample of employees, we identified two significant variances between the closing annual leave entitlement balance per the leave liability report, and the expected closing entitlement balance based on our recalculation.

Management advised that this variance was the result of a known issue with the payroll module in Authority, in which an employee's leave balance is reduced by their hourly accrual rate multiplied by the number of annual leave and long-service leave hours paid out to the employee during the financial year. The underlying cause of this issue is still to be determined.

##### Implication

There is a risk that annual and long-service leave liabilities may be understated as a result of this issue.

##### QAO recommendation

It is recommended that management undertakes a recalculation of leave entitlement balances to quantify the value of the potential understatement, and take steps to adjust employee leave entitlements. It is further recommended that management work with the software provider to determine the root cause of the issue, to enable the issue to be rectified going forward.

##### Management response

Management agrees to investigate this issue and to action adjustments as required to correct

##### Action date

30 June 2022

## Appendix A2—Matters previously reported



### Status

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

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

#### Internal control issues

#### Financial reporting issues

Significant deficiency	Deficiency	Other matters	High	Medium	Low

Reference	Rating	Issue	Status / Comment Action Date
Internal control issues			
20FR-1		<b>Asset capitalisation processes</b> There were a number of projects within the capital WIP balance at 30 June 2020 which were complete, but had not been capitalised. Untimely capitalisation may give rise to material misstatements in the financial statements, particularly with respect to capital write-offs expense where works are of a renewal nature. It was recommended that management implement processes to ensure more timely capitalisation of completed work orders in future periods.	<b>Work in progress</b> Audit analysis of the WIP balance at 30 June 2021 indicated that this issue remained unresolved. Management will consider ways in which capitalisations can be completed on a more timely basis in the next financial year. Action date: 30 June 2022
21IR-1		<b>Quarry weighbridge ticketing</b> During our interim audit testing it was identified that weighbridge dockets generated at the Roma quarry are not sequentially numbered. Sequential numbering of dockets is a key control over completeness of revenue, and lack of sequential numbering therefore increases the risk of revenue being incomplete. It was recommended that Council investigate the reasons for weighbridge dockets not being sequentially numbered, and seek to implement changes to ensure that sequential numbering (including documentation for any missing numbers) occurs in future.	<b>Work in progress</b> Management agrees to investigate this issue and to implement changes as required to ensure that sequential numbering occurs in the future. Action date: 30 June 2021 Revised action date: 31 December 2021

## Appendix A2—Matters previously reported (cont'd)



Reference	Rating	Issue	Status / Comment Action Date
<b>Financial reporting issues</b>			
19FR-2		<b>Landfill cell assets</b> Council has not (prior to FY21) previously recognised landfill cell assets on its balance sheet, and there was therefore a risk that council's assets were understated. It was initially recommended that a valuation be obtained prior to 30 June 2020.	<b>Resolved</b> A valuation of landfill cell assets was completed for financial reporting purposes as at 30 June 2021, and the value of landfill cell assets has been recognised in the 2020-21 financial statements.
19FR-3		<b>Accounting for write-offs on asset capitalisation</b> We identified a number of inconsistencies/errors in Council's processes for recording write-offs of infrastructure assets on capitalisation of renewal/upgrade projects.	<b>Work in progress</b> Further inconsistencies were identified through sample testing completed during our 2020-21 audit process. These items have been discussed with management and management will seek to implement further amendments to write-off processes in FY22. Action date: 30 June 2021 Revised action date: 30 June 2022
20FR-2		<b>Useful lives of road infrastructure assets</b> During our review of the desktop valuation of road infrastructure assets obtained as at 30 June 2020, we identified changes (increases) to the useful lives of sealed pavement and surface components of carriageway assets. It was estimated that the change in useful lives would result in a significant increase in annual depreciation expense. Limited discussion/support for the change in useful lives was provided within the valuation report. There was a risk of understatement of depreciation expenditure in future periods where the revised useful life assumptions are not considered to be reasonable and supported. It was recommended that management prepare a position paper for the 2021 audit in support of useful lives adopted, including relevant information on Council's asset management practices, to support the changes made to useful life assumptions.	<b>Resolved</b> Management provided a position paper outlining the basis for the change in useful lives. While the assertions put forward in the paper support the changes in useful life made, audit observed limited asset data backing these assertions – specifically regarding the age and/or time since last renewal for sealed pavement and surface assets. Notwithstanding this, management was able to provide alternative support for the change in useful lives, including details on Council's current (and historical) practices with respect to road pavements, and annual renewal data (by road length) over the post-amalgamation period. Based on our review of management's position paper, we are satisfied that this issue was appropriately resolved in the FY21 financial statements.

## Appendix B—Our rating definitions



### Internal rating definitions

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

### Financial reporting issues

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

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 5 October 2021

**Item Number:** 11.4

**File Number:** D21/79749

**SUBJECT HEADING:** Roma Saleyards - Livestock Management Platform

**Classification:** Open Access

**Officer's Title:** Manager - Saleyards

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### **Executive Summary:**

Council released an expression of interest for the provision of a Livestock Management Platform (software) at Roma Saleyards. Four suppliers responded; 2 conforming and 2 non-conforming responses.

The two conforming responses were initially evaluated and each agency operating at the Roma Saleyards was invited to view the software platform offered by each supplier. This was an opportunity to view the features and capabilities, and ask any questions. After each session, all further questions and queries were collated and the conforming suppliers were asked to respond.

The two suppliers were requested to provide a formal quote to confirm their software pricing / costs (including commercial terms) based on estimated throughput and a term to 30 April 2023.

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

That Council:

1. Select AgriNous as the recommended supplier for the livestock management software program for the Roma Saleyards.
2. Authorise the Chief Executive Officer to enter into final negotiations with AgriNous, and execute the agreement if the final terms are acceptable.
3. The term of the agreement be until 30 April 2023.

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### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

AgriNous (conforming tender)

Outcross Systems Pty Ltd (conforming tender)

Greenleaf Enterprises Pty Ltd (non-conforming)

Software Escrow & Copyright Agents Pty Ltd (non-conforming)  
AAM Operations  
Outcross Agri Services Pty Ltd  
Elders, Roma  
Grant, Daniel & Long, Roma  
Nutrien, Roma  
MAA Livestock & Property, Roma  
PJH Livestock & Property, Roma,  
Ray White Rural, Roma  
Topx, Roma  
Watkins & Company, Roma  
Roma Livestock Agents Association (checkoff)

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
RLAA	Roma Livestock Agents Association

**Context:**

***Why is the matter coming before Council?***

At Council's Ordinary Meeting held Wednesday 14 October 2020, Council resolved:

***Resolution No. OM/10.2020/14***

***That Council:***

- 1. Engage with key users of the current livestock management platform to identify individual practices that may be enhanced, and/or overcome through this technology.***
- 2. Call for expressions of interest to provide [a] livestock management platform at Roma Saleyards.***

**Background:**

***Has anything already happened in relation to this matter?***

*(Succinct overview of the relevant facts, without interpretation)*

Council considered a report on Software Options – Roma Saleyards on 14 October 2020, resolving as follows:

**Resolution No. OM/10.2020/01****That Council:**

- 1. Engage with key users of the current livestock management platform to identify individual practices that may be enhanced, and/or overcome through this technology.**
- 2. Call for expressions of interest to provide [a] livestock management platform at Roma Saleyards.**

Manager Saleyards engaged with key users of the livestock management platform prior to the release of the expression of interest to identify individual practices that may be enhanced, and/or overcome through this technology.

Council released an expression of interest for the provision of a Livestock Management Platform (software) at Roma Saleyards. The following four suppliers responded to the tender:

- Outcross Systems Pty Ltd (conforming)
- Agrinous Pty Ltd (conforming)
- Greenleaf Enterprises Pty Ltd (non-conforming)
- Software Escrow & Copyright Agents Pty Ltd (non-conforming)

**Evaluation Scoring**

30 Points – Pricing

20 Points – Minimum Capability Requirements

20 Points – Meeting Councils Preferred IT Requirements

30 Points – Business Continuity – Client Access & Backend Services

NO	Tenderer	Pricing schedule (30 points)	Meeting Minimum Capability Requirements within the Expression of Interest (20 points)	Meeting Councils Preferred IT Requirements within the EOI (20 points)	Business Continuity Client Access & Backend Services (30 points)	Total Points
1	Outcross Systems Pty Ltd	20	15	10	10	55
2	Agrinous Pty Ltd	30	20	20	30	100

**Pricing****Outcross Systems Pty Ltd**

Outcross proposes a single site license.

Outcross use the previous financial year throughput for calculating a pricing schedule for the current financial year. This is billed monthly.

Outcross charge a Software Licence Fee and a Scanning Fee.

For software issues, support is free as it is part of the Licence Fee. If it is not software related, it would require Council resources to resolve the issue.

### AgriNous Pty Ltd

AgriNous charge a Dashboard Fee (Charged monthly in advance) and a Throughput Charge. Software costs are capped at \$40,000 annually.

### Pricing Summary – Based on estimated throughput

Outcross		AgriNous Pty Ltd	
December 2021 – June 2022		December 2021 – June 2022	
Software Licence Fee	\$25,698.25	Dashboard	\$8,330.00
Scanning Fee	\$29,788.65	Throughput Charge	\$29,789.25
<b>Total</b>	<b>\$55,486.90</b>	<b>Total</b>	<b>\$38,119.25</b>
Outcross		AgriNous Pty Ltd	
July 2022 – April 2023		July 2022 – April 2023	
Software Licence Fee	\$25,387.25	Dashboard	\$8,330.00
Scanning Fee	\$34,999.95	Throughput Charge	\$29,789.25
<b>Total</b>	<b>\$60,387.20</b>	<b>Total</b>	<b>\$38,119.25</b>
<b>Total estimated contract cost for term</b>		<b>Total estimated contract cost for term</b>	
<b>\$115,874.10</b>		<b>\$76,238.50</b>	
<b>(where Council is charged the scanning fee)</b>			

\*\*\*The charge for RFIDs scanned into the software by Outcross System Pty Ltd (per head) is charged to the company/contractor who scans into the software using mobile devices. This is currently Outcross Agri Services Pty Ltd – a separate company. Outcross Systems Pty Ltd could technically charge Council the full fees above based on the commercial terms and conditions. The request for quote has been assessed on this basis.

The assessment panel has incorporated the fee for RFIDs scanned into the software by Outcross Systems Pty Ltd into the overall cost of their platform. This is due to the fact that Council will be charged the price per head to scan RFIDs into the software using mobile devices.

Council will also be charged this fee if Council perform scanning operations at Roma Saleyards at any time.

## **EVALUATION ASSESSMENT:**

### **Capability to Meet Minimum Requirements**

#### **Outcross Systems Pty Ltd**

In the submission from Outcross, they have specified that their software is only partially capable in meeting the minimum requirements within the EOI in numerous sections. Most partial sections have a work around but they require additional steps to perform the minimum requirement (may not be as user friendly).

#### **AgriNous Pty Ltd**

In the submission from Agrinous, they have specified that their software is fully capable of meeting the minimum requirements within the EOI.

### **Meeting Councils Preferred IT Requirements**

*It would be Councils preference from a support, maintenance, security, and external access perspective to have a cloud hosted service supporting Software as a Service (SaaS) especially if we have non-Council staff or contractors accessing the system and this greatly reduces the complexity.*

*Cloud hosted services are something that Council always looks for first (As does State government [Cloud computing | Queensland Government Enterprise Architecture \(qgcio.qld.gov.au\)](https://www.qgcio.qld.gov.au/)) as this allows us to reduce the cost of capital expenditure, right-sized and scalable platforms and reduce support maintenance costs. If there is an alternative, comparable and cost-effective platform that supports SaaS.*

The above requirements (and more) formed a part of the EOI.

#### **Outcross Systems Pty Ltd**

The Outcross platform is **not** a cloud hosted solution and does not support Councils preferred minimum requirements within the EOI. Outcross platform will require Council resources and support for the platform from a service perspective, as well as the management of user accounts.

Ultimately the Outcross platform would require the same infrastructure as the current platform (infrastructure wise it will be a sideways step). This is run on virtualised server along with a series of other Council servers.

In addition, if external agent access is going to be required, more details on what requirements are needed will need to be obtained before the platform is engaged, given this will present security risks associated with third parties accessing Council systems and software that Council will need to manage under the Outcross platform.

## **AgriNous Pty Ltd**

The Agrinuous platform **is** a cloud hosted solution and supports all of Councils preferred minimum requirements within the EOI including SaaS reducing ongoing infrastructure and maintenance costs associated with non-cloud native software solutions.

The SaaS platform would mean Council only need to manage the user accounts. Supply of resources, support and access to the platform is managed solely by Agrinuous, reducing current costs to Council.

## **Business Continuity**

**Outcross Systems Pty Ltd** - *Each device stores an offline copy of the sale data, so even in areas with poor connectivity data can be recorded. Once a connection is re-established the data is processed and synchronised seamlessly.*

**AgriNous Pty Ltd** – *Cloud hosted service, if Wi-Fi connectivity is lost mobile devices will revert to 4G mobile service to continue sale day yard operations. In addition, as a final redundancy Client application ability to provide data caching in event all connectivity is interrupted.*

## **Assessment Panel Comments**

### **Outcross Systems Pty Ltd**

If the Wi-Fi mesh services are interrupted in the yards, operators will be required to periodically return to the main administration building to connect to the office Wi-Fi for the mobile devices to update the platform with the required information. This is not ideal as it will impact on data entry given entry clerks will have to wait until the data has been synchronised from the mobile devices to enter buyer and price data. In addition, if the outage is at a Council level no synchronisation will occur until services have been restored. This would have a major impact on sale day operations.

If connectivity is lost to the weighbridges, then weighing will need to be done manually significantly impacting weighing operations. For example: lot recognition will not work due to the software being unavailable until services restored meaning staff will need to ascertain which pen is on the weighbridge and manually scribe the weight on the clerking sheet.

Reports for agents, buyers and vendors will not be available until services have been restored.

Although Stockyard can data cache as a solution in the event of connectivity outages, it is not an ideal solution for Roma Saleyards as Council's contractors also rely on the continuity systems for their daily operations i.e. identifying animals, scanning buyer splits.

Outcross Pty Ltd have agreed for Council to provide risks, and Outcross will provide/implement contingencies in future developments in the event of losing connectivity.

## **AgriNous Pty Ltd**

If the Wi-Fi mesh services are interrupted in the yards, mobile devices will revert to 4G so yard operations can continue.

In the unlikely event that a complete Wi-Fi, and 4G network outage occurs at the same time there is a final redundancy of data caching in this event.

If connectivity is lost to the weighbridges, computers can use hotspot from a mobile using 4G for internet services so weighing can continue.

In addition, in the unlikely event that both connectivity and 4G is unavailable then the weighbridge system allows for data caching allowing weighing to continue to the point of last synchronisation.

This is the best solution for Council regarding business continuity due to the platform having multiple redundancies in the event of connectivity outages.

## **Client Access – Mobile Devices and Agents Administration**

### **Outcross Systems Pty Ltd**

#### Mobile Devices

*Capable. All reports are available as soon as data entry is complete. Prices are available at the point of sale and weights and values are available following weighing. This can be accessed through email or the Outcross Online website. These Reports are customised for viewing on mobile devices. The same data will be available by the end of September in the Stockyard Mobile App from anywhere.*

*In addition, Agents can access and change their pre sale data away from the yard to resolve any identified issues that arise, without having to go on site.*

#### Agent Administration

*Capable - All reports and XML files get sent to agents after the completion of a sale for them to access all of their own data. This data is usually sent through once a sale is complete to ensure that the data is finalised and that incorrect versions are not circulating to vendors and buyers.*

*The same data can be accessed by Agents as soon as data is checked, following the point of sale to improve the responsiveness to Vendors. The data is also updated constantly through Outcross Online. Agents can notify Vendors of the prices within a few minutes of selling and immediately after weighing.*

*Capable - Stockyard can be configured to allow remote access for tablets. Stockyard is also compatible with Remote Desktop Services environment and can be configured for remote terminal access.*

### **AgriNous Pty Ltd**

#### Mobile Devices

If the agents are direct subscribers - yes. Agents using the 'free' tier account will be able to use any device onsite or at their office. From a desktop computer they can access anywhere anytime - no geo-restriction.

### Agent Administration

Yes. All agents will all be provided with individual logins. As our system is cloud native, there is no requirement for a terminal server - just a modern day and up to date browser: Chrome, Safari - recommended. Firefox or Edge are also compatible. All agents will be given an introduction demonstration to enable them with the access to retrieve any report they require, at any time.

### Assessment Panel Comments

#### **Outcross Systems Pty Ltd**

Outcross indicated that currently the software does not allow agents to view data through the mobile app.

Outcross indicated the only way to currently access their data remotely is to use remote desktop. This is not the preferred IT option due to security risks with third parties accessing Council systems.

#### **AgriNous Pty Ltd**

During the demonstration from Agrinous agents were shown all reports and data they can access from their mobile or computer devices. This access is controlled by Agrinous as it is a cloud-based solution supporting Software as a Service (SaaS) meaning agents do not require access to Council systems to retrieve their data.

### Backend Services

#### **Outcross Systems Pty Ltd**

The Outcross platform requires Council to provide server continuity and backup with financial and staff resource implications e.g. Council is responsible for the costs associated with providing a server including maintenance and security.

Staff may be required after hours if services are interrupted.

#### **AgriNous Pty Ltd**

The SaaS cloud hosted service from Agrinous ensures that Agrinous is fully, and solely responsible for server continuity and backup, with financial and resource implications for any service interruption being the responsibility of Agrinous, the backend services are fully built into the cost of the solution.

This means there is no responsibility for server maintenance and security, and Council staff will not be required to be on call.

## Responses to Agents Questions

Question	Outcross	Agrinous	Comments
1. Can the vendors property name and address also be displayed on the vendor report?	Capable - Vendor's property name and address are shown on the "Vendor Information" report by default.	Yes	Both options fully support the ability to display the vendors property name and address.
2. Rather than taking a photo of an NVD (concerns processors won't accept a photo) will the software recognise a capture from a Cam Scanner App?	Stockyard is fully capable of attaching a scanned image of a NVD to the NVD information, that can be entered at any time including from the Agents office downtown, at the ramp to capture receipt efficiencies or in the saleyard office. We expect that NVD scanning will be completed in the saleyard office in the first instance. NVD Image processing in the Stockyard Mobile App is currently in the development pipeline. Image quality and scanning photos of NVDs will be taken into consideration.	<p>Yes, however we may need to verify the specific app in question, we address this query in a couple of different ways.</p> <p>1) If a high resolution photo is taken that is several MB's, the upload process from the app actually resizes it to be less than 1MB</p> <p>2) Traditional systems attach files to emails that go out to buyers, which we often hear is problematic. In the emails we send buyers, there's 'magic' links when clicked / tapped it triggers a download of the various PDF (&amp; other formats such as CSV or XML) reports (including NVDs). This helps keep email more reliable and also ensures the buyers are able to easily re-download the latest data in the event that changes have occurred.</p>	<p><b>Stockyard</b> Although the response indicates capable, the image is still captured through a scanner in the office using an image scanner and does not currently support the functionality of taking a photo or using a cam scanner app as asked by the agents.</p> <p><b>Agrinous</b> The software currently allows for agents to take a photo of the NVD and upload it into the software from their device (demonstrated during the Agrinous demonstration to the agents). Further enquiries as indicated are needed to ascertain the capability scanning from a Cam Scanner App.</p>

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

<b>Question</b>	<b>Outcross</b>	<b>Agrinous</b>	<b>Comments</b>
3. Can a full pen map (empty pens list) be created for individual agents prior to drafting and penning? This is so they can map out their consignments prior to drafting and penning.	Capable in an upcoming release - This functionality is in the Stockyard development pipeline and work has already begun. Delivery due before the end of September.	Yes	<p><b>Outcross</b> During the demonstration from Outcross the software did not currently allow for this request.</p> <p><b>Agrinous</b> Fully capable</p>
4. Can agents access their vendor reports from their phones or tablets anywhere i.e. from home or anywhere in Australia?	Capable. All reports are available as soon as data entry is complete. Prices are available at the point of sale and weights and values are available following weighing. This can be accessed through email or the Outcross Online website. These Reports are customised for viewing on mobile devices. The same data will be available by the end of September in the Stockyard Mobile App from anywhere. In addition, Agents can access and change their pre sale data away from the yard to resolve any identified issues that arise, without having to go on site.	If the agents are direct subscribers - yes. Agents using the 'free' tier account will be able to use any device onsite or at their office. From a desktop computer they can access anywhere anytime - no geo-restriction.	<p><b>Outcross</b> Outcross indicated that currently the software does not allow agents to view data through the mobile app. The only way at present is to use remote desktop. This is not the preferred option due to security risks with third parties accessing Council systems.</p> <p><b>Agrinous</b> During the demonstration from Agrinous agents were shown all reports and data they can access from their mobile or computer devices. This access is controlled by Agrinous as it is a cloud-hosted solution supporting Software as a Service (SaaS) meaning agents do not require access to Council systems to retrieve their data.</p>

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

<b>Question</b>	<b>Outcross</b>	<b>Agrinous</b>	<b>Comments</b>
5. Can agents administration offices access their data from their offices in town, XML files etc? and how the agent gains access to this data i.e. user login / terminal server?	<p>Capable - All reports and XML files get sent to agents after the completion of a sale for them to access all of their own data. This data is usually sent through once a sale is complete to ensure that the data is finalised and that incorrect versions are not circulating to vendors and buyers. The same data can be accessed by Agents as soon as data is checked, following the point of sale to improve the responsiveness to Vendors. The data is also updated constantly through Outcross Online. Agents can notify Vendors of the prices within a few minutes of selling and immediately after weighing.</p> <p>Capable - Stockyard can be configured to allow remote access for tablets. Stockyard is also compatible with Remote Desktop Services environment and can be configured for remote terminal access.</p>	<p>Yes.</p> <p>All agents will all be provided with individual logins. As our system is cloud native, there is no requirement for a terminal server - just a modern day and up to date browser: Chrome, Safari - recommended. Firefox or Edge are also compatible.</p> <p>All agents will be given an introduction demonstration to enable them with the access to retrieve any report they require, at any time.</p>	<p><b>Outcross</b></p> <p>The only way at present for agents to access their data is to use remote desktop. This is not the preferred option due to security risks with third parties accessing Council systems.</p> <p><b>Agrinous</b></p> <p>Fully capable – access is controlled by Agrinous as it is a cloud-hosted solution supporting Software as a Service (SaaS) meaning agents do not require access to Council systems to retrieve their data.</p>
6. Can the GST component be removed from the software? (vendor, buyer, XML reports etc.) Agents do the GST component from their office for their clients.	<p>Not Capable – Removing GST is not currently an option in the software, but we are open to reviewing this request if required. The GST is only shown where the Vendor is registered for GST. Stockyard produces an .XML file that is fully compliant with all Agents software. The Agent can then manage their accounts as they choose.</p>	<p>All prices captured and reports are ex-GST.</p> <p>We include this option for any given contact for other parts of the platform where fees and charges are calculated.</p>	<p>Both options allow for contacts to be either GST registered or not.</p> <p>If a contact isn't GST registered, then GST will not show on reports.</p>

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

<b>Question</b>	<b>Outcross</b>	<b>Agrinous</b>	<b>Comments</b>
7. Can vendor and buyer reports be categorised by sex to show steers, heifers, cows and bulls etc in separate fields and the summary of each category, and in addition, can the report show in the sex order we sell?	Capable - reports can be categorised by Stock type. The order of the stock by default is set to alphabetical.	Yes	<p><b>Outcross</b> Partially capable, will categorise by sex but reports cannot be displayed in sale order by sex.</p> <p><b>Agrinous</b> Fully capable</p>
8. Can vendor reports also be categorised by breed if required?	Partially Capable - Report print outs cannot be categorised by breed, but the Stockyard Mobile App system can sort lots by breed if required	Yes	<p><b>Outcross</b> Partially capable</p> <p><b>Agrinous</b> Fully capable</p>
9. Is there the capability now or in the future (if clerking from the rail) for agents to use their voice to enter the cents/kg, buyer and way using electronic clerking sheets?	Not Capable - this is not current capability, nor is it on the roadmap. The current process for capturing buyer/account/price is efficient and does not carry the risk of incorrect data capture. Stockyard Mobile has been in use at other major cattle yards for 4 years and the system is proven.	Yes, but some further research & development will be required.	<p><b>Outcross</b> Not capable</p> <p><b>Agrinous</b> Open to researching the request if required</p>
10. Is there the capability now or in the future (if clerking from the rail) for agents to use a tablet pen to enter cents/kg, buyer and way on electronic clerking sheets?	Not Capable - this is not current capability, nor is it on the roadmap. The current process for capturing buyer/account/price is efficient and enables data to be quickly entered and checked prior to weighing in a format that allows for efficient data sharing across the yard (Rail, Office, Scales). We know that this proven process will be more than suitable at Roma as well.	Yes, but some further research & development will be required.	<p><b>Outcross</b> Not capable</p> <p><b>Agrinous</b> Open to researching the request if required</p>
11. Does the software have the ability to bulk bill (centralised billing system)?	Capable - some development work may be required depending on the specific implementation and business rules of the	Currently No, however there is development taking place at the moment to allow for a bulk billing system - SG8 to be able to ingest an XML	<p><b>Outcross</b> Fully capable</p> <p><b>Agrinous</b> Not currently capable.</p>

	specific saleyard. Stockyard has been used for bulk billing at Wagga Wagga for over 20 years.	file for a sale. We will also be developing our own bulk billing solution in the next 6-12 months.	
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### Legislation, Local Laws, State Policies & Other Regulatory Requirements:

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

N/A

### Council Policies or Asset Management Plans:

***Does Council have a policy, plan or approach ordinarily followed for this type of decision? What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

N/A

### Input into the Report & Recommendation:

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

After the expression of interest closed Manager Saleyards sent individual agency managers an invite providing them, and their staff the opportunity to view and provide feedback into the two (2) conforming responses received.

Six (6) agents responded and viewed both software options. Comments below:

#### Agent 1

After the demonstration from both software providers, Agent 1 commented that at first look AgriNous was a better option.

#### Agent 2

After the demonstration from both software providers, Agent 2 found that the AgriNous software seemed more advanced and the better option.

#### Agent 3

After the demonstration from both software providers, Agent 3 commented for simplicity they thought Outcross was better, but they had used Outcross at another set of yards.

The agent also said that AgriNous is more advanced and better, and we need to move forward as we are already 10 years behind where we should be.

#### **Agent 4**

After the demonstration from both software providers, Agent 4 said we need to move forward with technology and price shouldn't be a factor.

AgriNous is the way forward.

#### **Agent 5**

After the demonstration from both software providers, Agent 5 said we need to move forward not sideways. AgriNous is ahead in connectivity and more advanced.

#### **Agent 6**

After the demonstration from both software providers, Agent 6 said it would be highly preferable that can access their data in the yards, in the office or from anywhere an internet connection is available and thought AgriNous was a better option given they could do this with their software.

After each demonstration manager saleyards spent time with each agent to see if there were any further questions or comments regarding the software options. When the demonstration period closed Manager Saleyards sent both software providers a list of questions that were asked by the individual agents for them to respond (refer to responses to agent's questions above) and, requested confirmation for pricing (refer to pricing summary above).

On Tuesday 10 August 2021, Council received a letter from RLAA supporting AgriNous as the preferred software provider. Attached for Councils reference.

#### **Funding Bodies:**

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.* (Please do not just include names)

N/A

#### **This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

**WO Number 22173.2491** - Estimated increase in expenditure of \$3,650.40 excluding GST

### Future Years' Budgets:

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?* (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

**WO Number 22173.2491** - Estimated increase in expenditure of \$16,966.92 excluding GST

### Impact on Other Individuals or Interested Parties:

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?* (Interested Parties Analysis - IS9001:2015)

AgriNous  
AAM Operations  
Outcross Pty Ltd  
Outcross Agri Services Pty Ltd  
Elders, Roma  
Grant, Daniel & Long, Roma  
Nutrien, Roma  
MAA Livestock & Property, Roma  
PJH Livestock & Property, Roma,  
Ray White Rural, Roma  
Topx, Roma  
Watkins & Company, Roma

Key interests mentioned by all parties is that we need to move forward embracing the most current technology to advance their individual practices, as well as Roma Saleyards to improve services to all stakeholders.

### Risks:

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Remaining at the current level of service to stakeholders due to selecting a less advanced software	Likelihood – Certain Consequence – Roma Saleyards falls further behind in using technology to enhance its services to stakeholders

### Advice to Council:

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Manager Saleyards advice to Council is to select Agrinuous as the software provider given it is more advanced in its technology and connectivity.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

That Council:

1. Select AgriNous as the recommended supplier for the livestock management software program for the Roma Saleyards.
2. Authorise the Chief Executive Officer to enter into final negotiations with AgriNous, and execute the agreement if the final terms are acceptable.
3. The term of the agreement be until 30 April 2023.

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

No

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.6 Saleyards

**Supporting Documentation:**

1 [↓](#) Letter to MRC from RLAA -Computer Software Dated 4- D21/82817  
8-21

**Report authorised by:**

Director - Corporate & Community Services

ROMA LIVESTOCK AGENTS ASSOCIATION INCORP  
41 Treeline Drive  
GOWRIE JUNCTION QLD 4352

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4<sup>th</sup> August 2021

Saleyards Manager  
Maranoa Regional Council  
P.O. Box 42  
Mitchell QLD 4465

Att: Paul Klar

Dear Paul

Re: New Software Roma Saleyards

Firstly, we would like to thank you for inviting all agents to preview software alternatives for the future of Roma Saleyards.

At a meeting this morning it was voted unanimously to support the software presented from Agrinous as the preferred supplier.

I await your reply and you can contact me to discuss further on 0428 225 727.

Yours faithfully

Duncan McLeod  
President  
Roma Livestock Agents Assoc Incorp

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 18 October 2021

**Item Number:** 11.5

**File Number:** D21/83672

**SUBJECT HEADING:** Audit Committee Report

**Classification:** Open Access

**Officer's Title:** Director - Corporate & Community Services

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### **Executive Summary:**

The purpose of this report is for the Chief Executive Officer to present the unconfirmed minutes of the Audit Committee Meeting held on 5 October 2021 and the confirmed minutes of the Audit Committee Meeting held on 30 June 2021, in accordance with section 211(1)(c) of the *Local Government Regulation 2012*.

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

That Council receive and note:

- the unconfirmed minutes of the Audit Committee Meeting held on 5 October 2021; and
  - the confirmed minutes of the Audit Committee Meeting for the 28 June 2021 (postponed to and held on 30 June 2021).
- 

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Maranoa Regional Council's appointed Audit Committee

### **Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
QAO	Queensland Audit Office

### **Context:**

***Why is the matter coming before Council?***

Council has established an Audit Committee in accordance with section 105 of the *Local Government Act 2009*.

The main purpose of the Committee is to provide an oversight function to Council in the effective performance of its responsibilities related to draft financial statements, internal audit and risk management as prescribed under the *Local Government Act 2009*, the *Local Government Regulation 2012* and other relevant legislation, standards and requirements.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

The Audit Committee met on 5 October 2021 to review:

- Auditor's Closing Report 2021
- Financial Statements for the year ended 30 June 2021
- Audit Committee Meeting Timetable 2021/22

The outcome of the review was as follows:

1. The committee noted the review of the Auditor's Closing Report for the 2020/21 Financial Statements as presented.
2. The committee recommended the Mayor and Chief Executive Officer sign the financial statements.

(The committee noted that the signed financial statements will be included in the Annual Report).

*The Mayor and Chief Executive Officer signed the financial statements on 11 October 2021.*

3. The Audit Committee's forward workplan was endorsed noting that it is a flexible timetable for 2021/22.

The Audit Committee met on 30 June 2021 to review:

- 2021 Interim Report to the Mayor
- Financial Statements 2020/2021 Timetable
- Revaluation of Non-Current Financial Assets
- Proforma Financial Statements
- Position Paper - Landfill Cell Assets
- Non-Current Asset Accounting Policy
- Position Paper - Useful lives of road infrastructure assets
- Related Parties Disclosure Policy
- 2021 External Audit Plan

The outcome of the review was as follows:

- That the Audit Committee receive and note the 2021 Interim Report to the Mayor and Briefing Notes as presented by Queensland Audit Office.

- That the Audit Committee receive and note the project timetable for the preparation of the 2020/21 Financial Statements, as presented.
- That the Audit Committee receive and note the Officer's report on the Revaluation of Non-Current Financial Assets, as presented.
- That Audit Committee endorse the Proforma Financial Statements for 2020/21.
- That the Audit Committee receive and note the Position Paper - Landfill Cell Assets, as presented.
- That the Audit Committee note their review of the Non-Current Asset Accounting Policy and recommend that Council adopt the policy.

*Council adopted the Non-Current Asset Accounting Policy on 14 July 2021, Resolution No. OM/07.2021/12.*

- That the Audit Committee receive and note the Position Paper - Useful lives of road infrastructure assets, as presented.
- That the Audit Committee note their review of the Related Party Disclosure Policy and recommend that Council adopt the policy.

*Council adopted the Related Party Disclosure Policy on 14 July 2021, Resolution No. OM/07.2021/13.*

- That the Audit Committee receive and note the 2021 External Audit Plan as presented by Queensland Audit Office.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under***

***consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The *Local Government Regulation 2012* outlines specific responsibilities of Council's Audit Committee, as follows:

**Local Government Regulation 2012**  
**211 Audit committee meetings**

*(1) The audit committee of a local government must—*

*(a) meet at least twice each financial year; and*

*(b) review each of the following matters—*

*(i) the internal audit plan for the internal audit for the current financial year;*

*(ii) the internal audit progress report for the internal audit for the preceding financial year including the recommendations in the report and the actions to which the recommendations relate;*

*(iii) a draft of the local government's financial statements for the preceding financial year before the statements are certified and given to the auditor-general under section 212;*

*(iv) the auditor-general's audit report and auditor-general's observation report about the local government's financial statements for the preceding financial year; and*

*(c) as soon as practicable after a meeting of the committee, give the local government a written report about the matters reviewed at the meeting and the committee's recommendations about the matters.*

*(2) At a meeting of the audit committee—*

*(a) a quorum is at least half the number of members of the committee; and*

*Examples—*

*1 If the committee consists of 4 members, a quorum is 2.*

*2 If the committee consists of 5 members, a quorum is 3.*

*(b) either—*

*(i) the chairperson presides; or*

*(ii) if the chairperson is absent, the member chosen by the members present as chairperson for the meeting presides.*

*(3) The audit committee may, for performing its functions under subsection (1)(b), seek information or advice from the person who has carried out the internal audit.*

*(4) The chief executive officer must present the report mentioned in subsection (1)(c) at the next meeting of the local government.*

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

*(Quote/insert the relevant section's wording / description within the report)*

Council has an adopted Audit Committee Policy and Terms of Reference. The Terms of Reference outlines specific responsibilities including:

*Other key responsibilities of the Committee relate to:*

*External Audit*

- *Monitor or review Council's compliance with legislation regarding financial reporting; and*
- *Review the draft general purpose financial statement and financial sustainability statement*
- *Review the audited financial statements prior to approval by Council with focus on external auditors audit report including any external audit comments related to significant changes in accounting policies and procedures, departure from accounting standards or major audit adjustments*
- *Review of management response to external auditor's recommendation and extent of implementation (assessing the policies and procedures adopted by management to address these matters).*

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** *(Please include consultation with the funding body, any dates of critical importance or updates or approvals required)*

Attached to this report are the unconfirmed minutes of the Audit Committee meeting held on 5 October 2021.

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** *(Please do not just include names)*

Nil

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)?*** *Is this already included in the budget? (Include the account number and description).*

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

There is a financial implication associated with the operation of an Audit Committee – member attendance. Council has previously resolved Audit Committee Remuneration as follows:

**Resolution No. GM/01.2015/04**

*That Council set the External Audit Committee Members meeting allowance to:*

- *Chairperson \$390 per meeting*
- *Member \$300 per meeting*

effective from the re-establishment of the committee, and their first meeting on 12 September, 2013.

### Resolution No. GM/03.2015/45

*That Council set the external Audit Committee members' travel allowance to:*

*Where an Audit Committee member is required to use his or her private motor vehicle to travel to and from their home or workplace outside the Roma town area to attend an Audit Committee meeting in Roma, the travel allowance rate will be calculated at the kilometres travelled (round trip) x the rate prescribed below, effective from the re-establishment of the committee and their first meeting on 12 September 2013.*

VEHICLE CATEGORY	AMOUNT (CENTS PER KM)
<b>AUTOMOBILES</b>	
1600cc and less	63.0c
1601cc to 2600cc	74.0c
2601cc and over	75.0c
<b>AUTOMOBILES – ROTARY ENGINE</b>	
800cc and less	63.0c
801cc to 1300cc	74.0c
1301cc and over	75.0c
<b>MOTORCYCLES</b>	
250cc and under	25.2c
Over 250cc	30.0c
Note: 'cc' means cubic centimetres.	

### Future Years' Budgets:

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

Not anticipated.

### Impact on Other Individuals or Interested Parties:

***Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?***  
(Interested Parties Analysis - IS9001:2015)

External Independent Committee Member - Mr Michael Booth (via Teams)  
Mayor, Tyson Golder  
Cr Mark Edwards  
Clayton Russell, Director, Pitcher Partners (External Auditors)  
Queensland Audit Office Representative - Michael Claydon (via Teams)  
Queensland Audit Office Representative - Allan Diano (via Teams)

Department of Local Government, Racing and Multicultural Affairs – compliance with State Government legislation

### Risks:

***What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)*** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Non-compliance with legislative requirements	Consequences: Guidance from the Department of Local Government, Racing & Multicultural Affairs and/or QAO about Council's obligations to comply with legislative obligations.

### Advice to Council:

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Receive and note the unconfirmed and confirmed minutes of the meetings.

### Recommendation:

***What is the 'draft decision' based on the advice to Council?***

That Council receive and note:

- the unconfirmed minutes of the Audit Committee Meeting held on 5 October 2021; and
- the confirmed minutes of the Audit Committee Meeting held on 30 June 2021.

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

No

### Link to Corporate Plan:

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.1 Elected members

2.5.6 Convene the Audit Committee with independent community representatives and provide reporting to both the Committee and Council.

### Supporting Documentation:

- |                     |  |           |
|---------------------|--|-----------|
| 1 <a href="#">↓</a> | Audit Committee Meeting - MRC - 30 June 2021 - Confirmed Minutes     | D21/83730 |
| 2 <a href="#">↓</a> | Audit Committee Meeting - MRC - 5 October 2021 - Unconfirmed Minutes | D21/83731 |

### Report authorised by:

Chief Executive Officer



**MINUTES OF THE AUDIT COMMITTEE MEETING OF MARANOA REGIONAL COUNCIL HELD AT ROMA ADMINISTRATION CENTRE (MEETING ROOM 1) ON 30 JUNE 2021 COMMENCING AT 3:30PM**

**ATTENDANCE**

Michael Booth (via Teams) chaired the meeting with, Mayor T D Golder (via Telephone), Cr M C Edwards, Operations Manager Finance – Dee Sullivan, Queensland Audit Office Representative – Michael Claydon (via Teams) and Emma Barber Minutes Officer in attendance.

**WELCOME**

Michael Booth welcomed all present and declared the meeting open at 3:49pm.

**APOLOGIES**

Apologies were received from:

Chief Executive Officer – Julie Reitano  
Director Corporate & Community Services – Sharon Frank  
Pitcher Partner Representative - Jason Evans  
Pitcher Partner Representative – Clayton Russell

**CONFIRMATION OF MINUTES**

<b>Resolution No. ACCCC/06.2021/01</b>	
<b>Moved Cr Booth</b>	<b>Seconded Cr Edwards</b>
<b>That the minutes of the Audit Committee Meeting held on 28 September 2020 be confirmed.</b>	
<b>CARRIED</b>	<b>3/0</b>

**BUSINESS**

**Item Number:** C.1 **File Number:** D21/51245  
**SUBJECT HEADING:** 2021 INTERIM REPORT TO THE MAYOR  
**Officer's Title:** Operations Manager - Finance

**Executive Summary:**

*This report detailed the results of our interim work performed to 28 May 2021.*

<b>Resolution No. ACCCC/06.2021/02</b>	
<b>Moved Mr Booth</b>	<b>Seconded Cr Edwards</b>
<b>That the Audit Committee receive and note the 2021 Interim Report to the Mayor and Briefing Notes as presented by Queensland Audit Office.</b>	
<b>CARRIED</b>	<b>3/0</b>

<b>Responsible Officer</b>	<b>Operations Manager - Finance</b>
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Item Number: C.2 File Number: D21/50008  
 SUBJECT HEADING: FINANCIAL STATEMENTS 2020/2021 TIMETABLE  
 Officer's Title: Responsible Officer Operations Manager - Finance

**Executive Summary:**  
 Proposed timetable for financial statement processes.

**Resolution No. ACCCC/06.2021/03**  
**Moved Mr Booth** **Seconded Cr Edwards**  
**That the Audit Committee receive and note the project timetable for the preparation of the 2020/21 Financial Statements as presented.**  
 CARRIED 3/0

Responsible Officer	Operations Manager - Finance
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Item Number: C.3 File Number: D21/51235  
 SUBJECT HEADING: REVALUATION OF NON-CURRENT FINANCIAL ASSETS  
 Officer's Title: Responsible Officer Operations Manager - Finance

**Executive Summary:**  
 Revaluation of non-current assets for 2020/2021

**Resolution No. ACCCC/06.2021/04**  
**Moved Mr Booth** **Seconded Cr Edwards**  
**That the Audit Committee receive and note the Officer's report as presented.**  
 CARRIED 3/0

Responsible Officer	Operations Manager - Finance
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Item Number: C.4 File Number: D21/50557  
 SUBJECT HEADING: PROFORMA FINANCIAL STATEMENTS  
 Officer's Title: Operations Manager - Finance

**Executive Summary:**  
 Each year Proforma Financial Statements are produced to assist with the end of year process.

**Resolution No. ACCCC/06.2021/05**  
**Moved Mr Booth** **Seconded Cr Edwards**  
**That Audit Committee endorse the Proforma Financial Statements for 2020/21.**  
 CARRIED 9/0

Responsible Officer	Operations Manager - Finance
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Item Number: C.5 File Number: D21/51237

SUBJECT HEADING: POSITION PAPER - LANDFILL CELL ASSETS

Officer's Title: Operations Manager - Finance

**Executive Summary:**

Council has not previously recognised landfill cell assets on its balance sheet, and there is therefore a risk that Council's assets are understated.

**Resolution No. ACCCC/06.2021/06****Moved Mr Booth****Seconded Cr Edwards****That the Audit Committee receive and note the Officer's report as presented.**

CARRIED

3/0

Responsible Officer

Operations Manager - Finance

Item Number: C.6 File Number: D21/51211

SUBJECT HEADING: NON-CURRENT ASSET ACCOUNTING POLICY

Officer's Title: Operations Manager - Finance

**Executive Summary:**

The Non-Current Accounting Policy provides a framework for identifying, valuing, recording and writing-off non-current assets to ensure compliance with the Local Government Act 2009, Local Government Regulation 2012 and Australian Accounting Standards and Interpretations

**Resolution No. ACCCC/06.2021/07****Moved Mr Booth****Seconded Cr Edwards****That the Audit Committee:**

1. Receive and note the Officer's report as presented.
2. Recommend that Council adopt the policy.

CARRIED

3/0

Responsible Officer

Operations Manager - Finance



Item Number: C.7 File Number: D21/51239

SUBJECT HEADING: POSITION PAPER - USEFUL LIVES OF ROAD INFRASTRUCTURE ASSETS

Officer's Title: Operations Manager - Finance

**Executive Summary:**

Council's desktop valuation of road infrastructure assets effective 30 June 2020 included changes in the useful life assumptions for some components of the rural and urban road network. Audit recommended preparing a position paper for the 2021 audit in support of the revised useful lives, including relevant information on Council's asset management practices.

**Resolution No. ACCCC/06.2021/08**

**Moved Mr Booth**

**Seconded Cr Edwards**

**That the Audit Committee receive and note the Officer's report as presented.**

CARRIED

3/0

Responsible Officer	Operations Manager - Finance
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Item Number: C.8 File Number: D21/51231

SUBJECT HEADING: RELATED PARTIES DISCLOSURE POLICY

Officer's Title: Operations Manager - Finance

**Executive Summary:**

Since 1 July 2016 local governments must disclose related party relationships, transactions and outstanding balances, including commitments, in their annual financial statements.

Related parties include Key Management Personnel (KMP), their close family members and any entities that they control or jointly control. Any transactions with these parties, whether monetary or not, will need to be identified and may need to be disclosed.

**Resolution No. ACCCC/06.2021/09**

**Moved Mr Booth**

**Seconded Cr Edwards**

**That the Audit Committee:**

- 1. Receive and note the Officer's report as presented.**
- 2. Recommend that Council adopt the policy.**

CARRIED

3/0

Responsible Officer	Operations Manager - Finance
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**Item Number:** C.9 **File Number:** D21/51244

**SUBJECT HEADING:** 2021 EXTERNAL AUDIT PLAN

**Officer's Title:** Operations Manager - Finance

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***Executive Summary:***

*This report presented the 2021 External Audit Plan for the financial year ending 30 June 2021.*

**Resolution No. ACCCC/06.2021/10**

**Moved Mr Booth**

**Seconded Cr Edwards**

**That the Audit Committee receive and note the 2021 External Audit Plan as presented by Queensland Audit Office.**

**CARRIED**

**3/0**

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**Responsible Officer**

**Operations Manager - Finance**

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**CLOSURE**

There being no further business, the Chair thanked members for their attendance and declared the meeting closed at 4:52pm.

**These Minutes are to be confirmed at the next Audit Committee Meeting**

**NEXT MEETING**

**5 October 2021, at the Roma Administration Centre.**



**MINUTES OF THE AUDIT COMMITTEE MEETING OF MARANOA REGIONAL COUNCIL HELD AT ROMA ADMINISTRATION CENTRE | COUNCIL CHAMBERS ON 5 OCTOBER 2021 COMMENCING AT 2.00PM**

**ATTENDANCE**

Michael Booth (via Teams) chaired the meeting with, Mayor T D Golder, Cr M C Edwards, Director Corporate & Community Services – Sharon Frank, Operations Manager Finance – Dee Sullivan, Booringa Local Director - Norm Garsden, Pitcher Partners Representative - Clayton Russell (via Teams), QAO Representative – Allan Diano (via Teams), Pitcher Partners Representative – Jason Evans (via Teams), Queensland Audit Office Representative – Michael Claydon (via Teams) and Emma Barber Minutes Officer in attendance.

**WELCOME**

Chair Michael Booth welcomed all present and declared the meeting open at 2:07pm.

**APOLOGIES**

Chief Executive Officer – Julie Reitano

**CONFIRMATION OF MINUTES**

<b>Resolution No. ACCCC/10.2021/01</b>	
<b>Moved Mr Booth</b>	<b>Seconded Cr Golder</b>
<b>That the minutes of the Audit Committee Meeting (0-28.06.21) held on 28 June 2021 be confirmed subject to minor amendments.</b>	
<b>CARRIED</b>	<b>3/0</b>

**DECLARATION OF CONFLICTS OF INTEREST**

There were no declarations of Conflicts of Interest.

<b>Item Number:</b>	<b>7.1</b>	<b>File Number: D21/76631</b>
<b>SUBJECT HEADING:</b>	<b>AUDITORS CLOSING REPORT 2021</b>	
<b>Officer's Title:</b>	<b>Sharon Frank</b>	

**Executive Summary:**

*The purpose of this report is for the Audit Committee to review the Auditors Closing Report on the audit of Maranoa Regional Council's financial statements for the year ended 30 June 2021.*

<b>Resolution No. ACCCC/10.2021/02</b>	
<b>Moved Mr Booth</b>	<b>Seconded Cr Edwards</b>
<b>That the Audit Committee note the review of the Auditors Closing Report for the 2020/21 Financial Statements as presented.</b>	
<b>CARRIED</b>	<b>3/0</b>

<b>Responsible Officer</b>	<b>Director - Corporate &amp; Community Services</b>
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Chair Michael Booth left the meeting at 2:35pm and returned at 2:36pm.



Item Number: 7.2 File Number: D21/76636

SUBJECT HEADING: FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Officer's Title: Sharon Frank

**Executive Summary:**

The purpose of this report is for the Audit Committee to review the Maranoa Regional Council's Financial Statements for the year ended 30 June 2021.

**Resolution No. ACCCC/10.2021/03**

Moved Mr Booth

Seconded Cr Edwards

That the Audit Committee:

1. Note the review of the 2020/21 Financial Statements, as presented.
2. Recommend the Mayor and Chief Executive Officer sign the financial statements noting the inclusion in the annual report

CARRIED

9/0

Responsible Officer

Director - Corporate & Community Services

Operations Finance Manager - Dee Sullivan left the meeting at 2:56pm.

Item Number: 7.3 File Number: D21/76585

SUBJECT HEADING: AUDIT COMMITTEE MEETING TIMETABLE 2021/22

Officer's Title: Sharon Frank

**Executive Summary:**

The purpose of this report is for the Audit Committee to review a draft meeting timetable for 2021/22 financial year.

**Resolution No. ACCCC/10.2021/04**

Moved Mr Booth

Seconded Cr Golder

That the Committee endorse the Audit Committee's forward workplan noting that it is a flexible timetable for 2021/22.

CARRIED

9/0

Responsible Officer

Director - Corporate & Community Services

**CLOSURE**

There being no further business, the Chair thanked members for their attendance and declared the meeting closed at 3:17PM.

**These Minutes are to be confirmed at the next Audit Committee Meeting**

**NEXT MEETING**

**1<sup>ST</sup> November 2021, at Roma Administration Centre.**

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 28 September 2021

**Item Number:** 12.1

**File Number:** D21/78603

**SUBJECT HEADING:** Applications for funding under Queensland Government's Building Our Regions Fund - Round 6

**Classification:** Open Access

**Officer's Title:** Manager - Water, Sewerage & Gas

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### **Executive Summary:**

Maranoa Regional Council is eligible to submit projects for funding under the Queensland Government's *Building Our Regions Fund* – Round Six. The funding is for projects that improve safe, reliable and sustainable water supply and sewerage systems that help drive priority investments in Regional Queensland.

This report recommends projects that Council consider submitting applications for funding under the Building Our Regions Fund.

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

That Council:

1. Submit applications for expressions of interest for all projects identified with priority of projects as listed.
2. Submit applications for planning projects identified.
3. Allocate the co-contribution of \$390,100 for the Roma Airport Sewerage Upgrade project in the 2022-23 budget.
4. Allocate the co-contribution of 10% for the other projects, as required in the 2022-23 budget.
5. Authorise the Chief Executive Officer, or delegate, to sign the applications and subsequent applications if projects progress to the next stage.

---

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Not known until final project selection is complete

## Acronyms:

### Are there any industry abbreviations that will be used in the report?

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
BoR	Building Our Regions Fund

## Context:

### Why is the matter coming before Council?

The Queensland Government has opened a new round of funding - *Building Our Regions – Round 6*:

Building Our Regions is comprised of two streams:

- Funding for construction and works projects that are ready to commence construction or works by 15 February 2023. Please refer to the Glossary for a definition of construction projects.
- Funding for scoping, planning, cost benefit analysis or feasibility assessment in order to identify the most effective solution.

## Program Objectives

Building Our Regions will fund both of the following:

### Eligible construction projects that improve water and sewerage services that:

- support the sustainability of water services in regional communities;
- improve the liveability and amenity of regional communities through improved essential services;
- support regional economic development and contribute to the creation of new ongoing employment opportunities;
- align with regional industry and economic development priorities;
- deliver collaborative regional priority infrastructure; and
- support the development of new industries or the expansion of established industries in the regions.

**Planning projects** that will inform decision making about the optimum solution to address a water or sewerage solution service issue.

To support these Program objectives, Regional Local Governments are encouraged to consider projects that:

- allow for regional activities or joint Local Government or co-operative models for the water and sewerage business;

- are a priority for improving regulatory compliance;
- demonstrate they are effective and appropriate to the issue or risk being addressed;
- are well planned and scoped to determine priority water and sewerage service needs;
- once constructed or implemented, can be operated by the Local Government on an ongoing basis;
- account for costs associated with operating and maintaining the Project / asset over its lifespan; and
- help address existing skills, staff attraction or retention challenges through innovation, digitisation or automation uptake.

This report seeks Council's endorsement of projects to be submitted for this funding round

**Key dates:**

**Construction projects:**

EOI stage: 29 September to 23 November 2021

Detailed application stage: 5 January 2022 – 19 April 2022

Expected announcements: from late June 2022

Project completion: must be completed by 15 February 2023

**Planning projects:**

Applications open: 17 November 2021 to 21 December 2021

Expected announcements: from late June 2022

Earliest Project start: 30 July 2022

**Proposed projects:**

The following projects could be considered by Council. These are in the order of priority order with the exception of the Roma Airport Sewerage Upgrade project, which is a project recommended by the Manager Airports that aims to support the planned development and expansion of airport facilities.

**Construction projects:**

**Yuleba firefighting capacity      \$100,000**

The Yuleba water supply has been improved significantly with the construction of a new bore, reservoir and booster station. Unfortunately, there are numerous water mains that are in poor condition and/or undersized and Council is still not able to provide firefighting flows and pressure to parts of the town. A major water main upgrade is required to bring this town up to standard and reduce the risk of inadequate pressure or flows during a fire event. The budget requested is half of what is required to complete all the required works.

This project addresses network and distribution system water related issues and risks

**New bore 7 construction \$600,000**

Bore 7 is well beyond its theoretical useful life and a recent condition assessment found it to be in very poor condition. It was recommended that it be replaced as a matter of urgency. The replacement bore will be constructed further up Dargal Road on land owned Council so that it is no longer in private property with an easement. The replacement of this bore is supported by DRDMW who have identified potential contamination of the aquifers through this bore as well as the high potential for failure.

This project addresses emerging drinking water quality and water supply security issues.

**Installation of water level monitors on the Roma bores \$100,000**

The DRDMW water security assessment for Roma found that the water levels in the aquifer are gradually dropping as demand exceeds replenishment. They recommended that Council install water level monitors on the Roma bores in order to develop a more robust model of the hydrogeology. This will also allow Council in real time to see the effects of pumping on the aquifer and the varying effects depending on which bores are used. This will provide valuable data to allow better management of bore use to minimise the effects on the aquifer.

This project addresses emerging drinking water quality and water supply security issues.

**Mitchell firefighting capacity \$250,000**

The Mitchell water supply has been improved significantly with the construction of a new bore and reservoir allowing better pressure to be supplied. Unfortunately, there are numerous water mains that are in very poor condition and/or undersized and Council is still not able to provide firefighting flows and pressure to parts of the town. A major water main upgrade is required to bring this town up to standard and reduce the risk of inadequate pressure or flows during a fire event. The budget requested is half of what is required to complete all the required works.

This project addresses network and distribution system water related issues and risks.

**Surat water intake pipeline renewal \$150,000**

The Surat intake pipeline for the potable supply is over 60 years old and could be reaching the end of its useful life. If this pipeline fails, no water can be sourced from the river for potable supply. This pipeline should be replaced before it fails to avoid any disruption to supply. The opportunity will be taken to provide an improved intake structure in the river, which is self cleaning to avoid any blockages.

This project addresses network and distribution system water related issues and risks.

**Roma firefighting capacity \$120,000**

The Roma water supply has been improved significantly with the construction of a new bore 19 and Miscamble Street reservoir allowing better pressure to be supplied. Unfortunately, there are some water mains that are undersized and Council is still not able to provide firefighting flows and pressure to some parts of the town. A water main upgrade is required to bring this town up to standard and reduce the risk of inadequate pressure or flows during a fire event. The budget requested is not the full amount required to complete all the required works.

This project addresses network and distribution system water related issues and risks.

**Lining of sewage Imhoff tanks \$350,000**

The Imhoff tanks at Roma, Mitchell, Injune and Surat are all of a similar age and are showing signs of cracking and damage. To replace these tanks will be expensive and very difficult while they are operating. If these tanks are lined they should last for at least another 20 years or more with little risk of failure. This application will be to address the tanks in Roma.

This project aids Council in meeting their regulatory obligations under the Environmental Protection Act (1994), ensuring that there is less risk of failure of an Imhoff tank, essential for sewage treatment.

**Second reservoir, Wallumbilla \$120,000**

Wallumbilla currently only has one reservoir servicing the town. If this reservoir was to fail the town cannot be supplied with chlorinated water. Construction of a second reservoir will provide redundancy as well as providing approximately two days of average day demand. This provides better security and reduces the risk of having no water supply for the town.

This project addresses network water related risks.

**Water main renewal Russell Street, Roma \$100,000**

This water main is at the end of its useful life and has had several breaks occurring. This wastes a lot of water and disrupts the supply to the residents. This main will be upsized from 100mm to 150mm when renewed to improve pressures within the network.

This project improved livability, with reduced water outages while reducing potential water losses from breaks.

**Roma airport sewerage construction works \$1.8 million (full project cost)**

To support the future growth, planned development as well as assist with aviation recovery and address potential environmental risk, construction works to link Roma airport and its tenants into the main sewer system is required. The existing method for sewerage management, consisting of multiple septic systems, is to be replaced with a mains sewer connection. The scope of works aims to ensure that a fit for purpose system is in place that will support the planned development and expansion of airport facilities, including Life flight hangar, in accordance with the Roma airport master plan and aims to provide an improved environmental outcome by mitigating potential contamination risk and providing existing airport tenants with mains sewer connection.

(WO20347 Roma Airport Sewerage Upgrade will be included as carry over from 2020-21 - \$390,100 with recommendation that this be Council contribution to the project)

### **Planning projects:**

#### **Inlet screen and splitting chamber for Roma STP \$65,000**

The Roma sewage treatment plant has not got a mechanical screen. There are 3 imhoff tanks, each with a fixed screen that has to be cleaned on a regular basis. This is very time consuming and if a mechanical screen was installed the resource could be used for other activities. The splitting chamber that splits the flow to the 3 tanks is under sized and over flows. This project is to investigate the option of installing a mechanical screen before the splitting chamber and replacing the splitting chamber with one of appropriate size.

#### **Wallumbilla and Yuleba sewer systems \$100,000**

There has been a number of requests from residents to consider the installation of sewer networks in the towns of Wallumbilla and Yuleba. This project is to investigate the feasibility of constructing a sewer network in Wallumbilla and Yuleba and to provide an estimate of costs for the works.

### **Background:**

#### ***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Building Our Regions Round 6 will provide funding to improve safe, reliable and sustainable water supply and sewerage systems that help drive priority investments in Regional Queensland. Funding available through Building Our Regions Round 6 will support the delivery of fit for place and fit for purpose water supply and sewerage solutions, taking into account the community's ability to pay, the Local Government's workforce and financial capacity, as well as climate change.

This funding will contribute significantly to aiding regional Local Governments in meeting their regulatory obligations under the Water Supply (Safety and Reliability) Act 2008 and Environmental Protection Act (1994) to ensure safe and reliable services for their communities, now and into the future.

Funding will be targeted toward managing current and emerging drinking water quality, water supply security, asset management (water and sewerage), water efficiency, network and distribution system water, and sewerage service-related issues and risks. It is important that this funding supports long term solutions that are well planned and appropriate to the issue or risk being addressed.

Funding available through Building Our Regions aims to deliver job-creating construction projects in regional communities that improves liveability (as defined in the Glossary), economic conditions, promotes innovation and protects the natural environment.

### **Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

#### ***What does the legislation and other statutory instruments include about the matter under consideration?***

(Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

Applications will need to be compliant with the program guidelines in terms of budget, detailed design, confirmed funding contributions, construction time-frames, selection criteria and submission dates.

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

The majority of these projects are identified in the Water and Sewerage Network Asset Management plans.

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

Queensland Government's - *Building Our Regions – Round 6.*

This funding is a competitive funding round. Maranoa Regional Council is categorized as a small service provider (Councils are categorized based on water service provider size as determined by number of connections).

*Small and Very Small Service Provider Fund – \$48 million. These service providers deliver water and sewerage services in regional and remote Queensland, have up to 10,000 connections.*

*- \$12 million (of this \$48 million) will be provisionally allocated for planning projects*

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

It is expected that successful applications will be announced from June 2022, so does not have an impact on this year's budget.

Co-contributions: Voluntary contributions to projects are encouraged from applicant local governments

**Future Years' Budgets:**

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

This will impact on the 2022/23 budgets.

Co-contributions: Voluntary contributions to projects are encouraged from applicant local governments

**Impact on Other Individuals or Interested Parties:**

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*

(Interested Parties Analysis - IS9001:2015)

Community

**Risks:**

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Estimated budgets	Without detailed design, the estimated costs as listed above may escalate.
Failure to submit an application under this round of the program	Whilst most contestable Queensland Government funding requires projects to compete with other across the state, failure to submit an application under this round of the program may have foregone Council's chance to secure external funding for one of the current major projects progressing through the project lifecycle.

**Advice to Council:**

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

That Council consider submitting:

- expression of interests for all construction projects identified with priority of projects as listed with the exception of the Roma Airport Sewerage Upgrade project, which is a project recommended by the Manager Airports that aims to support the planned development and expansion of airport facilities.
- both planning projects identified

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy?***

***If so, for what reason?***

That Council:

1. Submit applications for expressions of interest for all projects identified with priority of projects as listed
2. Submit applications for planning projects identified
3. Allocate the co-contribution as required in the 2022-21 budget
4. Authorise the Chief Executive Officer, or delegate, to sign the funding applications.
5. Authorise the Chief Executive Officer, or delegate, to sign the funding agreements as required if the project is successful.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 1: Getting the basics right

1.1 Water

**Supporting Documentation:**

[1](#) Building Our Regions Round 6 Guidelines

D21/78609

**Report authorised by:**

Program Funding & Budget Coordinator

Deputy Chief Executive Officer/Acting Director Infrastructure Services

Department of Regional Development, Manufacturing and Water

# Building Our Regions

## Round 6 Program Guidelines

Version 1.1 (updated 17 September 2021)



Queensland  
Government

Building Our Regions

Department of Regional Development, Manufacturing and Water

This publication has been compiled by the Department of Regional Development, Manufacturing and Water.

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Version 1.1 last updated 17/09/2021

SECURITY CLASSIFICATION

Building Our Regions

Department of Regional Development, Manufacturing and Water

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## Glossary

**Business case** – sets out the problem or opportunity, considers options, analyses costs, benefits, and risks for the purpose of supporting an investment decision.

**Building Our Regions** – refers to Round 6 of the Queensland Government's Building Our Regions Program.

**Construction commencement** – construction is considered to commence when physical changes are made to the project site or when works commence on another site (e.g. manufacture/fabrication of major project components) as agreed with the Queensland Government.

**Construction projects** – for the purposes of this grant program a construction project includes the construction of new infrastructure, upgrades, extensions or replacements of existing infrastructure. It also includes works projects such as a supervisory control and data acquisition (SCADA) systems, reticulation infrastructure and investments in technology or digital systems that improve operation and efficiency.

**Detailed Application** – The 2nd stage of the application process for a construction project. Successful applicants from the EOI stage will be invited to submit a Detailed Application.

**Department** – State of Queensland as represented by the Queensland Government Department of State Development, Infrastructure, Local Government and Planning. The administrators of the program who will answer queries etc.

**Expression of Interest (EOI)** – The initial stage of the application process for a construction project.

**Grant Program** – Building Our Regions Round 6.

**Liveability** – For the purposes of the guidelines, and in respect of water supply and sewerage services, liveability refers to a collection of physical factors that together are considered basic requirements for the residents of a locality/community to maintain their health and feeling of wellbeing about their lifestyle in that locality/community (esp. in comparison with similar localities/ communities).

**Local Government** – 'an elected body that is responsible for the good rule and local government of a part of Queensland' and as further defined under the Queensland Local Government Act 2009.

**Program** – Building Our Regions Round 6.

**Project** – a project includes the entire scope of works identified in the application and commencing from the project start date through to project completion, e.g., for a construction project this includes identified pre-construction activities (e.g. tendering), construction related activities and commissioning.

**Planning projects** – include studies that: establish the linkage between service delivery needs and critical infrastructure requirements; underpin works that enhance performance of water supply or sewerage services; and provide clear direction on the long-term sustainable operation and management of the whole of service.

**Planning project application** – the single stage application for planning projects.

**Regional Queensland** – includes all areas of the State that are outside of South East Queensland.

**State** – the State of Queensland.

**Sewerage infrastructure** – "sewerage means a sewer, access chamber, vent, engine, pump, structure, machinery, outfall or other work used to receive, store, transport or treat sewage." As defined in *Water Supply (Safety and Reliability) Act 2008*.

**Water Supply Infrastructure** – includes pipelines, structures, bores, electrical and mechanical equipment and works.

**Water Service Provider** – For the purposes of this Grant Program a "Water Service Provider" is defined as a Local Government that is registered as a Water Service Provider and/or a Sewerage Service Provider under the *Water Supply (Safety and Reliability) Act 2008*.

## 1.0 Introduction

Round 6 of the Building Our Regions Program provides \$70 million in funding for Regional Local Governments to improve their water supply and sewerage systems.

To date, Building Our Regions has approved over \$348 million towards 271 projects across 67 regional Local Governments - generating significant economic development in regional communities across Queensland.

This additional round of Building Our Regions will help drive new water supply and sewerage infrastructure projects to improve water security, enhance drinking water quality and help to improve business sustainability of Queensland's regional water service providers. This Program also aims to support jobs in manufacturing and technology and underpin the social, economic, and environmental well-being of regional communities.

This Program forms part of the Queensland Government's Economic Recovery Plan and complements other funding programs such as the Indigenous Councils Critical Infrastructure Program (ICCIP), Works for Queensland Program (W4Q), 2020-21 COVID Works for Queensland Program and 2019-2021 Local Government Grants and Subsidies Program (LGGSP).

The Department of Regional Development, Manufacturing and Water administers the *Water Supply (Safety and Reliability) Act 2008* which provides the framework for regulating water service provider performance, and for providing recycled water and drinking water quality.

In Queensland, water and sewerage services are delivered to towns and cities predominantly by Local Governments. There are 75 service providers across the State, 67 of these are located outside of South East Queensland, each with varying capacity and capability to deliver these essential services.

This document sets out the guidelines for Round 6 of Building Our Regions (Building Our Regions).

## 2.0 Program overview

### 2.1 Program aim

Building Our Regions Round 6 will provide funding to improve safe, reliable and sustainable water supply and sewerage systems that help drive priority investments in Regional Queensland. Funding available through Building Our Regions Round 6 will support the delivery of fit for place and fit for purpose water supply and sewerage solutions, taking into account the community's ability to pay, the Local Government's workforce and financial capacity, as well as climate change.

This funding will contribute significantly to aiding regional Local Governments in meeting their regulatory obligations under the *Water Supply (Safety and Reliability) Act 2008* and *Environmental Protection Act (1994)* to ensure safe and reliable services for their communities, now and into the future.

Funding will be targeted toward managing current and emerging drinking water quality, water supply security, asset management (water and sewerage), water efficiency, network and distribution system water, and sewerage service-related issues and risks. It is important that this funding supports long term solutions that are well planned and appropriate to the issue or risk being addressed.

Funding available through Building Our Regions aims to deliver job-creating construction projects in regional communities that improves liveability (as defined in the Glossary), economic conditions, promotes innovation and protects the natural environment.

Building Our Regions is comprised of two streams:

- i) Funding for construction and works projects that are ready to commence construction or works by 15 February 2023. Please refer to the Glossary for a definition of construction projects.
- and
- ii) Funding for scoping, planning, cost benefit analysis or feasibility assessment in order to identify the most effective solution.

### 2.2 Program objectives

Building Our Regions will fund both of the following:

- i) Eligible construction projects that improve water and sewerage services that:
  - support the sustainability of water services in regional communities;
  - improve the liveability and amenity of regional communities through improved essential services;
  - support regional economic development and contribute to the creation of new ongoing employment opportunities;
  - align with regional industry and economic development priorities;
  - deliver collaborative regional priority infrastructure; and
  - support the development of new industries or the expansion of established industries in the regions.
- ii) Planning projects that will inform decision making about the optimum solution to address a water or sewerage solution service issue.

To support these Program objectives, Regional Local Governments are encouraged to consider projects that:

- allow for regional activities or joint Local Government or co-operative models for the water and sewerage business;
- are a priority for improving regulatory compliance;

- demonstrate they are effective and appropriate to the issue or risk being addressed;
- are well planned and scoped to determine priority water and sewerage service needs;
- once constructed or implemented, can be operated by the Local Government on an ongoing basis;
- account for costs associated with operating and maintaining the Project / asset over its lifespan; and
- help address existing skills, staff attraction or retention challenges through innovation, digitisation or automation uptake.

## 2.3 Program funds

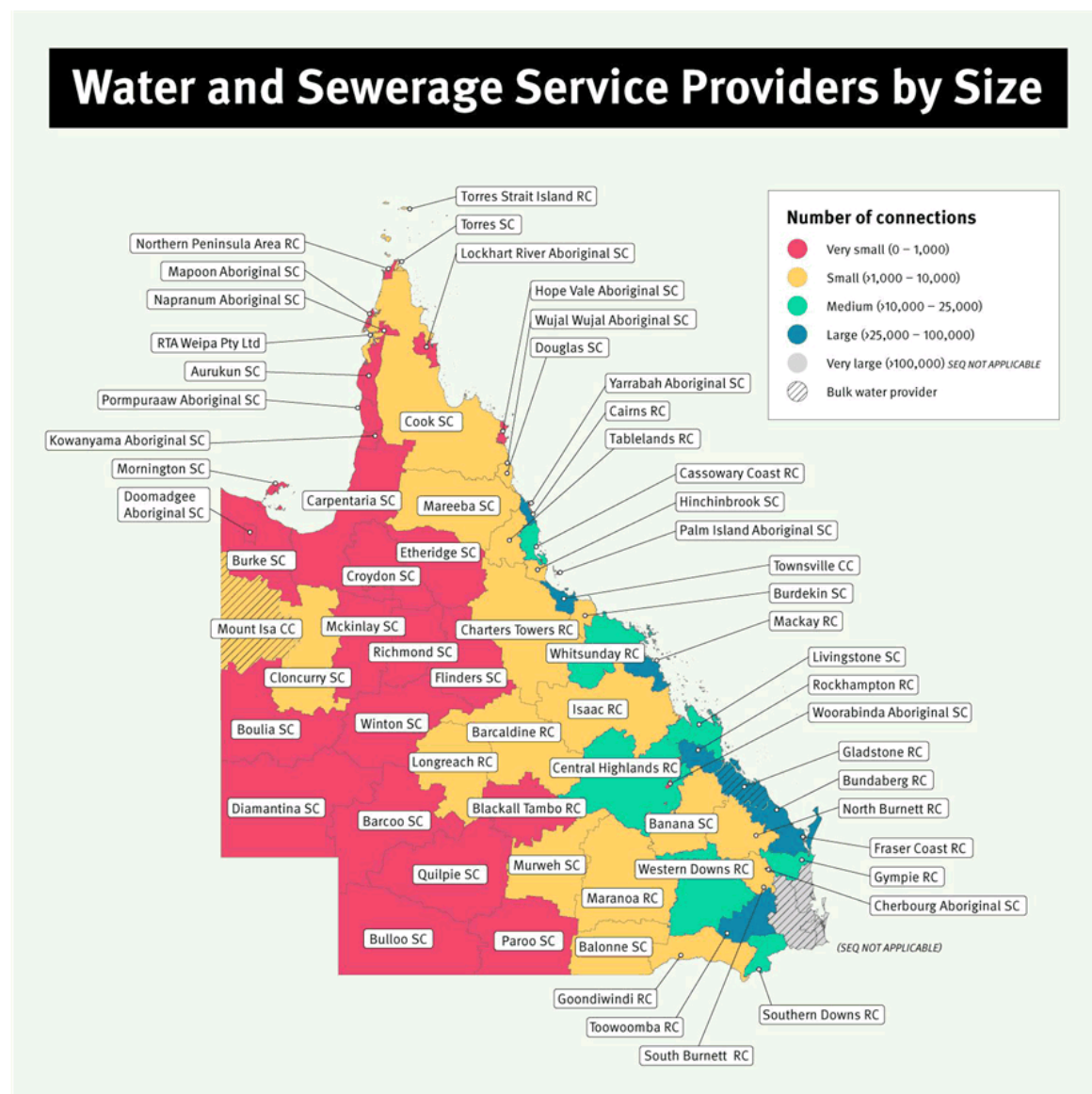
Funding of \$70 million is available through the Program over three financial years.

Funding is categorised into three funds based on water service provider size as determined by number of connections (defined below). Funding not used in each category will be made available to the remaining categories.

Funding is available through three funds as follows:

- Large Service Provider Fund – \$12 million. These service providers deliver water and sewerage services in Regional Queensland, have between 25,000 and 100,000 connections, and are mainly located along Queensland's east coast (see Figure 1 below).
- Medium Service Provider Fund – \$10 million. These service providers deliver water and sewerage services in Regional Queensland, have between 10,000 and 25,000 connections, and are located along the east coast as well as inland.
- Small and Very Small Service Provider Fund – \$48 million. These service providers deliver water and sewerage services in regional and remote Queensland, have up to 10,000 connections.
  - \$12 million (of this \$48 million) will be provisionally allocated for planning projects.

These service providers are identified in Figure 1: Location of Water and Sewerage Service Providers (by size).



**Figure 1: Location of Water and Sewerage Service Providers (by size)**

Tables detailing Local Government eligibility and the minimum and maximum Queensland Government funding contributions and co-contributions based on service provider categories are shown in Table 1 and Table 2 below.

Building Our Regions

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Table 1: Planning projects: funding eligibility, minimum and maximum funding limits and co-contribution

Funding eligibility, Minimum and Maximum funding limits and co-contributions		Very Small and Small Service Providers	Medium Service Providers	Large Service Providers
Planning projects	Eligible to apply	Yes	No	No
	Minimum Queensland Government Co-Contribution	Not applicable	Not applicable	Not applicable
	Maximum Queensland Government Co-Contribution	\$300,000	Not applicable	Not applicable
	Maximum Queensland Government % Co-Contribution	Voluntary contributions to planning projects are encouraged from applicant Local Governments.	Not applicable	Not applicable

Table 2: Construction projects: funding eligibility, minimum and maximum funding limits and co-contribution

Funding eligibility, Minimum and Maximum funding limits and co-contributions		Very Small and Small Service Providers	Medium Service Providers	Large Service Providers
Construction projects	Eligible to apply	Yes	Yes	Yes
	Minimum Queensland Government Co-Contribution	\$100,000	\$100,000	\$100,000
	Maximum Queensland Government Co-Contribution	\$2,000,000	\$2,000,000	\$2,000,000
	Maximum Queensland Government % Co-Contribution	Voluntary contributions to construction projects are encouraged from applicant Local Governments.	50%	40%

## 3.0 Program requirements

Building Our Regions Round 6 has two classes of eligible projects: construction projects and planning projects. Examples are provided in **Appendix 5**.

a) Eligible Local Governments are invited to submit applications for construction projects for water supply and sewerage infrastructure that will create and sustain long-term jobs and support improvement in the liveability and economic conditions of regional communities.

b) Eligible Local Governments are invited to submit planning projects for water supply and sewerage infrastructure:

- that have the potential to contribute to economic growth, jobs and liveability; and
- where additional project planning documentation is required to support investment decisions.

Funding decisions for construction projects will be made following a two-stage application and assessment process comprised of:

- an expression of interest (EOI) stage; and
- a Detailed Application stage for shortlisted projects.

Funding decisions for planning projects will be made following a single stage application and assessment process.

### 3.1 Construction projects

Please refer to the Glossary for a definition of construction projects.

#### 3.1.1 Mandatory requirements

All construction EOIs and Detailed Applications must:

- be submitted by the advertised closing date;
- be for a single eligible construction or works project (refer to section 3.1.3.1)
- seek Building Our Regions funding within the range available for the eligible water service provider size category (refer to **Appendix 1**);
- provide copies of all mandatory documents for the Detailed Application stage (refer to section 5.2.1.2);
- provide evidence of the critical need for the project, as identified in, for example:
  - Drinking Water Quality Management Plan – Improvement Plan;
  - water supply security strategy (including network improvements reducing network losses);
  - asset management documentation (including works to improving system operations);
  - sewerage management planning documentation;
- be for the construction of a project that will be included in the asset base used to calculate Local Government's water and wastewater pricing – and signed off by Local Government's chief financial officer.
- commence construction by 15 February 2023.

Construction project checklists are detailed in **Appendix 2**.

### 3.1.2 Construction project applicant eligibility

To be eligible for funding under Building our Regions, an applicant must be:

- a local government body constituted under the Queensland *Local Government Act 2009* or Weipa Town Authority; and
- identified in **Appendix 1** Eligible Local Governments.

Eligible Local Governments have been allocated to one of three categories based on their size as a water service provider (as determined by number of connections) and are eligible only under that category (refer Section 2.3 and **Appendix 1**).

Regional collaboration is encouraged. Where two or more Local Governments seek to apply for a single project, one eligible Local Government must be identified as the lead partner and take responsibility for contract management and project delivery if it is allocated Building Our Regions funds.

Local Governments are encouraged to work with local organisations such as chambers of commerce, economic development organisations, industry groups and local businesses to progress infrastructure projects that will provide enduring economic outcomes for the local community.

### 3.1.3 Construction project eligibility

#### 3.1.3.1 Eligible construction projects

Please see **Appendix 5** for examples of eligible projects.

To be eligible for funding for a construction project, an application must:

- be consistent with the objectives of Building Our Regions;
- be for the construction of a water supply or sewerage system infrastructure project that addresses:
  - water supply security (including recycled water for non-potable uses);
  - water loss mitigation;
  - water quality improvement;
  - water for use in hydrogen projects or other priority manufacturing sectors; or
  - sewage collection and treatment;
- have final construction/engineering design, certified (if required) by an RPEQ, available at time of Detailed Application submission (determining the need, or otherwise, for RPEQ certification is the responsibility of the Local Government);
- have either a direct community or public health benefit or a direct economic benefit to an industrial or commercial development;
- help deliver regulatory outcomes relating to drinking water quality management, water supply security or a sewerage service; and
- have no outstanding land tenure issues (including native title) yet to be resolved at the time of Detailed Application submission.<sup>1</sup>

Construction projects include construction of new infrastructure as well as the upgrade, extension or replacement of existing infrastructure.

#### 3.1.3.2 Ineligible construction projects

Ineligible construction projects include:

- projects (including pre-construction activities) that have already commenced, or are intended to commence prior to official notification of funding approval;

<sup>1</sup> Exceptions may apply and must be agreed to in writing by the Department prior to submission.

- projects that will primarily benefit a single private sector commercial operator;
- projects that should be funded by private developers;
- state infrastructure projects that would usually be funded through the normal business of Queensland Government agencies;
- multiple projects that are not interdependent but have been submitted in a single application;
- construction projects that have approved funding from an earlier round of Building Our Regions;<sup>2</sup>
- splash parks, water-ski parks, swimming pool or similar recreational water facilities projects;
- treatment plant solids disposal;
- projects submitted by Local Governments for Building Our Regions that have previously secured any other Queensland Government or Federal Government grant or scheme funding for the same stage of the same project; and
- projects that will only undertake repair or maintenance of existing infrastructure.

### 3.1.4 Construction project costs

Local Governments will be responsible for all ineligible project costs and any eligible project costs over and above the approved funding amount. Local Governments will also be responsible for meeting any project cost increases that occur over the course of delivering an approved project.

Approved Building Our Regions funding may only be applied towards 'eligible project costs'.

#### 3.1.4.1 Eligible construction project costs

For construction projects, eligible project costs include:

- construction costs including:
  - all site works required as part of the construction; and
  - the costs of construction-related labour, materials and equipment hire;
- costs of conducting a tender for construction of the approved works;
- project management costs including remuneration of Local Government technical, professional and/or administrative staff for time directly related to managing the construction of approved works, but excluding executive duties and overhead charges; and
- costs of purchase and installation of fixed plant and equipment required to fully commission the infrastructure.

Costs associated with roadworks activities may be considered for funding during assessment of applications but only where such activities are:

- a direct part of an eligible project (e.g., restoring a road surface over a trench excavated for pipelaying); or
- temporary and required due to lack of existing suitable access to a site to construct the project; or
- permanent and solely for the water service provider's ongoing access to the completed project infrastructure.

#### 3.1.4.2 Ineligible construction project costs

Ineligible project costs for construction projects include:

- costs incurred prior to the Project Start Date identified in the signed Project Funding Agreement, including any otherwise eligible expenditure;
- land acquisition (or land contribution costs);
- feasibility or planning studies;
- conceptual or final designs;

<sup>2</sup> Applications for subsequent stages of a previously funded project are eligible to apply for Building Our Regions funds.

- statutory fees and charges or any costs associated with obtaining regulatory and/or development approvals;
- legal expenses;
- temporary works other than those required to enable completion of the proposed project;
- official opening expenses (including permanent signage that acknowledges the Queensland Government's Building Our Regions investment);
- ongoing costs for Local Government administration, operation, maintenance or engineering;
- remuneration of employees for work not directly related to the approved project;
- overhead charges for internal council costs, e.g., stores, plant and equipment;
- vehicle purchasing;
- vehicle leasing, unless directly required for construction (and only to that extent), e.g., water trucks, excavators;
- portable assets e.g., computers, furniture, desks, whitegoods;
- preparation of a Building Our Regions application or associated supporting material.

The above list identifies the most common examples of ineligible costs and is not intended to be comprehensive.

## 3.2 Planning projects

### 3.2.1 Mandatory requirements

Mandatory requirements for all planning project applications are that they must:

- be submitted by the advertised closing date;
- be for an eligible planning project (refer to section 3.2.3.1);
- be seeking Building Our Regions funding within the range available for the eligible Local Government's size category (refer to **Appendix 1**);
- identify the need for the project, for example identified in:
  - Drinking Water Quality Management Plan – Improvement Plan;
  - water supply security strategy (including network improvements reducing network losses);
  - asset management documentation (including works to improving system operations);
  - sewerage management planning documentation.

Planning project checklists are detailed in **Appendix 3**.

### 3.2.2 Planning project applicant eligibility

To be eligible for funding under Building Our Regions, an applicant must be:

- a local government body constituted under the Queensland *Local Government Act 2009* or Weipa Town Authority;
- located in Regional Queensland (see Glossary for definition of Regional Queensland); and
- a Very Small or Small water service provider as identified in **Appendix 1** Eligible local Governments.

Eligible Local Governments have been allocated to one of three categories based on their size and are eligible only under that category (refer Section 2.3 and **Appendix 1**).

### 3.2.3 Planning project eligibility

#### 3.2.3.1 Eligible planning projects

To be eligible for funding for a planning project, an application must:

- be consistent with the objectives of Building Our Regions; and
- engage an appropriately qualified professional service provider to develop:
  - final/detailed construction/engineering design for an eligible construction project type; or
  - a project business case (including associated supporting design specifications and documentation) for an eligible construction project type to provide better clarity about investment decisions.

Projects that will update or further develop existing detailed designs or project business cases may also be submitted.

It should be noted that completion of a Building Our Regions funded planning project:

- is not a pre-requisite for consideration of future Queensland Government funding; and
- does not commit the Queensland Government to progress or fund further planning or provide funding for the delivery of an infrastructure project.

#### 3.2.3.2 Ineligible planning projects

- Ineligible planning projects include those:
  - that have approved funding from the Maturing the Infrastructure Pipeline Program;<sup>3</sup>
  - ready for construction, or for which construction has commenced; and
  - that are already fully funded from another source.<sup>4</sup>

### 3.2.4 Planning project costs

#### 3.2.4.1 Eligible planning project costs

For planning projects, eligible project costs include:

- professional third-party service provider fees (excluding the service provider's administrative or overhead costs), for delivery of the funded activity;
- project management costs e.g., technical or professional advisor fees (third party);
- costs of conducting a tender for the funded activity; and
- any other costs deemed eligible by the Department.

#### 3.2.4.2 Ineligible planning project costs

Ineligible project costs for planning projects include:

- costs incurred prior to the Project Start Date identified in the signed Project Funding Agreement, including any otherwise eligible expenditure;
- costs incurred for activities conducted after construction commencement;
- marketing and advertising advice or services;
- legal advice;
- administrative or operational advice;
- operational planning or business planning advice not directly related to the project;

<sup>3</sup> Applications for subsequent stages of a previously funded project would potentially be eligible, e.g., previously funded project business case progressing to final design.

<sup>4</sup> Partial funding or co-contributions from the State or Commonwealth government is acceptable.

- ongoing costs for Local Government administration, operation, maintenance or engineering;
- remuneration of employees for work not directly related to the approved project;
- overhead charges for internal Local Government costs, e.g., stores, plant and equipment; and
- preparation of a Building Our Regions application or associated supporting material.

The above list identifies the most common examples of ineligible costs and is not intended to be comprehensive.

## 3.3 Other eligibility requirements

### 3.3.1 Detailed Application scope of works

If invited to submit a Detailed Application, the fundamental elements of the infrastructure to be constructed must remain unchanged from the expression of interest stage. Significant changes to the proposed scope of works may result in a Detailed Application being ineligible.

### 3.3.2 Project contingencies

To cover any unforeseen expenditure or price rises, all Building Our Regions applications can include a maximum 15 per cent contingency allowance on top of their total project expenditure.

The total estimated project cost for Building Our Regions projects is the project expenditure plus the contingency.

This amount should then be used to work out the Building Our Regions funding required and the necessary applicant contribution along with any additional financial contributions from other sources.

Should contingency costs above 15 per cent be included, they must be funded solely from the Local Government's financial co-contribution. Contingency amounts over 15 per cent assigned to Building Our Regions funding will, if the project is successful, result in any Building Our Regions funding approval being reduced by an equivalent amount.

## 4.0 Funding arrangements

Successful applicants will be required to execute a Project Funding Agreement with the State.

The State has no obligation to provide Project Funding to an applicant until a Project Funding Agreement has been executed by the applicant and the State. Successful applicants should not make financial commitments until all necessary documents have been finalised and executed.

The Project Funding Agreement will set out the arrangements for payment of Project Funding to a successful applicant in accordance with the Milestone Schedule in the Project Funding Agreement.

Further details about Conditions of Funding are set out below and in section 9.0.

### 4.1 Approved construction projects

Local Governments that successfully secure funding will be required to ensure that the resulting infrastructure continues in operation or use, as per its intended purpose at the time of application, for a period of at least 10 years after the project's completion.

In most cases it is expected that the Local Government will own the land on which the funded infrastructure is to be constructed. If the applying Local Government does not own or have control over the land for the purpose of constructing, operating and maintaining the infrastructure, the Local Government will be required to enter into a formal arrangement with the landowner to guarantee access for these purposes, prior to submitting a Detailed Application.

It is also expected that the Local Government authority will own and operate the funded infrastructure. If this is not the case, the Local Government will be required to enter into a formal arrangement (such as an enterprise works agreement) with the intended owner/operator to guarantee the continued operation of the infrastructure, to the satisfaction of the Department, prior to the commencement of construction.

### 4.2 Project savings

Building Our Regions funding will be provided to reimburse the actual eligible project costs of the approved project. If actual total project costs at project completion are less than the estimated total project cost (as identified in the Project Funding Agreement), the difference between these two amounts will be considered project savings.

If an approved project has contributions from the Local Government or a third party, project savings will be apportioned between the contributors as per the ratio of the approved funds to the estimated total project cost.

The Building Our Regions funding for the project may therefore be reduced by the Department by the amount of project savings apportioned to Building Our Regions funding. Should the Local Government have received milestone payments that exceed the Building Our Regions share of total project costs after savings are apportioned, the Local Government will be required to refund the relevant amount to the Department within 60 days of the project completion date.

### 4.3 Program evaluation

All funded projects will be monitored and evaluated by the Department to ensure Building Our Regions is achieving the program aim and objectives.

Successful applicants must comply with the reporting and audit obligations outlined in these program guidelines and the Project Funding Agreement.

## 5.0 Application process

### 5.1 Key dates

Table 3: Key dates

Key Dates	Key Activity/Action
<b>Construction projects</b>	
8 September 2021	Guidelines released
29 September 2021 – 23 November 2021	Expression of interest stage
5 January 2022 – 19 April 2022	Detailed Application stage
From late June 2022	Successful Detailed Applications advised
15 February 2023	Last date for construction to commence
<b>Planning projects</b>	
17 November 2021 – 21 December 2021	Planning applications open
From late June 2022	Successful planning applications advised
30 July 2022	Earliest project start date (e.g. release of tender)

Dates are indicative and Local Governments will be informed if there is a change.

### 5.2 How to apply

Funding under Building Our Regions is awarded through a competitive application assessment process.

Construction and planning project applications and all required supporting documentation, must be received by the relevant closing dates.

Local Government requests to change the project, EOI or Detailed Application after the closing date will not be accepted and the State is under no obligation to allow a Local Government to provide any additional information. However, if a Local Government discovers an error after submitting an EOI or Detailed Application, contact the Building Our Regions program team promptly at [Buildingourregions@dsdilgp.qld.gov.au](mailto:Buildingourregions@dsdilgp.qld.gov.au).

The Chief Executive Officer of the Local Government is responsible for ensuring that the application is complete and accurate.

## 5.2.1 Construction projects

### 5.2.1.1 Expressions of interest (EOI)

Eligible Local Governments submitting an EOI will be required to complete an EOI application and:

- provide any documentation (evidence) that supports statements made in the EOI;
- read and accept the council acknowledgement prior to submitting the EOI (refer to **Appendix 4**); and
- assign a priority to each EOI if multiple EOIs are submitted.

Applicants will be notified in writing of the assessment outcome of their projects and those with shortlisted construction projects will be invited to submit a Detailed Application for further consideration.

Feedback will be made available to applicants on request. Feedback on shortlisted projects will be given priority to assist in preparation of Detailed Applications.

### 5.2.1.2 Detailed Application

Detailed Applications will only be required where a Local Government has had a construction project shortlisted at the EOI stage.

If invited to submit a Detailed Application, the fundamental elements of the infrastructure to be constructed must remain unchanged from the expression of interest stage. Significant changes to the proposed scope of works may result in a Detailed Application being ineligible.

Eligible Local Governments submitting a Detailed Application will be required to;

- complete the Detailed Application and provide the following mandatory documentation:
  - a detailed project plan – the template is available on the Building Our Regions website;
  - project Gantt chart or detailed delivery/works schedule showing timeframes for all project stages up to and including project completion;
  - a cash flow forecast in Excel format – the template is available on the Building Our Regions website;
  - either a Cost Benefit Analysis (for projects with a total project cost of over \$500,000) or a Benefits Assessment (for projects with a total project cost up to and including \$500,000) – the templates are available on the Building Our Regions website;
  - if applicable, letters confirming any financial and in-kind contributions from other parties, including details of the amount of funding and any conditions attached to the funding—all funding must be confirmed at the time of submission;
  - evidence that there are no land ownership/access issues including native title to resolve;<sup>5</sup>
  - a copy of the final construction/engineering design certified (if required) by an RPEQ;
  - CVs for all key personnel identified in the Detailed Application including the Project Manager;
  - confirmation from the Local Government's chief financial officer that any assets funded under the program will be included in the asset base used to calculate Local Government's water and wastewater pricing;
- provide any additional documentation (evidence) that supports statements made in the Detailed Application;
- read and accept the Local Government acknowledgement prior to submitting the Detailed Application (refer to **Appendix 4**); and
- assign a priority to each Detailed Application submitted.

Applicants will be notified in writing of the assessment outcome for their Detailed Applications. Those with successful applications will be contacted in due course by the Department about developing a Project Funding Agreement.

<sup>5</sup> Exceptions may apply and must be agreed to in writing by the Department prior to submission.

Feedback will be available to all applicants on request.

### 5.2.2 Planning projects

Eligible Local Governments submitting a planning project will be required to complete the planning project application and:

- provide any documentation (evidence) that supports statements made in the application;
- assign a priority to each application if multiple applications are submitted; and
- read and accept the Local Government acknowledgement prior to submitting the application (refer to **Appendix 4**).

Applicants will be notified in writing of the assessment outcome for their planning project application. These may not be communicated until after funding decisions are made for construction projects. Those with successful planning project applications will be contacted in due course by a Queensland Government representative about developing a Project Funding Agreement. Feedback will be available to all applicants on request.

### 5.2.3 Evidence and supporting information

Local governments will be expected to provide substantive documentary evidence to support statements made in their EOs, Detailed Applications and planning project applications. Evidence should be directly relevant to the project, be from a credible source and be relatively recent.

For supporting evidence to be considered it should be properly referenced in responses provided. References to evidence should include the document name or attachment number, and the section or page numbers. Failure to properly reference supporting evidence may result in supporting evidence not being considered during assessment.

### 5.2.4 Application guidance

Enquiries about the program may be directed to [buildingourregions@dsdilgp.qld.gov.au](mailto:buildingourregions@dsdilgp.qld.gov.au). All enquiries will be responded to in writing via email.

Local governments are welcome to engage with their local Department of State Development, Infrastructure, Local Government and Planning regional office to seek guidance on alignment of their application with the Building Our Regions Program Guidelines. Contact information for these offices can be found at [www.statedevelopment.qld.gov.au/about-us/contact-us](http://www.statedevelopment.qld.gov.au/about-us/contact-us).

## 6.0 Assessment

Applications will be assessed against the assessment criteria detailed below. Applicant and project due diligence will also be undertaken for each project submitted at the Detailed Application stage.

Local governments will be notified in writing of the outcome for their submissions on completion of each stage of the application process. Feedback will be offered to Local Governments on request.

### 6.1 Construction project assessment criteria

All responses should include both quantitative and qualitative information.

#### 6.1.1 Expression of interest assessment

##### **Assessment criterion 1 — Project demand / critical need (weighting 100 per cent)**

Applicants will be assessed on their ability to address the following:

- the project demand/critical need;
- issues the proposed project seeks to address;
- how the proposed project will address the issues identified;
- other options which were considered (where applicable);
- consequences for the local/regional economy, industry and community if action is not taken;
- stakeholder (business, industry and community) recognition of demand for the project;
- how local businesses will contribute toward delivery of the proposed project and potential creation of new jobs; and
- demonstrate the readiness of the project to commence by the proposed start date.

#### 6.1.2 Construction Detailed Application assessment

##### **Assessment criterion 1 — Project demand / critical need (weighting 25 per cent)**

The application should provide detailed information on:

- the project demand/critical need;
- how the project aligns with a stated need identified by the Local Government or the State;
- issues the proposed project seeks to address;
- how the proposed project will address the issues identified;
- consequences for the local/regional economy, industry and community if action is not taken; and
- stakeholder (business, industry and community) recognition of demand for the project.

##### **Assessment criterion 2 - Proposed solution (weighting 25 per cent)**

The application should provide detailed information about:

- why the proposed infrastructure is the most appropriate course of action and what alternatives have been analysed;
- how the project will take advantage of identified opportunities to improve the liveability and amenity of the local community;
- incorporation of environmentally sustainable processes and materials in the construction of the infrastructure or works;
- how the project will benefit and provide opportunities for the local community, local industry and create jobs;

- feasibility of delivering the project within the identified budget and timeframes, including experience in delivering similar construction projects; and
- stakeholder (business, industry and community) support for the proposed infrastructure.

### **Assessment criterion 3 — Value for money/project benefits (weighting 25 per cent)**

The application should provide detailed information about:

- direct and indirect construction related economic benefits that are expected to be realised by the project (including jobs created or supported);
- work packages that local businesses that could potentially bid for;
- direct and indirect ongoing economic benefits that are expected to be realised by the project;
- other direct and indirect benefits, including social and environmental benefits, that are expected to be realised by the project;
- ongoing operational and maintenance costs of the infrastructure and the capacity of the Local Government to fund these costs over the life of the infrastructure; and
- the proportion of financial contributions to the project from the applicant and third-party contributions over and above any mandatory requirement.

The Cost Benefit Analysis or Benefits Assessment (as required depending on total project cost) is the primary source of information for this criterion. The information provided in the Cost Benefit Analysis or Benefits Assessment should include both quantitative and qualitative information about the direct and indirect benefits.

There is no mandatory co-contribution required by Very Small and Small service providers. However, co-contributions are encouraged to demonstrate Local Government's commitment to the project and will be considered during assessment against the 'value for money' criterion.

### **Assessment criterion 4 – Readiness to construct (weighting 25 per cent)**

The application should provide:

- a project plan, including a plan showing key activities, stages, milestones and deliverables;
- an assessment of the availability of materials, plant, equipment and labour;
- details on the necessary regulatory approvals granted or the dates on which they are expected to be granted;
- details on proposed project procurement methodology and timeframes; and
- evidence of land access arrangement and agreements, where relevant.

### **Due diligence (pass or fail)**

Due diligence will be undertaken on both the applicant Local Governments and submitted projects, and outcomes will inform project assessments. This process will consider a range of factors including, but not limited to:

- financial capacity;
- management capability, including how the project will be delivered and evidence of appropriate technical expertise;
- identified project risks and mitigation strategies; and
- the Local Government's experience in delivering infrastructure projects.

Local governments may be asked to provide further information to inform the due diligence process.

## 6.2 Planning project assessment criteria

All responses should include both quantitative and qualitative information.

### **Assessment criterion 1 — Project demand (weighting 100 per cent)**

The application should provide detailed information on:

- the critical need for the project relating to current performance and future demand on the service;
- issues the project seeks to investigate including those identified through previous investigations, reviews, or audits;
- the consequences for the local/regional economy, industry, and community if this project is not undertaken;
- how the project will align with local, State, or regional policies or initiatives; and
- readiness to commence the project / go to tender.

## 6.3 Assessment process

Assessment and moderation of Building Our Regions applications will be undertaken by the Department in consultation with the Department of Regional Development, Manufacturing and Water and Department of Environment and Science. The assessment process includes consultation with other relevant Queensland Government agencies. Assessments are then referred to an Advisory Committee for consideration and to make recommendations to the Minister. The Advisory Committee will be comprised of senior Queensland government officials.

Recommendations for shortlisting of construction project EOIs will be made to a sub-group of the Advisory Committee for consideration and recommendation to the Minister.

Recommendations for approval of construction project Detailed Applications and planning project applications will be made to the full Advisory Committee for consideration and final recommendation to the Minister.

### **Due diligence**

Due diligence will be undertaken on applicant Local Governments and outcomes will inform project assessments. Local governments may be asked to provide further information for this purpose.

## 7.0 Communications

### 7.1 Communications with the media

All media enquiries or public announcements relating to the Building Our Regions will be coordinated and handled by the Department's media team.

Applicants must seek and obtain the State's approval before contacting or responding to the media in connection with announcements of successful or unsuccessful applications for funding support under or in connection with the Grant Program.

As far as practicable, all media and communications will be undertaken jointly, by Queensland Government and Local Governments with successful applicants.

### 7.2 Confidentiality, privacy and use of information

The State will maintain controls in relation to the management of confidential information provided by applicants.

Applicants should specifically mark any information the applicant considers to be confidential.

During the application, assessment and approval process, an applicant must keep confidential its application/s and its dealings with the State about its application/s but may make disclosures if required by law or to its representatives or advisors who are under an obligation of confidentiality. An applicant must also keep confidential any information designated by the State as confidential.

The State may disclose information, including confidential information, of or provided by an applicant:

- to its representatives and advisors for any purpose;
- to any government agency or authority and its representatives and advisors, including for the purpose of assessing and verifying such information;
- to comply with or meet applicable standards of accountability of public money or established government policies, procedures or protocols; or
- if required to be disclosed by law.

The State intends to publicly disclose the names of applicants, information about projects, the amount of funding granted to each successful applicant and details about the anticipated economic outcomes and benefits of successful projects.

Personal information collected as part of the application and assessment process will be used by the State and disclosed to third parties for purposes in connection with the assessment of applications (and if an application is successful, in connection with administration of any subsequent agreement). The State will otherwise deal with personal information provided to it in accordance with the *Information Privacy Act 2009*.

For audit purposes, the State is required to retain applications and other supplied supporting material. Successful applications will be retained for seven years and unsuccessful applications retained for two years.

### 7.3 Complaints

The decision in relation to an application is final and may not be appealed. If, however, an applicant has any concerns in relation to the application or assessment process, an applicant may raise their concerns in writing by contacting [Buildingourregions@dsdilgp.qld.gov.au](mailto:Buildingourregions@dsdilgp.qld.gov.au).

All questions about decisions on applications for the Grant Program must be lodged in writing to: [Buildingourregions@dsdilgp.qld.gov.au](mailto:Buildingourregions@dsdilgp.qld.gov.au).

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Enquiries about Building Our Regions can be directed to the Department via email to [Buildingourregions@dsdilgp.qld.gov.au](mailto:Buildingourregions@dsdilgp.qld.gov.au).

General information on the Building Our Regions program is available at the [Building Our Regions Round 6 webpage](#).

## 8.0 Terms and conditions

In these terms and conditions, a reference to:

- An application means an application (or relevant part of an application) made to the Grant Program, and includes an EOI, a Detailed Application and any other supporting or additional information in whatever form provided by the applicant in connection with its EOI or Detailed Application.
- Guidelines is a reference to these Building Our Regions Round 6 Program Guidelines.

### 8.1 Reservation of rights

Despite any provision of these Guidelines to the contrary, the Department reserves the right to administer the Grant Program and conduct the process for the assessment and approval of applications to the Grant Program in such manner as the Department thinks fit, in its absolute discretion.

Without limiting the above paragraph, the Department retains all rights and powers to make all decisions and actions in order to achieve the program objectives and the Department reserves the right, in its absolute discretion and at any time, to:

- (i) change the structure, procedures, nature, scope or timing of, or alter the terms of participation in the process or overall Grant Program (including submission and compliance of applications), where in such circumstances notice will be provided to applicants;
- (ii) consider or accept, or refuse to consider or accept, any application which is lodged other than in accordance with these Guidelines or is lodged after the relevant date for lodgement, or which does not contain the information required by these Guidelines or is otherwise non-conforming in any respect;
- (iii) vary or amend the eligibility or assessment criteria;
- (iv) take into account any information from its own and other sources (including other Government agencies and other advisors);
- (v) accept or reject any application, having regard to these Guidelines, the eligibility criteria, the assessment criteria or any other item, matter or thing which the Department considers relevant, including the limitations on the funds available for the Grant Program;
- (vi) give preference by allocating weighting to any one or more of the eligibility criteria or assessment criteria over other criteria;
- (vii) seek clarifications or additional information from or provide clarifications or additional information to any applicant, or to negotiate or deal with or seek presentations or interviews from any applicant;
- (viii) conduct due diligence investigations in respect of any applicant and subject applications to due diligence, technical, financial and economic appraisals;
- (ix) require an applicant to clarify or substantiate any claims, assumptions or commitment contained in an application or provide any additional information;
- (x) terminate the further participation of any applicant in the application process;
- (xi) terminate or reinstate the Grant Program or any process in the Grant Program;
- (xii) not proceed with the Grant Program in the manner outlined in these Guidelines, or at all;
- (xiii) allow the withdrawal or addition of an applicant after the closing date; and
- (xiv) take such other action as it considers in its absolute discretion appropriate in relation to the Grant Program processes.

Where, under these Guidelines, it is stated that the Department may exercise a right or discretion or perform any act or omit to perform any act, then unless stated otherwise the State may do so at its sole and absolute discretion

and will not be required to act, or be restrained from acting, in any way or for any reason nor to take into account the interests of any third party (including an applicant).

## 8.2 No relationship

The Department's obligations in connection with the application process are limited to those expressly stated in these Guidelines.

Subject to clause 8.7, no contractual or legal relationship exists between the Department and an applicant in connection with the Grant Program, these Guidelines or the application process or any stage of the Grant Program.

An applicant, or its representatives:

- (i) has no authority or power, and must not purport to have the authority or power to bind the Department or the State, or make representations on behalf of the Department or the State;
- (ii) must not hold itself out or engage in any conduct or make any representation which may suggest to any person that the applicant is for any purpose an employee, agent, partner or joint venture with the Department or the State; and
- (iii) must not represent to any person that the Department or the State is a party to the proposed project other than as a potential funder, subject to the competitive application process detailed in these Guidelines.

## 8.3 Participation at applicant's cost

Each applicant participates in the application process at its own cost and risk.

To the extent permitted by law, no applicant will have any claim of any kind whatsoever against the Department (whether in contract, tort (including negligence), equity, under statute or otherwise) arising from or in connection with:

- (i) any costs, expenses, losses or liabilities suffered or incurred by the applicant in preparing and submitting its application (including any amendments, requests for further information by the Department, attendance at meetings or involvement in discussions) or otherwise in connection with the Grant Program;
- (ii) the Department at any time exercising or failing to exercise, in its absolute discretion, any rights it has under or in connection with the Grant Program; or
- (iii) any of the matters or things relevant to its application or the Grant Program in respect of which the applicant must satisfy itself under these Guidelines.

Without limiting the above paragraph, if the Department cancels or varies the Grant Program at any time or does not select any applicant following its assessment of the applications, or does (or fails to do) any other thing referred to under clause 8.1 of these Guidelines, no applicant will have any claim against the Department arising from or in connection with any costs, expenses, losses or liabilities incurred by the applicant in preparing and submitting its application or otherwise in connection with or in relation to (whether directly or indirectly) the Grant Program.

## 8.4 Non-exhaustive

These Guidelines have been prepared to give potential applicants background information in relation to the Grant Program, and do not contain all of the information that applicants may require in reaching decisions in relation to whether or not to submit an application. Applicants must form their own views as to what information is relevant to such decisions.

Applicants must make their own independent investigations of the information contained or referred to in these Guidelines. Applicants must obtain their own independent legal, financial, tax and other advice in relation to information in these Guidelines, or otherwise made available to them, during the application process.

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The Department accepts no responsibility whether arising from negligence or otherwise (except a liability that cannot lawfully be excluded) for any reliance placed upon the information provided by it in connection with the Grant Program or interpretations placed on that information by applicants.

## 8.5 Intellectual property

Any intellectual property rights that may exist in an application will remain the property of an applicant or the rightful owner of those intellectual property rights. Any part of an application considered to contain intellectual property rights should be clearly identified by an applicant.

The applicant grants to the Department (and will ensure relevant third parties grant) a non-exclusive, royalty free and irrevocable licence to use and reproduce the intellectual property for the purpose of administering the Grant Program.

## 8.6 Law

These guidelines are governed by the laws applicable in Queensland.

## 8.7 Acceptance

By submitting an application, each applicant:

- (a) warrants to the Department that the information contained in its application is accurate and complete as at the date on which it is submitted and not by omission misleading, and may be relied on by the Department in assessing the application;
- (b) undertakes to promptly advise the Department if the applicant becomes aware of any change in circumstances which causes the information contained in its application to become inaccurate or incomplete in a material respect;
- (c) acknowledges that the Department will rely on the above warranty and undertaking when evaluating the application;
- (d) acknowledges that the Department may elect to remove an application at any stage as a result of material changes to the information presented in its application;
- (e) acknowledges that the Department may suffer loss or damage if the applicant breaches the above warranty and undertaking; and
- (f) is taken to have accepted these Guidelines, including these terms and conditions.

## 9.0 Conditions of funding

### 9.1 Funding agreements

Local Governments accepting offers of financial assistance through the Grant Program will be required to execute a Project Funding Schedule under the applicant's Head Funding Agreement with the Department to form a Project Funding Agreement. It is intended that Project Funding Schedules will be executed within three months of the funding announcement for both construction and planning projects.

The Project Funding Agreement will set out the arrangements for payment of Project Funding to a successful applicant in accordance with a Milestone Schedule set out in the Project Funding Agreement. Other conditions will include (without limitation) those listed in section 4.0 of these guidelines and those set out below.

#### 9.1.1 GST requirements

Generally, provision of Building Our Regions funding to Local Governments is not considered a taxable supply and so GST is not applicable.

### 9.2 Local Government resolution

Prior to the Department executing the Project Funding Agreement, the Local Governments will be required to provide a resolution that it has budgeted its financial contribution to the project, is committed to delivering the approved project, and acknowledges responsibility for any funding shortfall if costs or other contributors change.

### 9.3 Funding acknowledgement and branding

Local Governments that receive funding through the Building Our Regions program are required to appropriately acknowledge the Queensland Government's contribution.

This should include acknowledgement of State funds in all publicly made statements, websites, other appropriate promotional materials and documentation, and Local Government applications regarding the approved projects.

The Department requires any media announcements or other publicly made statements to be provided in draft form for approval prior to release. The Department or the Minister may wish to collaborate with the Local Government on joint media announcements or statements.

### 9.4 Project reporting

#### 9.4.1 Progress and completion reporting

The Project Funding Agreement will specify requirements for the submission of Project Progress Reports and a Project Completion Report. Templates for these reports will be provided by the Department.

Project Progress Reports will require the Local Government to provide information about progress in delivering the approved project including details of any delays or risks, project expenditure and financial contributions received, regulatory approvals, implementation of signage requirements, evidence of funding acknowledgement and project-related media, and other requirements as determined by the Department.

Project Completion Reports will require the Local Government to provide an overview of the approved project's delivery including actual project dates, budget and costs, regulatory approvals, photographs of completed works and signage, evidence of funding acknowledgement and project-related media, and other requirements as determined by the Department.

## 9.4.2 Project benefits reporting

To fully capture how Building Our Regions Round 6 funding is making a real difference in regional communities, Local Governments that secure funding are required to complete a benefits report for each project. This report should highlight the economic benefits of the project, along with any social and environmental benefits that will be realised.

The Project Benefits Report will build on the project benefits identified in the application process and include both quantitative and qualitative data. This information will establish anticipated benefits when the project commences and be updated with realised benefits once complete. Ongoing benefits monitoring requirements following project completion may also be required.

Departmental officers will provide guidance to Local Governments in developing these reports.

## 9.5 Financial acquittal

The Department may review payments made under Building Our Regions to ensure compliance with the funding agreement. In such instances, the Local Government must be able to provide documentation that supports claims for Building Our Regions funding, including invoices, remittance advices and transaction listings. These reviews do not limit the State's broad audit rights.

## 9.6 Delivery

### 9.6.1 Confirmation of ownership

In certain circumstances, a construction project may be approved for funding where the Local Government will not:

- own the land upon which the infrastructure will be built;
- own and operate the resulting infrastructure.

In these cases, Local Governments must have obtained and must maintain all relevant permissions or agreements in order to ensure that:

- the Local Government has the right to access the land in order to construct, operate and maintain the proposed infrastructure – evidence of this must first be provided with submission of a Detailed Application;
- the infrastructure will be operated in accordance with its intended purpose at the time of application for a period of not less than 10 years – evidence of this must be provided prior to construction commencement.

### 9.6.2 Construction

Approved projects must commence construction no later than 15 February 2023.

Construction is considered to commence when physical changes are made to the project site or when works commence on another site agreed with the Department.

#### 9.6.2.1 Local industry content

The Queensland Government is committed to maximising local content through greater participation of capable local industry in major government procurements.

As the maximum Queensland Government funding contribution toward individual projects for this Program is \$2 million, it is not a mandatory requirement for Recipients to meet the Queensland Government's Charter for Local Content's principles. However, the use of local content identified within a Project's supply chain will be viewed favourably.

## 10.0 Appendices

### Appendix 1: Eligible Local Governments

Local Governments eligible to apply, through the relevant service provider size category, are as follows:

Large Service Provider Fund (25,000 to 100,000 connections)			
Bundaberg Regional Council	Cairns Regional Council	Fraser Coast Regional Council	Gladstone City Council
Mackay Regional Council	Rockhampton Regional Council	Toowoomba Regional Council	Townsville City Council
Medium Service Provider Fund (10,000 to 25,000 connections)			
Cassowary Coast Regional Council	Central Highlands Regional Council	Gympie Regional Council	Livingstone Shire Council
Southern Downs Regional Council	Western Downs Regional Council	Whitsunday Regional Council	
Very Small & Small Service Provider Fund (Up to 10,000 connections)			
Aurukun Shire Council	Balonne Shire Council	Banana Shire Council	Barcaldine Regional Council
Barcoo Shire Council	Blackall-Tambo Regional Council	Boulia Shire Council	Bulloo Shire Council
Burdekin Shire Council	Burke Shire Council	Carpentaria Shire Council	Charters Towers Regional Council
Cherbourg Aboriginal Shire Council	Cloncurry Shire Council	Cook Shire Council	Croydon Shire Council
Diamantina Shire Council	Doomadgee Aboriginal Shire Council	Douglas Shire Council	Etheridge Shire Council
Flinders Shire Council	Goondiwindi Regional Council	Hinchinbrook Shire Council	Hope Vale Aboriginal Shire Council
Isaac Regional Council	Kowanyama Aboriginal Shire Council	Lockhart River Aboriginal Shire Council	Longreach Regional Council
Mapoon Aboriginal Shire Council	Maranoa Regional Council	Mareeba Shire Council	McKinlay Shire Council
Mornington Shire Council	Mt Isa City Council	Murweh Shire Council	Napranum Aboriginal Shire Council
North Burnett Regional Council	Northern Peninsula Area Regional Council	Palm Island Aboriginal Shire Council	Paroo Shire Council

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Pormpuraaw Aboriginal Shire Council	Quilpie Shire council	Richmond Shire Council	RTA Weipa Pty Ltd (Weipa Town Authority)
South Burnett Regional Council	Tablelands Regional Council	Torres Shire Council	Torres Strait Island Regional Council
Winton Shire Council	Woorabinda Aboriginal Shire Council	Wujal Wujal Aboriginal Shire Council	Yarrabah Aboriginal Shire Council

## Appendix 2: Construction projects

### 10.1.1 EOI eligibility checklist

Requirement		Yes	No
Project type	Is the project eligible (refer section 3.3 Project eligibility)?	<input type="checkbox"/>	<input type="checkbox"/>
One project per application	Is the application for only one project? Or, if not, are all the projects interdependent?	<input type="checkbox"/>	<input type="checkbox"/>
Funding amount	<p>Is the funding sought within the relevant funds' limits?</p> <ul style="list-style-type: none"> <li>• Large Service Provider Fund – \$12 million. These service providers deliver water and sewerage services in Regional Queensland (i.e. outside SEQ), have between 25,000 and 100,000 connections, and are mainly located along Queensland's east coast (see <b>Appendix 1</b>)</li> <li>• Medium Service Provider Fund – \$10 million. These service providers deliver water and sewerage services in Regional Queensland, have between 10,000 and 25,000 connections, and are located along the east coast as well as inland.</li> <li>• Small and Very Small Service Provider Fund – \$48 million. These service providers deliver water and sewerage services in regional and remote Queensland, have up to 10,000 connections.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Project dates	Is construction scheduled to commence on or before 15 February 2023?	<input type="checkbox"/>	<input type="checkbox"/>
	Has construction commenced at the time of application?	<input type="checkbox"/>	<input type="checkbox"/>
	Is construction scheduled to commence prior to the earliest anticipated approval date?	<input type="checkbox"/>	<input type="checkbox"/>

### 10.1.2 Detailed Application eligibility checklist

Requirement		Yes	No
Project type	Is the project eligible (refer section 3.3 Project eligibility)?	<input type="checkbox"/>	<input type="checkbox"/>
One project per application	Is the application for only one project? Or, if not, are all the projects interdependent?	<input type="checkbox"/>	<input type="checkbox"/>
Funding amount	<p>Is the funding sought within the relevant funds' limits?</p> <ul style="list-style-type: none"> <li>• Large Service Provider Fund – \$12 million. These service providers deliver water and sewerage services in Regional Queensland (i.e. outside SEQ), have between 25,000 and 100,000 connections, and are mainly located along Queensland's east coast (see <b>Appendix 1</b>)</li> <li>• Medium Service Provider Fund – \$10 million. These service providers deliver water and sewerage services in Regional Queensland, have between 10,000 and 25,000 connections, and are located along the east coast as well as inland.</li> <li>• Small and Very Small Service Provider Fund – \$48 million. These service providers deliver water and sewerage services in regional and remote Queensland, have up to 10,000 connections.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
Project dates	Is construction scheduled to commence on or before 15 February 2023?	<input type="checkbox"/>	<input type="checkbox"/>
	Has construction commenced at the time of application?	<input type="checkbox"/>	<input type="checkbox"/>
	Is construction scheduled to commence prior to the earliest anticipated approval date?	<input type="checkbox"/>	<input type="checkbox"/>
Project scope	<p>Is the project scope still fundamentally the same as in the shortlisted EOI?</p> <p>Note: minor changes in scope are allowable, but the fundamentals of what will be built or delivered should remain unchanged.</p>	<input type="checkbox"/>	<input type="checkbox"/>
Mandatory attachments	Have all mandatory attachments been prepared provided?	<input type="checkbox"/>	<input type="checkbox"/>

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### 10.1.3 EOI attachments

#### Mandatory attachments

- ☐ Nil

#### Additional/optional attachments

- ☐ Mapping files – for GIS spatial mapping purposes, please attach either an ESRI Shape File or MapInfo Tab File for this project site if available – please attach ALL file layers
- ☐ Copies of all supporting documents referred to and relied on as evidence in the application form (unless web addresses/hyperlinks have been provided in the relevant response field)

### 10.1.4 Detailed Application attachments

#### Mandatory attachments

- ☐ Detailed Project Plan (refer to template)
- ☐ Project Gantt Chart or Detailed Delivery/Works Schedule showing timeframes for all project stages up to and including project completion
- ☐ Project Cash Flow (refer to template)
- ☐ Cost Benefit Analysis or Benefits Assessment (one required based on total project cost- refer to templates)
- ☐ Documentation demonstrating that all land related issues (such as ownership, tenure, native title, etc) are finalised
- ☐ Copy of final/detailed construction/engineering design for the project
- ☐ If applicable: Letters from other contributors confirming financial contributions
- ☐ CVs for all Key Personnel identified in the Detailed Application including the Project Manager
- ☐ Confirmation from the council's chief financial officer that any assets funded under the Program will be included in the asset base used to calculate council's water and wastewater pricing.

#### Additional/Optional attachments

- ☐ Additional documentation supporting project readiness such as detailed project costings, tender documents, etc
- ☐ Mapping files – for GIS spatial mapping purposes, please attach either an ESRI Shape File or MapInfo Tab File for this project site if available – please attach ALL file layers.
- ☐ If the Local Government will not own, operate and maintain the infrastructure: supporting documentation demonstrating the current status of negotiations with the proposed owner/operator
- ☐ Copies of all supporting documents referred to and relied on as evidence in the application form (unless web addresses/hyperlinks have been provided in the relevant response field)

## Appendix 3: Planning projects

### 10.1.5 Eligibility checklist

Requirement		Yes	No
Project type	Is the project eligible (refer section 3.3 Project eligibility)?	<input type="checkbox"/>	<input type="checkbox"/>
One project per application	Is the application for only one project? Or, if not, are all the projects interdependent?	<input type="checkbox"/>	<input type="checkbox"/>
Funding amount	Is the funding sought \$300,000 or less?	<input type="checkbox"/>	<input type="checkbox"/>
Project dates	Is the project scheduled to start after the earliest anticipated approval date?	<input type="checkbox"/>	<input type="checkbox"/>

### 10.1.6 Planning project attachments

#### Mandatory attachments

☐ If applicable: Letters from other contributors confirming financial contributions.

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## Appendix 4: Local Government Acknowledgement

Prior to submitting an application, the Local Government Chief Executive Officer will be required to accept the following:

I have read and understood the Building Our Regions Round 6 Program guidelines and the Building Our Regions Funding acknowledgement guidelines.

I declare that I am authorised by the applicant to submit this application for funding which the applicant has endorsed and on behalf of the applicant, I:

- a. acknowledge that submission of an application does not guarantee funding approval for all or part of the funding sought;
- b. authorise the Department to assess the application and undertake due diligence activities, including sharing information with program stakeholders and other government agencies;
- c. warrant to the Department that the information contained in the application is accurate and complete as at the date on which it is submitted and not by omission misleading, and may be relied on by the Department in assessing the application;
- d. undertake to promptly advise the Department if the applicant becomes aware of any change in circumstances which causes the information contained in the application to become inaccurate or incomplete in a material respect;
- e. acknowledge that the Department will rely on the above warranty and undertaking when evaluating the application;
- f. acknowledge that the Department may elect to remove an application at any stage as a result of material changes to the information presented in the application;
- g. acknowledge that the Department may suffer loss or damage if the applicant breaches the above warranty and undertaking; and
- h. accept the Building Our Regions Round 6 Program guidelines, including the terms and conditions.

Privacy Notice: the Department is collecting personal information as part of the application and assessment process for the Building Our Regions Round 6 Grant Program and it will be used by the Department and disclosed to third parties for purposes in connection with the assessment of applications (and if an application is successful, in connection with administration of any funding agreement). The Department will otherwise deal with personal information provided to it in accordance with the *Information Privacy Act 2009*.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

## Appendix 5: Examples of eligible projects

Eligible projects include, but not limited to:

### Sewerage Services

- Augmentation/ upgrades / replacement of infrastructure from the wastewater treatment plant including the treatment plant and disposal of the treated effluent, for example:
  - treatment works;
  - distribution of treated wastewater; or
  - beneficial wastewater re-use / recycling.
- Augmentation / upgrades / replacement to components of sewerage system that will reduce operating costs and/or extend the service life (i.e., both capacity and physical life) of existing infrastructure), for example:
  - reducing (non-sewage) inflow/infiltration to the sewer network (e.g., sewer replacement);
  - reducing pump station overflows;
  - improving asset management and system reliability; or
  - digital, automated, or innovative systems or processes (helps address skills deficit for remote Queensland Local Governments).
- Sewerage planning projects related to the above.

### Water Supply Services

- Augmentation / upgrades / replacement of infrastructure from the source to the treatment plant then to the first distribution reservoir, for example:
  - new source of supply / enhancement of existing surface water and groundwater supplies;
  - treatment works; or
  - pump stations, rising mains, and delivery main.
- Augmentation / upgrades / replacement of components of water supply systems that will reduce operating costs, improved safety, reliability, and sustainability and/or extend the service life (i.e., both capacity and physical life) of existing infrastructure, for example:
  - system peak demand/fire-fighting capacity (i.e., reservoirs, variable speed pumpstations, etc);
  - reducing leakage / losses from the water supply network (e.g., pressure management projects, mains replacement, smart water networks);
  - reducing risks to drinking water quality;
  - improving system management, monitoring and control;
  - improving asset management and system reliability; or
  - digital, automated, or innovative systems or processes (helps address skills deficit for remote Queensland Local Governments).
- Water supply planning projects related to the above.
- Water for use in hydrogen projects or other priority manufacturing sectors.



## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 5 October 2021

**Item Number:** 12.2

**File Number:** D21/79981

**SUBJECT HEADING:** Tender 22007 Additions to the Register of Pre-qualified Suppliers for Material Production Services (Winning & Crushing).

**Classification:** Open Access

**Officer's Title:** Manager - Procurement & Plant

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### **Executive Summary:**

Responses from current suppliers on the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)* have been limited for some Request for Quotes, therefore Tender 22007 was released to increase the number of suppliers on the Register.

The tender period opened on 13 August 2021 and closed on the 6 September 2021. The tender was sent to all suppliers on the *Vendorpanel Public Market Place – Mining & Quarrying & Oil & Gas (category Crushing & Screening Services)* resulting in thirteen (13) suppliers reading the Vendorpanel invitation and Council receiving five (5) responses.

The Tender Evaluation Panel (TEP) comprised the following Council staff members:

- Manager – Procurement
- Manager – Quarries

The Tender Assessment Team have completed the assessment of Tender 22007 and is tabled for Council's consideration.

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

That:

1. Council approve the addition of suppliers listed below to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)* in accordance with s232 of the *Local Government Regulation 2012*.
  - Glendun Group Pty Ltd
  - Suffcon Pty Ltd
  - Wagners Quarries Pty Ltd
2. Pre-qualification for these suppliers will remain until 31 October 2021.
3. Council authorises the Chief Executive Officer (or delegate) to enter into a Deed of Agreement with the selected suppliers formalising the terms and conditions of the draft Deed of Agreement.

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

- Glendun Group Pty Ltd
- Suffcon Pty Ltd
- Wagners Quarries Pty Ltd
- iQuarry Pty Ltd

**Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
N/A	N/A

**Context:**

***Why is the matter coming before Council?***

Council approved the original formation of the Register and the preceding tenders that added new suppliers, as such Council should approve this tender recommendation.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Responses from current suppliers on the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)* have been limited for some *Request for Quotes*, therefore Tender 22007 was released to increase the number of suppliers on the Register.

Council publicly advertised tender 22007, inviting interested parties to register their interest with supporting documentation for the addition of suppliers to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*.

The tender period opened on 13 August 2021 and closed on the 6 September 2021. The tender was sent to all suppliers on the *Vendorpanel Public Market Place – Mining & Quarrying & Oil & Gas (category Crushing & Screening Services)* resulting in thirteen (13) suppliers reading the Vendorpanel invitation and Council receiving five (5) responses.

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

No.	Tenderer Name	Compliance
1	Glendun Group Pty Ltd	Compliant
2	J & M Collinson Earthmoving Pty Ltd	Compliant - Already on Register
3	iQuarry	Non-Compliant
4	Suffcon Pty Ltd	Compliant
5	Wagners Quarries Pty Ltd	Compliant

The Tender Evaluation Panel (TEP) comprised the following Council staff members:

- Manager – Procurement
- Manager – Quarries

In assessing the Tenderers for the Register, the following evaluation criteria was utilised:

Evaluation Criteria	Points
Information about the Tenderer (Organisation, Referees, Financial)	15 Points
Operator Competency	30 Points
Plant Details	25 Points
Management of Safety Risks Associated with the Contractor's Operations	15 Points
Contribution to the Local Economy	15 Points
Declaration of Actual, Potential or Perceived Conflicts of Interest signed	Mandatory

The table below shows the scoring for each of the conforming tenderers.

Tenderer	Operator competency (40)	Business Profile (15)	Safety Management (15)	Plant (15)	Local Content (15)	Total
Glendun Group Pty Ltd	36	15	10	22	0	83
Suffcon Pty Ltd	23	15	15	25	9	87
Wagners Quarries Pty Ltd	27	15	15	24	0	81

Tenderers were requested to nominate the types of service/s that they would like to consider providing. The table below indicates the Tenderers service capability.

Service	Business
<b>Production of Type 3 Road Bases – Roma Quarry</b>	Glendun Group Pty Ltd
	Wagners Quarries Pty Ltd
<b>Production of Cover Aggregates – Roma Quarry</b>	Glendun Group Pty Ltd
	Wagners Quarries Pty Ltd

Service	Business
Production of Specified Material (as stated in individual quotation requests) – Ancillary Material Pits	Glendun Group Pty Ltd
	Suffcon Pty Ltd
	Wagners Quarries Pty Ltd

It could be ascertained from the tender submissions that three of the five tenderers are capable of performing Winning and/or Crushing activities with appropriate experience, staff and equipment to carry out the works. One Tenderer did not own any equipment and would rent the equipment upon successful award of a *Request for Quote*, this makes it impossible to assess the capability of the Tenderer, deeming the Tenderer non-conforming. Another tenderer was already on the Register, therefore this report recommends the following three (3) Tenderers be added to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*.

- Glendun Group Pty Ltd
- Suffcon Pty Ltd
- Wagners Quarries Pty Ltd

### Legislation, Local Laws, State Policies & Other Regulatory Requirements:

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

Tender 22007 was conducted in accordance with s232 of the *Local Government Regulation 2012*.

### **232 Exception for register of pre-qualified suppliers**

(1) This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for the supply of goods or services.

(2) A local government may enter into the contract without first inviting written quotes or tenders if the contract is entered into with a supplier from a register of pre-qualified suppliers that is made in compliance with subsections (3) to (7).

(3) A local government may establish a register of pre-qualified suppliers of particular goods or services only if—

(a) the preparation and evaluation of invitations every time the goods or services are needed would be costly; or

(b) the capability or financial capacity of the supplier of the goods or services is critical; or

(c) the supply of the goods or services involves significant security considerations; or (d) a precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by the local government; or

(e) the ability of local business to supply the goods or services needs to be discovered or developed.

(4) A local government must invite suppliers to tender to be on a register of pre-qualified suppliers.

(5) The invitation must—

(a) be published on the local government's website for at least 21 days; and

(b) allow written tenders to be given to the local government while the invitation is published on the website.

(6) Also, the local government must take all reasonable steps to publish the invitation in another way to notify the public about establishing the register of pre-qualified suppliers. Examples for subsection (6)— publishing an invitation in an industry publication or on the QTENDERS website

(6)— publishing an invitation in an industry publication or on the QTENDERS website

(7) When selecting a supplier to be a pre-qualified supplier for the register, the local government must have regard to the sound contracting principles.

(8) A pre-qualified supplier is a supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.

### Council Policies or Asset Management Plans:

**Does Council have a policy, plan or approach ordinarily followed for this type of decision?**

**What are relevant sections of the policy or plan?**

(Quote/insert the relevant section's wording / description within the report)

N/A

### Input into the Report & Recommendation:

**Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

No other views were sourced for this tender.

### Funding Bodies:

**Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.** (Please do not just include names)

N/A

### This Financial Year's Budget:

**Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).**

**If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?**

N/A

### Future Years' Budgets:

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

### Impact on Other Individuals or Interested Parties:

**Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?**

(Interested Parties Analysis - IS9001:2015)

N/A

### Risks:

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
N/A	N/A

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is advised that Council approve the addition of the following suppliers to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*:

- Glendun Group Pty Ltd
- Suffcon Pty Ltd
- Wagners Quarries Pty Ltd

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

That:

1. Council approve the addition of suppliers listed below to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)* in accordance with s232 of the *Local Government Regulation 2012*.
  - Glendun Group Pty Ltd
  - Suffcon Pty Ltd
  - Wagners Quarries Pty Ltd
2. Pre-qualification for these suppliers will remain until 31 October 2021.
3. Council authorises the Chief Executive Officer (or delegate) to enter into a Deed of Agreement with the selected suppliers formalising the terms and conditions of the draft Deed of Agreement.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 5: Managing our operations well

5.7 Quarry and quarry pits

**Supporting Documentation:**

[1](#) Tender 22007 - Assessment Panel Evaluation Report D21/80111

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services

Director - Corporate & Community Services

**CONFIDENTIAL**

## **EVALUATION OF TENDER RESPONSES**

RFT 22007

**Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)**

REPORT COORDINATED BY:  
Michael Worthington

ON BEHALF OF THE TENDER EVALUATION PANEL

- Manager – Procurement
- Manager – Quarries

OCTOBER 2021



## TENDER 22007: EVALUATION REPORT




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## TENDER 22007: EVALUATION REPORT



## EXECUTIVE SUMMARY

This report summarises the evaluation process undertaken for *Tender 22007 – Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*. This tender was a re-release of Tender 20003 and 20020 and is being issued to increase the number of contractors on the register.

The tender period opened on 13 August 2021 and closed on the 6 September 2021. The tender was sent to all suppliers on the *Vendorpanel Public Market Place – Mining & Quarrying & Oil & Gas (category Crushing & Screening Services)* resulting in thirteen (13) suppliers reading the Vendorpanel invitation and Council receiving five (5) responses.

The Tender Evaluation Panel (TEP) comprised the following Council staff members:

- Manager – Procurement
- Manager – Quarries

In developing the recommended Register of Pre-Qualified Suppliers, the following evaluation criteria was utilised:

Table 1: Evaluation Criteria

Evaluation Criteria	Points
Information about the Tenderer (Organisation, Referees, Financial)	15 Points
Operator Competency	30 Points
Plant Details	25 Points
Management of Safety Risks Associated with the Contractor's Operations	15 Points
Contribution to the Local Economy	15 Points
Declaration of Actual, Potential or Perceived Conflicts of Interest signed	Mandatory

It could be ascertained from the tender submissions that three of the five tenderers are capable of performing Winning and/or Crushing activities with appropriate experience, staff and equipment to carry out the works. One Tenderer did not own any equipment and would rent the equipment upon successful award of a *Request for Quote*, this makes it impossible to assess the capability of the Tenderer, deeming the Tenderer non-conforming. Another tenderer was already on the Register, therefore this report recommends the following three (3) Tenderers be added to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*.

Table 2: Recommended Suppliers for inclusion to the register

Tenderer	Operator competency (40)	Business Profile (15)	Safety Management (15)	Plant (15)	Local Content (15)	Total
Glendun Group Pty Ltd	36	15	10	22	0	83
Suffcon Pty Ltd	23	15	15	25	9	87
Wagners Quarries Pty Ltd	27	15	15	24	0	81

## TENDER 22007: EVALUATION REPORT



Tenderers were requested to nominate the types of service/s that they would like to consider providing. The table below indicates the Tenderers service capability.

Table 3: Recommended Suppliers by Service

Service	Business
Production of Type 3 Road Bases – Roma Quarry	Glendun Group Pty Ltd
	Wagners Quarries Pty Ltd
Production of Cover Aggregates – Roma Quarry	Glendun Group Pty Ltd
	Wagners Quarries Pty Ltd
Production of Specified Material (as stated in individual quotation requests) – Ancillary Material Pits	Glendun Group Pty Ltd
	Suffcon Pty Ltd
	Wagners Quarries Pty Ltd

**BACKGROUND**

Council publicly advertised the tender, inviting interested parties to register their interest with supporting documentation for the addition of suppliers to the *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)*.

It is anticipated that successful Tenderer/s may be engaged to complete services at the Roma Quarry (owned and operated by Maranoa Regional Council) and/or any number of ancillary material pits throughout the region.

All production will be carried out in compliance with the *Mining and Quarrying Safety and Health Act 1999*, *Mining and Quarrying Safety and Health Regulation 2017*, and all conditions of permits issued by the Department of Environment and Heritage Protection.

The tender period opened on 13 August 2021 and closed on the 6 September 2021. The tender was sent to all suppliers on the *Vendorpanel Public Market Place – Mining & Quarrying & Oil & Gas (category Crushing & Screening Services)* resulting in thirteen (13) suppliers reading the Vendorpanel invitation and Council receiving five (5) responses.

## TENDER 22007: EVALUATION REPORT



## ADVERTISING DETAILS

The tender was advertised in the Western Star between 13 August 2021 and the 6 September 2021.

buy search sell  
.com.au

Register of Pre-qualified Suppliers for  
Material Production Services (Winning &  
Crushing)



A.B.N. 99324089164

**Register of Pre-qualified Suppliers for Material  
Production Services (Winning & Crushing)**

**Tender Number - 22007**

Maranoa Regional Council invites suitably qualified and  
experienced Contractors to submit a submission for the  
formation of a Register of Pre-Qualified Suppliers for  
Material Production Services (Winning & Crushing).

It is anticipated that successful Tenderer/s may be  
engaged to complete services at the Roma Quarry  
(owned and operated by Maranoa Regional Council)  
and/or any number of ancillary material pits throughout  
the region.

Tenderers that were successful with Tender 20003 or  
20020 do not need to reapply.

Tenders close at 10am, 6 September 2021.

Tender documents (including specification and tender  
response form) can be obtained from  
[www.vendorpanel.com.au](http://www.vendorpanel.com.au)

Submissions received after the closing date and time will  
not be accepted. Only electronic submissions uploaded in  
the Vendorpanel will be considered.

Julie Reitano  
Chief Executive Officer

📍 Roma QLD, Australia

Map

## TENDER 22007: EVALUATION REPORT



## TENDER PERIOD

The tender documents were released on 13 August 2021 and closed on the 6 September 2021.

## LEVEL OF INTEREST FROM THE MARKET

Thirteen (13) suppliers read the Vendorpanel invitation with Council receiving five (5) responses.

## TENDER EVALUATION PANEL MEMBERS &amp; CONSULTATION

The Tender Evaluation Panel (TEP) comprised the following Council staff members:

- Manager – Procurement
- Manager – Quarries

## TENDER SUBMISSIONS RECEIVED

A total of five (5) tenders were received with three (3) tenders being assessed. Tenders were received from:

Table 4: List of Tenderers

No.	Tenderer Name	Compliance
1	Glendun Group Pty Ltd	Compliant
2	Collinson	Compliant - Already on Register
3	iQuarry	Non-Compliant
4	Suffcon Pty Ltd	Compliant
5	Wagners Quarries Pty Ltd	Compliant

## TENDER EVALUATION PROCESS

**Overview**

Before undertaking the scoring evaluation, each tender was assessed for compliance to the conditions of tender. There were varying degrees of non-compliance for two tenderers. Between the closing of the tender and final assessment, Tenderers that had provided the majority of the required information were given the opportunity to provide missing tender information. All tenderers supplied sufficient documentation and evidence to become compliant.

**Part 4 Tender Response – Section 3 Statement of Departures**

Tenderers were asked to set out particulars of all matters in respect of which the tender varies from the requirements of the Tender Documents. One Tenderer requested Departures from the *Conditions of Contract* and *Purchase Order Conditions*, all of which are considered low risk and reasonable.

**Part 4 Tender Response – Section 4 Execution of Tender**

All Tender Response Submissions were duly executed as required.

**Part 4 Tender Response – Section 5 Types of Services**

Tenderers were requested to nominate the type/s of Services they could offer.

Table 5: Service Types available from Tenderers

Tenderer	Type 3 Road Bases (Roma Quarry)	Cover Aggregate (Roma Quarry)	Specified Material (Regional Gravel Pits)
Glendun Group Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
Suffcon Pty Ltd			<input checked="" type="checkbox"/> Yes
Wagners Quarries Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes

## TENDER 22007: EVALUATION REPORT

**Part 4 Tender Response – Section 6 General Requirements (15 Points)**

Tenderers were advised that Council would consider the following elements when evaluating the Tenderer's Organisational profile:

- (a) Business Profile
- (b) ASIC Company Extract
- (c) Financial
- (d) Insurance Coverage
- (e) Completed Projects and Referees
- (f) Crushing Contractor Certification

The scores are tabled below.

Table 6: General Requirements Scoring

Tenderer	Business profile	ASIC Extract	Financial	Insurance	Completed Projects & Referees	Total
Glendun Group Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	15
Suffcon Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	15
Wagners Quarries Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	15

**(a) Operator/contractor Competency (30 Points)**

Tenderers were requested to supply a list of the staff that will work on projects including their competencies, tickets, experience and qualifications.

Table 7: Operator/Contractor Competencies

Tenderer	Working Safety Ticket	Company Experience	Operators Tickets	Operator Experience	Total
Glendun Group Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	36
Suffcon Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	23
Wagners Quarries Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	27

**(b) Plant Details (25 points)**

Tenderers were requested to list the plant proposed for the works, including their details and recent maintenance history.

Table 8: Plant Details

Tenderer	Plant Details Provided	Proof of Ownership	Plant Maintenance	Total
Glendun Group Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	22
Suffcon Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	25
Wagners Quarries Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	24

**(c) Management of Safety Risks Associated with the Contractors Operations (15 Points)**

Tenderers were requested to provide evidence of their Safety Management System which must comply with legislation under the *Mining and Quarrying Safety and Health Act 1999* and *Health Regulation 2017*.

Table 9: Safety Management Capability (15 points)

Tenderer	WHS Mgmt System	Safe Operating Procedures etc	Environmental Controls	Incident Reporting	Training	Total
Glendun Group Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	10
Suffcon Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	15
Wagners Quarries Pty Ltd	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	15

## TENDER 22007: EVALUATION REPORT



## (d) Contribution to the Local Economy (15 points)

Contractors were evaluated by using Council's 5 Star rating process. The result of the assessment is in the table below.

Table 10: Contribution to Local Economy Summary

Tenderer	Bases of Score	Local Content Score
Glendun Group Pty Ltd	No regional presence	0
Suffcon Pty Ltd	1/2 Director & employees in region, Depot in region	9
Wagners Quarries Pty Ltd	No regional presence	0

Table 11: Contribution to Local Economy (Detail)

Stars	Criterion	Glendun Group	Suffcon	Wagners Quarries
5 Star (15 points)	100% ownership in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	90% employees reside in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Head office in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Star (12 points)	> 75% ownership in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	> 75% employees reside in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Head office in region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Star (9 points)	> 1 or more owners in region	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	> 25% employees reside in region	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Office/branch in the region	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Star (6 points)	Business is ratepayer in the region (2+ yr)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Employs residents of the region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Office/branch in the region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1 Star (3 points)	Business is ratepayer or long-term lessee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Employs residents of the region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Office in the region	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Local Content Score		0 points	9 points	0 points

## TENDER 22007: EVALUATION REPORT



## FINDINGS ANALYSIS, OBSERVATIONS AND RECOMMENDATIONS

Five (5) submissions were received from thirteen (13) interested parties. One Tenderer was already on the Register and didn't require assessment, One Tenderer was non-conforming due to the lack of tender documentation and not owning any of the equipment it required to perform the requirements of the tender. The three remaining tenderers are capable of performing Winning and/or Crushing activities with appropriate experience, staff and equipment to carry out the works.

The assessment team recommends that the following Tenderers be accepted to *Register of Pre-Qualified Suppliers for Material Production Services (Winning & Crushing)* upon Council approval of this report.

Table 11: List of Tenderers and their scores

Tenderer	Operator competency (40)	Business Profile (15)	Safety Mgmt (15)	Plant (15)	Local Content (15)	Total
Glendun Group Pty Ltd	36	15	10	22	0	83
Suffcon Pty Ltd	23	15	15	25	9	87
Wagners Quarries Pty Ltd	27	15	15	24	0	81

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 5 October 2021

**Item Number:** 12.3

**File Number:** D21/80188

**SUBJECT HEADING:** Extend expiry date for Register of Pre-qualified Suppliers for Material Production Services (Winning & Crushing).

**Classification:** Open Access

**Officer's Title:** Manager - Procurement & Plant

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### **Executive Summary:**

Registers of Pre-qualified Suppliers are created in accordance with the s232 *Local Government Regulation 2009* (the Regulation). After the tender process is complete and Council resolves their formation, in doing so the Register is given a fixed life (end date).

As Procurement advertise tenders throughout the Register's life to give new suppliers an opportunity to be on the Register, the length of time additional suppliers from each new tender are on the Register is reduced. This creates an issue when suppliers are accepted onto the Register and the Register has very limited life remaining.

Council then needs to re-tender for the re-establishment of the Registers to meet the requirements of the Regulation and all suppliers need to reapply. This creates a lot of additional work for Council and suppliers.

The Regulation does not place a time limit on the life of a Register of Pre-qualified Suppliers. A solution is, if deemed necessary, to extend the Registers life before it comes to the end date.

The *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* expires on 30 November 2021. This report is presented to Council to consider extending the *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* for another two (2) years.

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

That Council:

1. Approve the extension of the *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)*, setting the new end date 31 October 2023.
2. Approve the Chief Executive Officer (or Delegate) to update the *Deeds of Agreement* for an extension to 30 November 2023.

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

All suppliers on all of Councils *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)*.

- Corbet's Timber Haulage
- Goodland Gravel Pty Ltd
- J & M Collinson Earthmoving Pty Ltd
- Johnson Haulage & Earthmoving
- Katcrush Pty Ltd
- Milbrae Quarries Pty Ltd
- Pearljaney Pty Ltd
- Roma Earthmoving Pty Ltd
- MC Group Pty Ltd
- Quarry Mining Haulage Pty Ltd
- T & W Earthmoving Pty Ltd
- T4T Contracting Pty Ltd

Additional suppliers that are recommended to be approved at Council's meeting on 27 October 2021:

- Glendun Group Pty Ltd
- Suffcon Pty Ltd
- Wagners Quarries Pty Ltd

**Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
N/A	N/A

**Context:**

***Why is the matter coming before Council?***

Council approves the formation of the Registers of Pre-Qualified Suppliers and as such should approve extensions to these Registers.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Registers of Pre-qualified Suppliers are created in accordance with the s232 Local Government Regulation 2009 (the Regulation). After the tender process is complete and Council resolves their formation, in doing so the Register is given a fixed life (end date).

As Procurement advertise tenders throughout the Registers life to give new suppliers an opportunity to be on the Register, the length of time additional suppliers from each new tender are on the Register is reduced. This creates an issue when suppliers are accepted onto the Register and the Register has very limited life remaining.

Council then needs to re-tender for the re-establishment of the Registers to meet the requirements of the Regulation and all suppliers need to reapply. This creates a lot of unnecessary work for Council and suppliers.

The Regulation does not place a time limit on the life of a Register of Pre-qualified Suppliers or provide any guidance.

The current *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* was approved at the meeting on 31 October 2019:

**Resolution No. SM/10.2019/07**

***That Council approve the formation of Council's Register of Pre-Qualified Suppliers of Material Production Services (Winning & Crushing) established in accordance with section 232 of the Local Government Regulation 2012 to include the following Tenderers:***

- a. Corbet's Timber Haulage***
- b. Goodland Gravel Pty Ltd***
- c. J & M Collinson Earthmoving Pty Ltd***
- d. Johnson Haulage & Earthmoving***
- e. Katcrush Pty Ltd***
- f. Milbrae Quarries Pty Ltd***
- g. Pearljaney Pty Ltd***
- h. Roma Earthmoving Pty Ltd***

Additional suppliers were approved by Council at the meeting on 12 February 2020:

**Resolution No. GM/02.2020/78**

- 1. Council approve the addition of the nominated tenderers as listed below to Council's Register of Pre-Qualified Suppliers of Material Production Services (Winning & Crushing) established in accordance with section 232 of the Local Government Regulation 2012:***

- |   |                            |
|---|----------------------------|
| • <b><i>MC Group Pty Ltd</i></b>              | <b><i>0 Star Local</i></b> |
| • <b><i>Quarry Mining Haulage Pty Ltd</i></b> | <b><i>0 Star Local</i></b> |
| • <b><i>T &amp; W Earthmoving Pty Ltd</i></b> | <b><i>3 Star Local</i></b> |
| • <b><i>T4T Contracting Pty Ltd</i></b>       | <b><i>5 Star Local</i></b> |

- 2. Pre-qualification remain current until November 2021.***

- 3. Council authorise the Chief Executive Officer to enter into Deeds of Agreement with the selected tenderers formalising the terms and conditions of the services.***

Additional suppliers are recommended to be approved at Council's meeting on 27 October 2021:

- Glendun Group Pty Ltd
- Suffcon Pty Ltd
- Wagners Quarries Pty Ltd

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under***

***consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The legislation provides no clear direction in the expiry of Registers of Pre-qualified suppliers or their life. However, the *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* was established in accordance with s232 of the Local Government Regulation 2012. Other tenders that provided additional suppliers to the Register also conformed to s232 of the Local Government Regulation 2012.

**232 Exception for register of pre-qualified suppliers**

- (1) *This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for the supply of goods or services.*
- (2) *A local government may enter into the contract without first inviting written quotes or tenders if the contract is entered into with a supplier from a register of pre-qualified suppliers that is made in compliance with subsections (3) to (7).*
- (3) *A local government may establish a register of pre-qualified suppliers of particular goods or services only if—*
- (a) the preparation and evaluation of invitations every time the goods or services are needed would be costly; or*
  - (b) the capability or financial capacity of the supplier of the goods or services is critical; or*
  - (c) the supply of the goods or services involves significant security considerations; or*
  - (d) a precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by the local government; or*
  - (e) the ability of local business to supply the goods or services needs to be discovered or developed.*
- (4) *A local government must invite suppliers to tender to be on a register of pre-qualified suppliers.*
- (5) *The invitation must—*
- (a) be published on the local government's website for at least 21 days; and*
  - (b) allow written tenders to be given to the local government while the invitation is published on the website.*
- (6) *Also, the local government must take all reasonable steps to publish the invitation in another way to notify the public about establishing the register of pre-qualified suppliers.*
- Examples for subsection (6)—*
- publishing an invitation in an industry publication or on the QTENDERS website*
- (7) *When selecting a supplier to be a pre-qualified supplier for the register, the local government must have regard to the sound contracting principles.*
- (8) **A pre-qualified supplier** *is a supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.*

**Council Policies or Asset Management Plans:**

*Does Council have a policy, plan or approach ordinarily followed for this type of decision?*

*What are relevant sections of the policy or plan?*

(Quote/insert the relevant section's wording / description within the report)

Although Council has a Procurement Policy, it does not provide any guidance in this regard.

**Input into the Report & Recommendation:**

*Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?* (Please include consultation with the

funding body, any dates of critical importance or updates or approvals required)

McCullough Robertson Lawyers

**Funding Bodies:**

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.* (Please do not just include names)

N/A

**This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

N/A

**Future Years' Budgets:**

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?* (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

**Impact on Other Individuals or Interested Parties:**

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*

(Interested Parties Analysis - IS9001:2015)

Suppliers on *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* will not have to complete another Tender submission.

**Risks:**

***What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)*** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Suppliers on the Register fail to maintain their financial, technical and managerial capability as required by the Regulation.	<p><u>Likelihood:</u> Low</p> <p><u>Consequences:</u> Suppliers from the Registers may perform poor quality work or provide poor quality services.</p> <p><u>Risk Management Strategy:</u> Conduct a supplier verification prior to the extension of the Register to ensure suppliers are capable of meeting the requirements of the Regulation.</p>

**Advice to Council:**

***What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?***

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is advised that Council approve the recommendation.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy?***

***If so, for what reason?***

That Council:

1. Approve the extension of the *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)*, setting the new end date 30 November 2023.
2. Approve the Chief Executive Officer (or Delegate) to update the Deeds of Agreement for an extension to 30 November 2023.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 5: Managing our operations well

5.7 Quarry and quarry pits

**Supporting Documentation:**

Nil

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services

Director - Corporate & Community Services

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 14 October 2021

**Item Number:** 12.4

**File Number:** D21/82931

**SUBJECT HEADING:** Extension of the Register of Pre-qualified Suppliers for Wet Hire of Equipment.

**Classification:** Open Access

**Officer's Title:** Manager - Procurement & Plant

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### **Executive Summary:**

Registers of Pre-qualified Suppliers are created in accordance with s232 *Local Government Regulation 2012* (the Regulation). After the tender process is complete and Council resolves their formation, in doing so the Register is given a fixed life (end date).

As Procurement advertise tenders throughout the Register's life to give new suppliers an opportunity to be on the Register, the length of time additional suppliers from each new tender are on the Register is reduced. This creates an issue when suppliers are accepted onto the Register and the Register has very limited life remaining.

Council then needs to re-tender for the re-establishment of the Registers to meet the requirements of the Regulation and all suppliers need to reapply. This creates a lot of additional work for Council and suppliers.

The Regulation does not place a time limit on the life of a Register of Pre-qualified Suppliers. A solution is, if deemed necessary, to extend the Registers life before its end date.

The *Register of Pre-Qualified Suppliers for Wet Hire of Equipment* expires on 30 November 2021. This report is presented to Council to consider extending the *Register of Pre-Qualified Suppliers for Wet Hire of Equipment* for another two (2) years.

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

That Council:

1. Approve the extension of the *Register of Pre-Qualified Suppliers for Wet Hire of Equipment*), setting the new end date 30 November 2023.
2. Approve the Chief Executive Officer (or Delegate) to update the *Deeds of Agreement* for an extension to 30 November 2023.

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

All suppliers on all of Councils *Pre-Qualified Suppliers for Wet Hire of Equipment*).

25 August 2021 Resolution No. OM/08.2021/50

- RK Fitting & Fabrication Pty Ltd

14 July 2021 Resolution No. OM/07.2021/14

- RCC & VA Humphries
- RTC Contracting Pty Ltd T/A Procrew
- SK & LC Hancock
- Rylor Logistics Pty Ltd
- Hamil Contracting

22 July 2020 Resolution No. OM/07.2020/79

- Bitu-Mill (Road Maintenance) Pty Ltd
- Corbet's Group
- HBS Earthmoving Pty Ltd
- HTD Australia Pty Ltd
- ISON Haulage Pty Ltd
- J & J Earthmoving (QLD) Pty Ltd
- Joe Wagner Group
- Matt Lister Earthmoving
- Quarry Mining Haulage Pty Ltd
- Speciality Services QLD
- TJ & JE Campbell Pty Ltd
- Tunnel Vision Services Pty Ltd
- G & R Brown & Sons Pty Ltd
- Buck Scott Haulage Pty Ltd

11 December 2019 (GM/12.2019/75)

- ARC Transport
- Bendermere Construction Pty Ltd
- BK Hire Pty Ltd
- Black Cat Civil
- C A Sokoll
- Carnes Bobcat Hire
- Comac Equipment Pty Ltd
- D & R Water & Haulage Pty Ltd ATF DR & RJ Carney Family Trust
- Ellis Stabilising Pty Ltd
- Ezali Pty Ltd
- Ezyquip Hire
- Goodland Field Services
- Hotshot Transport Queensland Pty Ltd
- J + M Collinson Earthmoving Pty Ltd
- Jason Callaghan trading as Jasons Bobcat & Truck hire
- JD and TJ Bell
- Johnson Haulage & Earthmoving Pty Ltd
- KL & R Morvell Transport Pty Ltd
- M & L Tipper Services
- Napiers Earthmoving Pty Ltd
- Roma Earth Moving Pty Ltd
- Roma Sands Pty Ltd
- Roma Transport Services Qld) Pty Ltd
- Shamar Earthworks Pty Ltd
- SKS Contractors Pty Ltd
- Sniffers Plant Hire
- Suffcon

- Swans Earthmoving QLD PTY LTD
- T&W Earthmoving
- T4T Contracting
- Texas Earthmoving Contactors Pty Ltd
- TL & F Ayers
- Tolbra Earthmovers and Haulage
- wah construction
- Warner Earthmoving Roma
- Watson's Backhoe and Tipper Hire

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
Nil	

**Context:**

***Why is the matter coming before Council?***

Council approves the formation of the Registers of Pre-Qualified Suppliers and as such should approve extensions to these Registers.

**Background:**

***Has anything already happened in relation to this matter?***

*(Succinct overview of the relevant facts, without interpretation)*

Registers of Pre-qualified Suppliers are created in accordance with the s232 *Local Government Regulation 2009* (the Regulation). After the tender process is complete and Council resolves their formation, in doing so the Register is given a fixed life (end date). As Procurement advertise tenders throughout the Registers life to give new suppliers an opportunity to be on the Register, the length of time additional suppliers from each new tender are on the Register is reduced. This creates an issue when suppliers are accepted onto the Register and the Register has very limited life remaining.

Council then needs to re-tender for the re-establishment of the Registers to meet the requirements of the Regulation and all suppliers need to reapply. This creates a lot of unnecessary work for Council and suppliers.

The Regulation does not place a time limit on the life of a Register of Pre-qualified Suppliers or provide any guidance.

The current *Register of Pre-Qualified Suppliers for Wet Hire of Equipment* was approved at the Council meeting on 11 December 2019 (GM/12.2019/75) and further suppliers added at the Council meeting on 14 October 2020 (OM/10.2020/11), 14 July 2021 (OM/07.2021/14) and 25 August 2021 (OM/08.2021/50).

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under***

***consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The legislation provides no clear direction in the expiry of Registers of Pre-qualified suppliers or their life. However, the *Register of Pre-Qualified Suppliers for Material Production Services (Winning and Crushing)* was established in accordance with s232 of the Local Government Regulation 2012. Other tenders that provided additional suppliers to the Register also conformed to s232 of the Local Government Regulation 2012.

**232 Exception for register of pre-qualified suppliers**

- (1) *This section applies to a medium-sized contractual arrangement or large-sized contractual arrangement for the supply of goods or services.*
- (2) *A local government may enter into the contract without first inviting written quotes or tenders if the contract is entered into with a supplier from a register of pre-qualified suppliers that is made in compliance with subsections (3) to (7).*
- (3) *A local government may establish a register of pre-qualified suppliers of particular goods or services only if—*
  - (a) *the preparation and evaluation of invitations every time the goods or services are needed would be costly; or*
  - (b) *the capability or financial capacity of the supplier of the goods or services is critical; or*
  - (c) *the supply of the goods or services involves significant security considerations; or*
  - (d) *a precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by the local government; or*
  - (e) *the ability of local business to supply the goods or services needs to be discovered or developed.*
- (4) *A local government must invite suppliers to tender to be on a register of pre-qualified suppliers.*
- (5) *The invitation must—*
  - (a) *be published on the local government's website for at least 21 days; and*
  - (b) *allow written tenders to be given to the local government while the invitation is published on the website.*
- (6) *Also, the local government must take all reasonable steps to publish the invitation in another way to notify the public about establishing the register of pre-qualified suppliers.*

*Examples for subsection (6)—*  
*publishing an invitation in an industry publication or on the QTENDERS website*
- (7) *When selecting a supplier to be a pre-qualified supplier for the register, the local government must have regard to the sound contracting principles.*
- (8) **A pre-qualified supplier** *is a supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.*

**Council Policies or Asset Management Plans:**

*Does Council have a policy, plan or approach ordinarily followed for this type of decision?*

*What are relevant sections of the policy or plan?*

(Quote/insert the relevant section's wording / description within the report)

N/A

**Input into the Report & Recommendation:**

*Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?* (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

McCullough Robertson Lawyers

**Funding Bodies:**

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.* (Please do not just include names)

N/A

**This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

N/A

**Future Years' Budgets:**

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?* (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

**Impact on Other Individuals or Interested Parties:**

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*

(Interested Parties Analysis - IS9001:2015)

Suppliers Register of Pre-Qualified Suppliers for Wet Hire of Equipment will not have to complete another Tender submission.

**Risks:**

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Suppliers on the Register fail to maintain their financial, technical and managerial capability as required by the Regulation.	<p><u>Likelihood:</u> Low</p> <p><u>Consequences:</u> Suppliers from the Registers may perform poor quality work or provide poor quality services.</p> <p><u>Risk Management Strategy:</u> Conduct a supplier verification prior to the extension of the Register to ensure suppliers are capable of meeting the requirements of the Regulation.</p>

**Advice to Council:**

**What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?**

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is advised that Council approve the recommendation to extend the life of the *Register of Pre-Qualified Suppliers for Wet Hire of Equipment* for 2 years resulting in an end date of 30 November 2023.

**Recommendation:**

**What is the 'draft decision' based on the advice to Council?**

**Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

**Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

That Council:

1. Approve the extension of the *Register of Pre-Qualified Suppliers for Wet Hire of Equipment*), setting the new end date 30 November 2023.
2. Approve the Chief Executive Officer (or Delegate) to update the *Deeds of Agreement* for an extension to 30 November 2023.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 2: Delivering strong financial management

2.4 Procurement and controlling our costs

**Supporting Documentation:**

Nil

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services

Director - Corporate & Community Services

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 14 October 2021

**Item Number:** 12.5

**File Number:** D21/83057

**SUBJECT HEADING:** Roma Bore Strategy

**Classification:** Open Access

**Officer's Title:** Manager - Water, Sewerage & Gas

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### **Executive Summary:**

At the meeting of 13 October Council required a more detailed report to be tabled providing an overview of the Roma bores and the future strategy. This report provides that detail.

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

That Council:

- Note the contents of this report
- Approve the replacement of bore 7 in Roma in Paddock 3 of lot 338WV1628

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### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Roma water consumers

### **Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
DRDMW	Department of Regional Development, Manufacturing and Water
UWSA	Urban Water Security Assessment

### **Context:**

***Why is the matter coming before Council?***

At the meeting of 13 October Council required a more detailed report to be tabled providing an overview of the Roma bores and the future strategy. This report provides that detail.

## Background:

### *Has anything already happened in relation to this matter?*

(Succinct overview of the relevant facts, without interpretation)

There are currently 14 bores servicing the Roma water supply. The location of these bores are shown in Figure 1.

In the past the main purpose of the bores has been to service the tower reservoir (Tower), which then provided pressure to the town. Due to the size of the network and the extensive number of 100mm water mains, this meant that a lot of properties further away from the tower experienced very poor pressure during summer peak conditions. A high pressure zone was also created to cater for those properties unable to be serviced from the Tower due to their height relative to the Tower.

To resolve this pressure issue, a number of independent supply zones have been created as follows:

- Bore 13 feeds into the Northern Road booster station, feeding the area north of Basset Lane.
- Bore 19 and its booster was constructed and feeds the area between Bassett Lane and Miscamble Street.
- Miscamble Street reservoir and booster were constructed to service the area from Powell Street and Mullavey Street.
- A reservoir and booster were constructed at bore 12 to feed the area from Bungil Street to Miscamble Street between Ashburn Road and Charles Street.
- A booster station was created at the Avdata potable supply point, serviced by bore 17, which feeds the area south of Raglan Street.

These pressure zones are shown in Figure 2. As can be seen the area served by the Tower is considerably reduced.

This solved most of the pressure issues, however many of the bores still serviced the Tower through the reticulation, and due to heavy demand the Tower could not always be filled during peak demand usage. Bore 20 was constructed to overcome this, with a direct link to the reservoirs serving the Tower.

The sizes of the bores are as follows:

Bore	Supply Capacity (L/s)
2	10.8
3	10.4
7	15.8
9	11.8
11	10
12	17.5
13	14.5
14	17.2

15	25
16	28
17	25
18	35
19	35
20	35

The system can cope with one or two bores being unable to operate, with the other bore compensating. The exceptions are bore 19 and bore 15. If bore 19 fails then the area it services will have very low pressure again. Luckily this is a very new site and unlikely to fail in the short to medium term. To reduce the effect of this bore being out of action, a trunk main has been constructed from the Tower along Bowen, Duke, Queen and Miscamble Streets to service this area.

When bore 15 is out of action, the area east of Bungil creek experiences low to very low pressures. To address this a booster station has been constructed at Reardon's reservoirs, which will address the issue to some extent. The ideal would be to construct another large bore to the east of town as a backup for bore 15. In the Roma Water Strategy report (D18/16937) it is proposed to build a large reservoir to the east with a new bore servicing it and gravity feeding into town. The location of this site is shown in Figure 3.

The main issue with this site is that it is State owned land and they require Council to purchase this at a cost of approximately \$250,000. The writer has been liaising with the State to try and get this land gifted to Council, but they have indicated that they will not be willing to do so. The land is larger than required and the State have been asked if half the land could be purchased and we are waiting on a response. An alternative is to see if the landowner of lot 115SP302014 adjacent to this lot is willing to sell off a small portion of the land.

### ***Condition of bores***

The following bores in Roma have had a condition assessment carried out; bore 2, bore 7, bore 9, bore 12, bore 13 and bore 14.

Bores 9, 12 & 14 were found to be in reasonable condition for their age.

Bore 2 is showing signs of deterioration and will need to be replaced in the short term. It is intended to replace this in the same location with a bigger bore. A reservoir and booster system will be constructed at this site too.

Bore 7 is in very poor condition and needs urgent attention. In addition, this bore accesses a number of aquifers and can potentially cause contamination of the aquifers and Councils water supply. DRDMW have requested that Council decommission this bore as a high priority. It is recommended that this bore be replaced in a new location to the west as per the report to the meeting of 13 October 2021 (D21/78496).

Bore 13 is in poor condition, with a large blockage at approximately 55m which cannot be cleared. This bore is likely to fail in the short to medium term. It is recommended that this bore not be replaced, but rather that bore 19 zone be extended to include the zone currently served by bore 13. The pipework has been specifically designed to allow this to happen.

The condition of bore 3 will be determined this financial year but it is anticipated that it will be in poor condition due to its age. It is recommended that this bore not be replaced as bore 20 is essentially a replacement bore for it.

### ***Cone of depression***

DRDMW prepared an UWSA for Roma and found that there is a significant cone of depression in the Gubberamunda around Roma due to extensive use, by Council predominantly, from this aquifer. This cone has a rough diameter of 52km.

There are two ways of reducing this cone of depression. The first is to drill all new bores outside of the cone of depression. This means that the bores will need to be approximately 25km from the centre of Roma and the pipelines to town will cost in the order of \$5,000,000. In addition, larger pumps will be required to pump this distance with a significant increase in pumping costs.

The alternative is to drill new bores into the Hutton aquifer, which is supported and encouraged by the Department. The Hutton is approximately 200-300m deeper than the Gubberamunda, increasing the cost of the bores by approximately \$200,000 - \$300,000.

The pumping cost from the Hutton aquifer will be no more than the Gubberamunda as this is determined by the water level not the depth of bore. In fact it could be cheaper due to the cone of depression in the Gubberamunda dropping the water level significantly.

### ***Moving forward***

It is recommended that bore 7 be replaced first, in the lot to the west along Dargal Road to construct it on land owned by Council. This bore will be drilled into the Hutton aquifer, reducing the impact on the Gubberamunda. Currently bore 7 feeds into the Miscamble Street reservoir zone but the reservoir is still filled from the Tower. It is recommended that the dedicated main be extended to the reservoir, reducing the pressure on the Tower. Locating bore 7 in this location makes it an ideal location to service the proposed growth area to the west along Dargal Road. This project is eligible for the BoR funding Round 6 and will be supported by DRDMW.

It is recommended that Council plan on drilling the subsequent bore on the State land as shown in Figure 3. The first step would be to secure the land from the State and this will be put forward as a project for the 2022/23 budget deliberations. This bore would be drilled into the Hutton aquifer too.

**Questions from meeting of 13 October 2021**

Extend zone of bore 19 to service the Miscamble Street reservoir – this has been planned and a project was put forward in the 2021/22 budget deliberations to address this, Connection from Reid St to Powell St - \$30,000. This project was not approved. This is seen as a temporary solution and it would be available as an emergency backup option. In the last summer bore 19 operated for 14 hours on several days. This only leave 6 hours more available, as a bore should not be operated more than 20 hours per day. With the failure of bore 13, bore 19 would pick up its catchment and use up some of this spare capacity. Bore 19 is also designed to cater for the predicted growth to the northwest. Spare capacity is also required for bore 19 in the event that the Tower supply fails, this bore will then service more of the town through the trunk main mentioned previously.

Construction of a bore 5-6km to the east of the Surat turn off – the main motivation for this is to reduce the cone of depression, but this location will not achieve that as it is still well within that cone. The cost of the pipeline would be in the order of \$1,250,000. The pumps would need to be larger for this greater pumping distance with an additional cost and the pumping costs would be increased. **(These costs will be supplied at the meeting as they have not been received from the suppliers).** It would be far more cost effective to drill a bore at the State owned site with a potential additional cost for the bore of \$300,000. Note Council cannot apply for funding for this bore at this stage as they do not own the land.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

Nil

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

The Water Network Assessment Management Plan details the replacement of bore 7 in Roma and the construction of a bore and reservoir at the State owned site.

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Compliance & Reporting Officer, Strategic Water, Sewerage and Gas Office – reviewed the report and supported the recommendations.

### Funding Bodies:

*Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application. (Please do not just include names)*

Bore 7 replacement is proposed to be included in the application for funding in the Building our Regions Round 6 applications.

### This Financial Year's Budget:

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$) ? Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

Nil

### Future Years' Budgets:

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$) ? (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)*

Nil

### Impact on Other Individuals or Interested Parties:

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns? (Interested Parties Analysis - IS9001:2015)*

Roma water consumers

### Risks:

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does) (List each identified risk in a table)*

Risk	Description of likelihood & consequences
Council does not approve the replacement of bore 7	This will place greater stress on the water Tower and bore 19.
Council approves a bore 5km east of Roma	This will add considerable cost to the new bore, both capital and ongoing operations.

### Advice to Council:

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Bore 7 needs to be decommissioned and it should be replaced in the land owned by Council to the west. This project is an ideal candidate for external funding through the BoR round 6 fund applications. Council should locate the next bore on the State owned land adjacent to the Surat turn off, after securing this land.

**Recommendation:**

***What is the 'draft decision' based on the advice to Council?***

***Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?***

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

***Does this recommendation suggest a decision contrary to an existing Council policy?***

***If so, for what reason?***

That Council:

- Note the contents of this report
- Approve the replacement of bore 7 in Roma in Paddock 3 of lot 338WV1628<Provide details>

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 1: Getting the basics right

1.1 Water

**Supporting Documentation:**

[1](#) Roma Water Bore Assessment Strategy - 2021

D21/83058

**Report authorised by:**

Deputy Chief Executive Officer/Acting Director Infrastructure Services

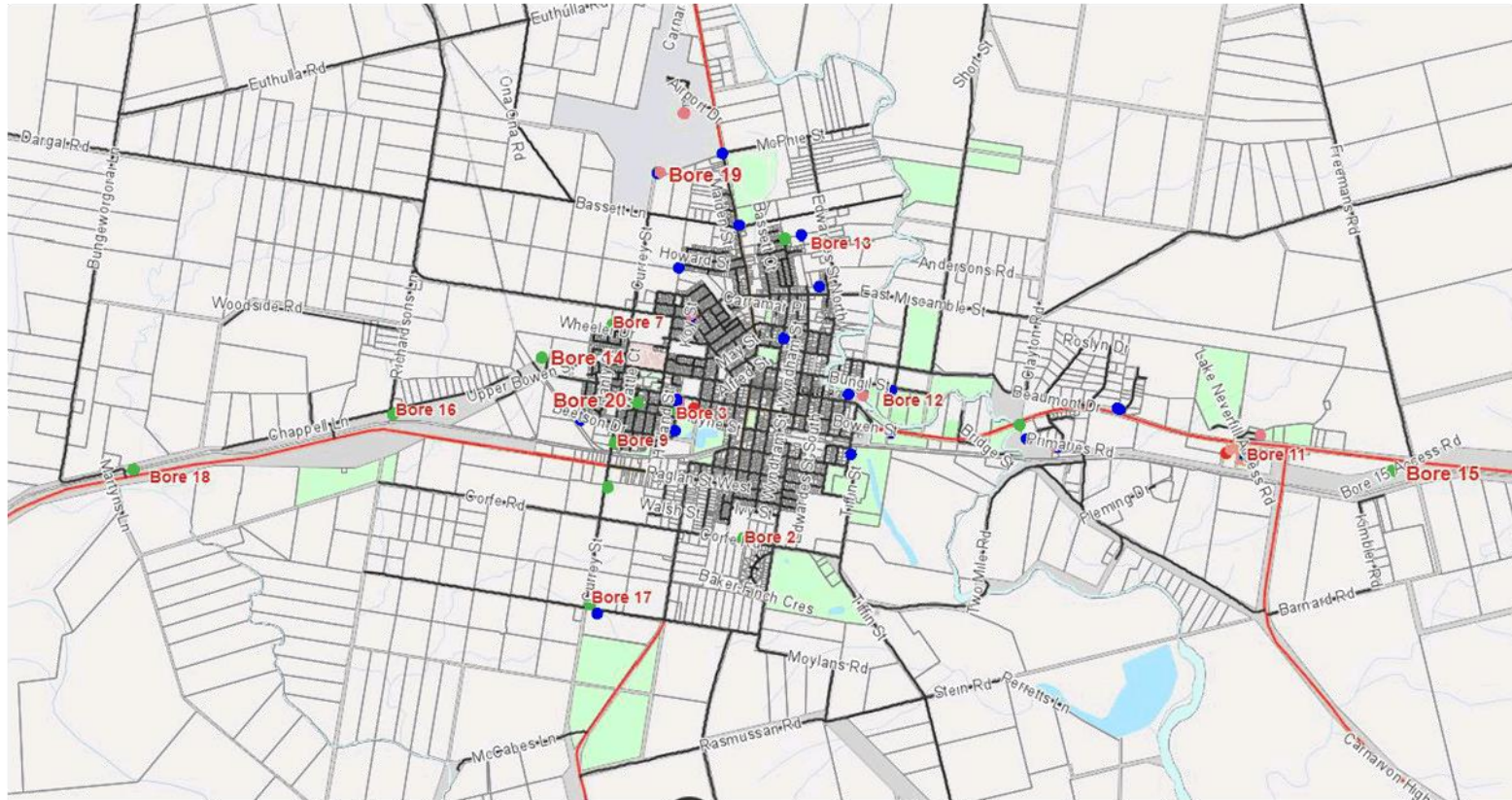


Figure 1 – Location of bores

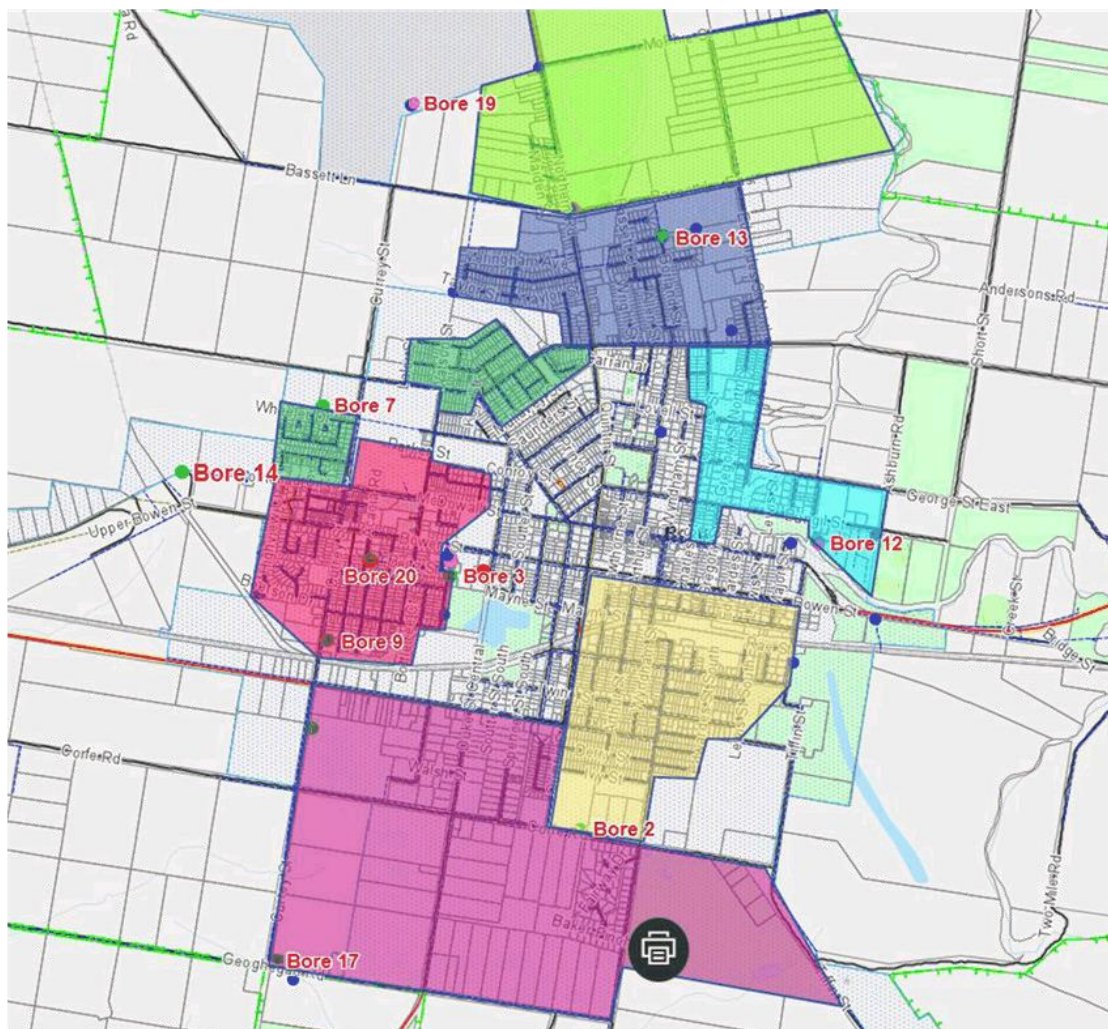


Figure 2 – Pressure zones

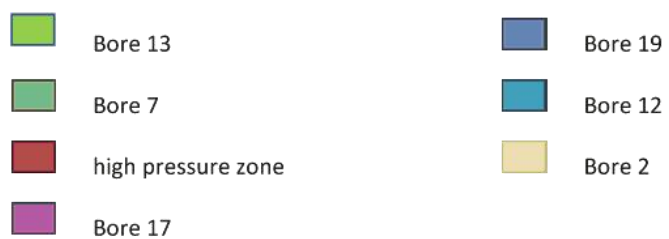




Figure 3 – Location of proposed new bore and reservoir.

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 15 September 2021

**Item Number:** 13.1

**File Number:** D21/75579

**SUBJECT HEADING:** Roma and District Junior Soccer Association  
Incorporated Lease Agreement

**Classification:** Open Access

**Officer's Title:** Council Buildings & Structures Maintenance  
Officer / Team Coordination

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### **Executive Summary:**

Correspondence was received from Roma and District Junior Soccer Association, requesting that Council renew a long-term lease over Lot 82 on CP8614. The association are also seeking Council's in-principle consent to relocate the clubhouse within the lease area and for Council to include the clubhouse in its Property Protection Policy.

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

That Council:

1. Grant a peppercorn lease to the Roma and District Junior Soccer Association Incorporated for a period of 10 years with a further option of 10 years over Lot 82 on CP8614.
2. As freehold owner of the land described as Lot 82 on CP8614 grant in principle consent for the Roma and District Junior Soccer Association to relocate the clubhouse and associated assets anywhere within the lease area subject to Council's standard building and planning approvals.
3. Authorise the Chief Executive Officer, or delegate, to finalise terms and sign the lease and any associated documentation.

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### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Roma and District Junior Soccer Association Incorporated and its members.

### **Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
NIL	NIL

**Context:**

***Why is the matter coming before Council?***

Correspondence was received from Roma and District Junior Soccer Association, requesting that Council renew a long-term lease over Lot 82 on CP8614. The association are also seeking Council's in-principle consent to relocate the clubhouse within the lease area and for Council to include the clubhouse in its Property Protection Policy.

Council is asked to consider the request.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

The land described as Lot 82 on R8614, is Council Owned Freehold Land located at 12-16 Bungil Street, Roma.

The Roma and District Junior Soccer Association has held an exclusive use agreement over this land, with the most recent lease agreement executed on 5 February 1979 and expiring on 4 February 2019.

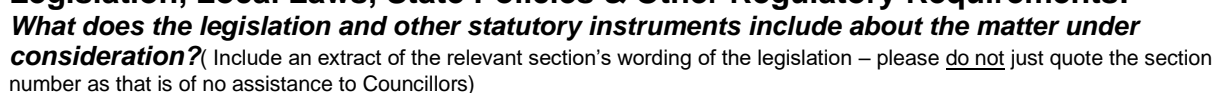
Lot 82 on R8614 is situated between two sporting ovals, with the Roma Touch Fields to the East (Lot 91 on R8614) and the former Wattles oval on the West (Lot 2 on RP170339). During the application process, Roma and District Junior Soccer Association Incorporated have indicated that they would have no objection for the Wattles oval being used by another community sporting group if required in the future.

Initial investigations have shown that there is no immediate risks that would prevent Council from offering its consent to relocate the clubhouse.

Council's current property protection policy extends to all buildings that are owned by Council and have a current written down insurance value of \$10,000 or more. In the case of the Roma Junior Soccer Clubhouse, it is currently covered by Council's policy for a total replacement cost of \$739,287.20.



## Ordinary Meeting - 27 October 2021



### Exceptions for valuable non-current asset contracts

## 236 Exceptions for valuable non-current asset contracts

- (1) Subject to subsections (2) to (4), a local government may dispose of a valuable non-current asset other than by tender or auction if—
  - (a) the valuable non-current asset—
    - (i) was previously offered for sale by tender or auction but was not sold; and
    - (ii) is sold for more than the highest tender or auction bid that was received; or
  - (b) the valuable non-current asset is disposed of to—
    - (i) a government agency; or
    - (ii) a community organisation; or
  - (c) for the disposal of land or an interest in land—
    - (i) the land will not be rateable land after the disposal; or
    - (ii) the land is disposed of to a person whose restored enjoyment of the land is consistent with Aboriginal tradition or Island custom; or
    - (iii) the disposal is for the purpose of renewing the lease of land to the existing tenant of the land; or
    - (iv) the land is disposed of to a person who owns adjoining land if—
      - (A) the land is not suitable to be offered for disposal by tender or auction for a particular reason, including, for example, the size of the land or the existence of particular infrastructure on the land; and
      - (B) there is not another person who owns other adjoining land who wishes to acquire the land; and
      - (C) it is in the public interest to dispose of the land without a tender or auction; and
      - (D) the disposal is otherwise in accordance with sound contracting principles; or
    - (v) all or some of the consideration for the disposal is consideration other than money, for example, other land given in exchange for the disposal, if—
      - (A) it is in the public interest to dispose of the land without a tender or auction; and
      - (B) the disposal is otherwise in accordance with sound contracting principles; or
    - (vi) the disposal is for the purpose of a lease for a telecommunication tower; or
    - (vii) the disposal is of an interest in land that is used as an airport or for related purposes if—
      - (A) it is in the public interest to dispose of the interest in land without a tender or auction; and
      - (B) the disposal is otherwise in accordance with sound contracting principles; or
  - (d) for the disposal of a valuable non-current asset, other than land, by way of a trade-in for the supply of goods or services to the local government—
    - (i) the supply is, or is to be, made under this part; and
    - (ii) the disposal is, or is to be, part of the contract for the supply; or
  - (e) for the disposal of a valuable non-current asset by the grant of a lease—the grant of the lease has been previously offered by tender or auction, but a lease has not been entered into; or
  - (f) the Minister exempts the local government from complying with [section 227](#).
- (2) An exception mentioned in subsection (1)(a) to (e) applies to a local government disposing of a valuable non-current asset only if, before the disposal, the local government has decided, by resolution, that the exception may apply to the local government on the disposal of a valuable non-current asset other than by tender or auction.

- (3) A local government may only dispose of land or an interest in land under this section if the consideration for the disposal would be equal to, or more than, the market value of the land or the interest in land, including the market value of any improvements on the land.
- (4) However, subsection (3) does not apply if the land or interest in land is disposed of under subsection (1)(b), (1)(c)(ii) or (1)(f).
- (5) For subsection (3), a written report about the market value of land or an interest in land from a valuer registered under the [Valuers Registration Act 1992](#) who is not an employee of the local government is evidence of the market value of the land or the interest in land.
- (6) An exemption under subsection (1)(f) may be given subject to conditions.

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

Nil

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Nil

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

Nil

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

Nil

**Future Years' Budgets:**

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

Nil

**Impact on Other Individuals or Interested Parties:**

***Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?***

(Interested Parties Analysis - IS9001:2015)

It is possible that Junior Rugby League teams may seek development of a playing/training oval.

**Risks:**

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Nil	Nil

**Advice to Council:**

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is recommended that Council renew the long term lease, give in-principle consent for the relocation of the clubhouse and continue to insure the assets at the premises.

**Recommendation:**

*What is the 'draft decision' based on the advice to Council?*

*Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

*Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

That Council:

1. Grant a peppercorn lease to the Roma and District Junior Soccer Association Incorporated for a period of 10 years with a further option of 10 years over Lot 82 on CP8614.
2. As freehold owner of the land described as Lot 82 on CP8614 grant in principle consent for the Roma and District Junior Soccer Association to relocate the clubhouse and associated assets anywhere within the lease area subject to Council's standard building and planning approvals.
3. Authorise the Chief Executive Officer, or delegate, to finalise terms and sign the lease and any associated documentation.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.10 Facilities

**Supporting Documentation:**

[1](#) Letter From Roma and District Junior Soccer Association D21/75788  
Incorporated RE: Lease Agreement

**Report authorised by:**

Manager - Facilities (Land, Buildings & Structures)

Deputy Chief Executive Officer/Acting Director Infrastructure Services

13<sup>th</sup> September, 2021

Maranoa Regional Council  
Cnr Bungil and Quintin Street  
Roma, QLD 4455

Roma and District Junior Soccer  
Association Incorporated  
P.O.Box 56  
Roma, QLD 4455

RE: Letter of Request - Lease Renewal for Roma and District Junior Soccer Association Incorporated

Attn: Julie Reitano – CEO Maranoa Regional Council;

We have been advised by the Maranoa Regional Council to renew the lease of the club grounds. This letter is a formal request from Roma and District Junior Soccer Association Incorporated to the following:

1. Renewal of our lease agreement for property "Lot 82 ON CP8614 - The whole of the Land", Title Reference #16417130" with the Maranoa Regional Council. (Please see attachment 1 for the noted land area on a twenty (20) year lease, the same as the previous lease agreement).
2. Approval for Roma and District Junior Soccer Association Incorporated to move the clubhouse to a more suitable location within the property "Lot 82 ON CP8614". Please see attachment 2 for reference. We have suggested two locations. Preference #1 is our preferred location. We are requesting that the clubhouse be moved to a more inviting and appropriate location in the carpark area to create a more inclusive ambience. We feel minor renovations to the location will encourage new membership for players and provide a social event for parents and friends to enjoy the training session. The clubhouse floorplan will include a conference room, office, kitchen/café/bar, bathrooms on the top floor, locker room on the ground floor and a decking area, with a modern vibe to encourage revenue opportunities to the club and be a place for the community to come together.
3. Request insurance of the clubhouse be covered under the Maranoa Regional Council's Policy.

The Roma and District Junior Soccer Association Incorporated has a commitment to connect communities big and small to deliver high quality soccer programs to inspire, improve and motivate junior players' lives. Players journeys will be to find their confidence in their soccer skills, dedication and commitment to the game as well as excellence in delivering team performance. We are dedicated to providing a safe and positive training environment to prepare individual players on and off the field, to reach their full potential as athlete and leaders through soccer. The inclusive spirit of soccer will be empowering women who want to play or support the game. Female participation in the sport has gained popularity and continues to grow. The Olympics games 2032 is in Queensland, we feel our club will continue the legacy of soccer for future generations to come.

The association held their AGM and a general meeting on 22<sup>nd</sup> June, 2021. Please be advised that the officials elected are as follows: President - Tyson Golder;

Treasurer - Mikayla Mason;

Secretary - Paanthida Otto.

It takes many dedicated volunteers to make a not-for-profit association work successfully. We feel Roma and District Junior Soccer Association Incorporated is an asset to Roma, bringing health and wellbeing to our youths and their families. Thank you in advance for your kind consideration. We look forward to a positive response for our request.

Kind Regards,  
Paanthida Otto  
Secretary

Roma and District Junior Soccer Association Incorporated  
[Romajuniorsoccer@gmail.com](mailto:Romajuniorsoccer@gmail.com)

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 12 October 2021

**Item Number:** 13.2

**File Number:** D21/82252

**SUBJECT HEADING:** RFT 22009 - Sale of Vacant Industrial Land  
located at Mitchell QLD 4465

**Classification:** Open Access

**Officer's Title:** Manager - Facilities (Land, Buildings & Structures)

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### **Executive Summary:**

Council publicly invited interested parties to submit tenders to acquire vacant industrial land for development in Sophia and Grace Streets Mitchell and described as Lots 27, 28, 29, 30, 31, 32, 34 and 35 on M15119.

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

That Council:

That Council:

1. Accept the offer from BR and VE Jones to purchase vacant industrial land in Sophia and Grace Streets Mitchell and described as Lots 27, 28, 29, 30, 31, 32, 34 and 35 on M15119 for the tendered amount of \$7,700 per lot including GST.
2. Authorise the Chief Executive Officer (or delegate) to enter into negotiations with BR and VE Jones formalising the terms and conditions in the draft contract and execute any documentation associated with this asset disposal.

---

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Tenderers who have submitted a tender under this request:

- BR and VE Jones

## Acronyms:

### Are there any industry abbreviations that will be used in the report?

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
Nil	Nil

## Context:

### Why is the matter coming before Council?

Council publicly invited tenders for the sale of industrial land for development in Sophia and Grace Streets Mitchell and described as Lots 27, 28, 29, 30, 31, 32, 34 and 35 on M15119.

The following lots were tendered:

Lot	Size
Lot 27 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 28 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 29 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 30 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 31 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 32 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 34 on M15119	.1012 hectares (1,012m <sup>2</sup> )
Lot 35 on M15119	.1012 hectares (1,012m <sup>2</sup> )

This report seeks Council's approval to enter into a contract of sale with the recommended Tenderer, for the purpose of Council disposing of the asset.

## Background:

### Has anything already happened in relation to this matter?

(Succinct overview of the relevant facts, without interpretation)

The tender was advertised in the Western Star for the period 3 September 2021 to the 27 September 2021.

**buy search sell**  
.com.au

SALE OF VACANT INDUSTRIAL LAND  
LOCATED AT MITCHELL QLD 4465



A.B.N. 99324089164

**Sale of Vacant Industrial Land Located at Mitchell  
QLD 4465**

**Tender Number - 22009**

Maranoa Regional Council invites Tenders for the sale of  
vacant industrial land at Mitchell QLD 4465.

Tenders close at 10am, 27 September 2021.

Tender documents (including specification and tender  
response form) can be obtained from  
[www.vendorpanel.com.au](http://www.vendorpanel.com.au)

Submissions received after the closing date and time will  
not be accepted. Only electronic submissions uploaded in  
the Vendorpanel will be considered.

Julie Reitano  
Chief Executive Officer

📍 **Mitchell QLD, Australia**

Map

### Tender period

The tender documents were released on 3 September 2021 to the 27 September 2021.

## Level of interest from the market

Twenty (20) interested parties read the Vendorpanel invitation and Council received one (1) response from BR and VE Jones for the amount of \$7,000 per lot (plus GST) for every lot available for sale.

The following evaluation criteria was used to assess the Tender Responses.

Evaluation Criteria	Weightage %
Purchase Price Offered to Council	45
Development Intentions and timeframes	20
Economic Benefits to the Mitchell Community	20
Local Content	15
Declaration of Conflicts of Interest	Mandatory

The full document ***Evaluation of Tender Responses*** has been circulated to Councillors under separate cover.

A valuation was conducted on this property by Acumentis on 9 April 2021. This valuation valued the property at \$50,000 for all lots. Individually the lots are valued at:-

### 7 VALUATION

Subject to the conditions, limitations and qualifications contained within the body of this report, we assess the Market Value of the subject property at 9 April 2021 is:

#### \*VACANT POSSESSION\*

Adopted Market Value	
Lot 27 on Crown Plan M15119	\$5,000
Lot 28 on Crown Plan M15119	\$7,000
Lot 29 on Crown Plan M15119	\$7,000
Lot 30 on Crown Plan M15119	\$5,000
Lot 31 on Crown Plan M15119	\$5,000
Lot 32 on Crown Plan M15119	\$7,000
Lot 34 on Crown Plan M15119	\$5,000
Lot 35 on Crown Plan M15119	\$10,000
Excluding GST	

A copy of the valuation will be provided separately to Councillors.

### Legislation, Local Laws, State Policies & Other Regulatory Requirements:

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

### Local Government Regulation 2012 – Reg 227

### Valuable non-current asset contract – tenders or auction needed first

## 227 Valuable non-current asset contract – tenders or auction needed first

- (1) A local government cannot enter into a valuable non-current asset contract unless it first –
  - (a) Invites written tenders for the contract under *section 228*; or
  - (b) Offers the non-current asset for sale by auction.
- (2) This section is subject to *division 4*.

### Council Policies or Asset Management Plans:

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

The tender process, including the evaluation of submissions, is consistent with the Maranoa Regional Council Procurement Policy.

### Input into the Report & Recommendation:

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

The Tender Evaluation Panel comprised the following Council staff members:

- Manager - Facilities (Land, Buildings & Structures) – Tanya Mansfield
- Manager Procurement & Plant – Michael Worthington

### Funding Bodies:

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

Nil

### This Financial Year's Budget:

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

Revenue of \$56,000 plus GST \$5,600. Total price \$61,600.

### Future Years' Budgets:

***Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?*** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

Rates and charges revenue payable by the successful tenderer.

### Impact on Other Individuals or Interested Parties:

***Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?***

(Interested Parties Analysis - IS9001:2015)

Tenderer - BR and VE Jones

### Risks:

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Decide not to proceed with tender	<ul style="list-style-type: none"> <li>Negative feedback from tenderer. Potential loss of economic development opportunity for Mitchell.</li> </ul>
Sale of all lots.	<ul style="list-style-type: none"> <li>Limited available developed commercial, industrial land in Mitchell.</li> </ul>

### Advice to Council:

**What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?**

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is recommended that Council accept the tender submitted by BR and VE Jones for the purchase price of \$61,600 including GST (\$7,700 per lot including GST).

### Recommendation:

**What is the 'draft decision' based on the advice to Council?**

**Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

**Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

That Council:

1. Accept the offer from BR and VE Jones to purchase vacant industrial land in Sophia and Grace Streets Mitchell and described as Lots 27, 28, 29, 30, 31, 32, 34 and 35 on M15119 for the tendered amount of \$7,700 per lot including GST.
2. Authorise the Chief Executive Officer (or delegate) to enter into negotiations with BR and VE Jones formalising the terms and conditions in the draft contract and execute any documentation associated with this asset disposal.

### Link to Corporate Plan:

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.10 Facilities

### Supporting Documentation:

Nil.

### Report authorised by:

Deputy Chief Executive Officer/Acting Director Regional Development

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 13 October 2021

**Item Number:** 13.3

**File Number:** D21/82679

**SUBJECT HEADING:** Senex - Sponsorship agreement to assist with Community Grants Program

**Classification:** Open Access

**Officer's Title:** Customer & Library Services Officer

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### **Executive Summary:**

Council has received an offer to reinstate the agreement between Maranoa Regional Council and Senex, for financial support of its Community Grants program. It is recommended that the offer be accepted.

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

That Council:

1. Accept the offer for Community Grant support.
  2. Authorise the CEO to sign an agreement between the two organisations.
- 

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Community groups across the region are expected to benefit.  
There are benefits for Senex in achieving its Corporate objectives.

### **Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
<Insert Acronym>	<Provide details>

### **Context:**

***Why is the matter coming before Council?***

Council has received an offer from Senex to renew their agreement to contribute \$15,000pa for a minimum of 2 years to continue to partner with Maranoa Regional Council to grow its Community Grants program. The offer is to continue the Senex 'Small Grants' category, (\$500 - \$3,000) within the Community Grants program. The \$15,000 contribution is to **add to** Council's existing funds, which would increase the available 'budget'.

Senex at present sits on the board of assessors for community grants, and did so for Round One of the Community Grant programs, which were assessed on the 5<sup>th</sup> October 2021.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Senex has outlined the following perceived benefits to Council:

***Benefits to Senex and Council***

- *Helps meet the oversubscription in grant funding applications to council's grant program.*
- *Creates a partnership approach between Council and a gas company, through including a Senex representative on the assessment committee for this category of grants, and appropriate Senex acknowledgement and branding on Council's webpage and the 'small grants' section of the application form.*
- *Sets an example for other companies to follow regarding partnering with Council on funding the community and major grant categories. (Note – it is not known if this would actually appeal to other resource companies who have their own branding and grants programs in place)*
- *Senex partnering with council ensures a robust assessment criteria aligned to local needs and priorities for determining where Senex's grants funds are allocated. This includes recipients having to contribute 50% in dollar or in-kind funding, which reinforces a partnership approach.*
- *Reduces the need for community organisations that are people and time poor having to duplicate sponsorship applications – one application to Council and another to Senex for the same project.*
- *Reduces the risk of Senex using these funds for sponsoring community services and council being asked to fill the funding shortfall if Senex sometime in the future ceases to be a sponsor.*

Currently, Council has \$151,665 in the community grants budget which is disbursed in 2 rounds each year. The categories are:

- Senex Small Grants – providing funding between \$500 and \$3,000 with 50% contribution required from applicants.
- Community Grants - providing funding between \$3,001 and \$10,000 with 50% contribution required from applicants.
- Major Grants – providing funding between \$10,001 and \$20,000 with 75% contribution required from applicants.

Senex expects that Council will also allocate \$15,000 into the Small Grants 'pool', making \$30,000 to be distributed over 2 rounds each year – up to 10 recipients. The same criteria and guidelines apply i.e. same categories of Sport and Rec, Events, Community Development etc.

Since Round 2 of 2018/19, there have been a total of 32 Small Senex grants approved. A breakdown has been attached to show that the Small Senex Grant is received well by the community and the demand increases every year.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The Local Government Regulation 2012 states that:

**Section 194 – Grants to community organisations**

A local government may give a grant to a community organisation only—

- (a) if the local government is satisfied—
  - (i) the grant will be used for a purpose that is in the public interest; and
  - (ii) the community organisation meets the criteria stated in the local government's community grants policy; and
- (b) in a way that is consistent with the local government's community grants policy.

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

Maranoa Regional Council - Grants and Non-Financial Assistant Guide

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Trevor Robertson - Senex representative – is enthusiastic to continue working with Maranoa Regional Council.

Ed Sims - Manager Economic Development – supports the contract renewal.

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

Senex contribution of the \$15,000 per year.

**This Financial Year's Budget:**

***Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).***

***If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?***

Council has allocated \$151,665 in the 2021/22 budget for Community Grants. This offer would increase this amount to \$166,665. This would also have a significant impact on the funding available for Round Two, as the whole \$15,000 is typically exhausted in one round.

### Future Years' Budgets:

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

There would be an extra \$15,000 available through the Community Grants program, which would benefit our communities.

### Impact on Other Individuals or Interested Parties:

**Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?** (Interested Parties Analysis - IS9001:2015)

There is the potential for community perception to see Senex as contributing to the whole of the Grants program, reducing the recognition of Council.

### Risks:

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Nil	

### Advice to Council:

**What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?**

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

This is a positive boost for local community groups to be able to access additional funds to assist with small projects, and with flow on effects to local tradespeople and suppliers, should have an economic benefit to businesses.

Senex representatives are attached to the idea, so it is recommended that Council accept the offer to renew the agreement for a minimum of two years.

### Recommendation:

**What is the 'draft decision' based on the advice to Council?**

**Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

**Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

That Council:

1. Accept the offer for Community Grant support.
2. Authorise the CEO to sign an agreement between the two organisations.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.12 Local development and events

**Supporting Documentation:**

- |   |                   |  |           |
|---|-------------------|--|-----------|
| 1 | <a href="#">↓</a> | Senex - Sponsorship agreement - Community Grant      | D19/10450 |
|   |                   | Program (small grants) - signed agreement - 12.02.19 |           |
| 2 | <a href="#">↓</a> | Senex Small Community Grants - Funded since 2018/19  | D21/82788 |

**Report authorised by:**

Manager - Economic & Community Development

Deputy Chief Executive Officer/Acting Director Infrastructure Services



30 January 2019

Maranoa Regional Council  
Cnr Bungil and Quintin Streets  
Roma QLD 4455

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[info@senexenergy.com.au](mailto:info@senexenergy.com.au)  
[senexenergy.com.au](http://senexenergy.com.au)

Dear Susan

**RE: Sponsorship agreement – community grant program (small grants)**

Maranoa Regional Council (**Council**) has developed a small grants category under its funding program for community-based projects in which the Council will award up to a total of \$30,000 each financial year and a maximum of \$3,000 per grant/project (**Small Grants Program**) to be co-funded by the Council and Senex. Senex Energy Limited (**Senex**) (or its related entities) is developing the Western Surat Gas Project in the Maranoa region.

In consideration for the sponsorship entitlements outlined in paragraph 2 below (**Sponsorship Entitlements**) and to support:

- the vibrancy and sustainability of the Maranoa community in which Senex operates;
- the passionate and hardworking volunteers of the area who do so much to keep the community strong;
- Council meeting the demand for funding under the Small Grants Program,

Senex has agreed to contribute the sponsorship funds in paragraph 1.a (**Sponsorship Funds**) towards the Small Grants Program on the terms set out in this letter.

The arrangement the subject of this letter starts on and from the date on which Council signs and returns the letter and ends 30 June 2021 (**Term**).

**1. Sponsorship Funds**

- a. Senex must pay to the Council on presentation of a valid tax invoice (into the Council's nominated bank account details of which it must notify to Senex) the following amounts on the dates set out below:

Payment 1	\$15,000 + GST	28 February 2019
Payment 2	\$15,000 + GST	1 November 2019
Payment 3	\$15,000 + GST	1 November 2020

- b. The Council must:
- i. only use the Sponsorship Funds for the Small Grants Program and not for any other purpose (including any other community/major grants program);
  - ii. only allocate and release Sponsorship Funds as the Panel (defined below) recommends under this letter and which are subsequently endorsed by Council;

- iii. hold over any unused Sponsorship Funds in any financial year during the Term to be made available for Awards (if any) made in the following financial year; and
- iv. at Senex's request, provide details regarding how and when the Sponsorship Funds are expended.

## **2. Sponsorship Entitlements**

The Council must:

- a. promote the Small Grants Program as being funded by both Council and Senex;
- b. on a date(s) which the parties agree:
  - i. distribute a media release to targeted media and to any other stakeholders agreed by both parties regarding the commencement of the arrangement the subject of this letter;
  - ii. seek to have published a story or image (or both) in the Western Star newspaper, the Surat News and the Toowoomba Chronicle regarding the commencement of the arrangement the subject of this letter; and
  - iii. publish a story or image (or both) announcing the arrangement between the parties and the Council's development of the Small Grants Program on social media channels agreed by both parties;
- c. acknowledge Senex's involvement in the Small Grants Program on the Council's webpage including in the '*About the Program*', *Funding Rounds & Notifications and What Type of Grants are Available* sections of Council's Grants Program Guide, the grant application form and any other sections referencing the Small Grants Program. Such acknowledgements must include the Senex logo and where technically possible and a hyperlink to the Senex website;
- d. allow Senex the first right of refusal to participate as sponsor in the Small Grants Program beyond the Term;
- e. as soon as reasonably practicable following Senex's request, provide statistics, reports and photos that Senex could use in its communications, speeches, presentations to promote the Small Grants Program and Senex's contribution to that program; and
- f. unless Senex agrees, the Council must not offer to, or accept from, any other party sponsorship funds for the Small Grants Program during the Term.

## **3. Obligations**

Each party must:

- a. agree with the other party the form and contents of any publications, promotions, advertisements, reporting, brochures, newsletters, flyers, displays, statements or releases regarding the matters the subject of this letter before disclosing, publishing, producing, printing or otherwise distributing them or making them publicly available (including as contemplated under this letter); and
- b. obtain the other party's approval before publishing, producing, printing or otherwise distributing or making publicly available any material displaying or referencing that party's logo, the name or any other branding (including as contemplated under this letter);
- c. not modify the other party's logo or other branding in any way without that party's consent and must use the logo and branding in accordance with any guidelines it provides;
- d. use reasonable endeavours to, where appropriate, invite the other party's representatives to networking events from time to time; and
- e. use reasonable endeavours to discuss other co-ordination opportunities.

#### **4. Small Grants Advisory Panel**

- a. By the closing date for of each funding round, the parties must establish a committee (each, the **Panel**) to assess community groups' applications for grants to be awarded under the Small Grants Program (each an **Application**).
- b. The Panel will consist of four Council representatives and up to two Senex representatives (**Representatives**).
- c. The Panel must assess Applications and recommend grants to applicants in accordance with the Council's assessment criteria as published on the Council website from time to time (**Awards**).
- d. If the Representatives cannot unanimously agree on the recommended recipient or amount of an Award (or both):
  - i. the Council's nominated Representatives may make the final recommendation to Council regarding the Award; and
  - ii. the Council's nominated Representatives must state in the recommendation to the Council that the Senex nominated Representatives disagreed with the allocation and release of funds for those Awards.
- e. The Representatives must maintain minutes of Panel meetings including details of the Applications and Award amounts and recipients (including reasons).
- f. The parties must use reasonable endeavours to collaborate and agree on, and if agreed, publish, a co-branded media release (including photographs where appropriate) supporting the announcement of the decision to grant Awards to the successful applicants. Such announcement (if any) must include an acknowledgement of Senex's contribution. The Council will encourage Award recipients, as part of the Small Grants Program funding guidelines, to invite Senex representatives to attend any events or other activities in connection with any Awards or the successful Applicants.

#### **5. Termination**

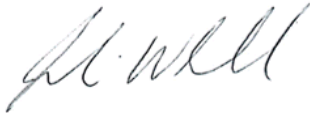
- a. Either party may terminate this letter by notice in writing if:
  - i. the other party breaches this letter and fails to rectify the breach within five business days of a request to do so; or
  - ii. a party (the **Concerned Party**) reasonably considers that any actions or activities:
    1. under or in connection with this letter; or
    2. of the other party (whether under or in connection with this letter or otherwise),may adversely affect the Concerned Party's reputation or business.
- b. If this letter terminates or expires:
  - i. the Council must, within 10 business days, return to Senex any unused Sponsorship Funds; and
  - ii. each party must, as soon as practicable, cease producing, distributing and publishing all materials containing the other party's logo or branding or otherwise referencing the matters the subject of this letter.

#### **6. General**

- a. The parties agree and acknowledge:
  - i. this letter is governed by the law in force in Queensland; and
  - ii. nothing in this letter requires a party to breach any laws, including applicable laws regarding anti-corruption and bribery.

- b. A party must not disclose the terms of this letter (except to the extent permitted in this letter or, in the case of Senex, to its related entities) without the other party's consent, not to be unreasonably withheld or delayed.

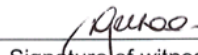
Signed for Senex Energy Limited by its authorised representative:




Julie Whitcombe  
Executive General Manager – Queensland Assets  
Senex Energy Limited

By signing this letter and returning a copy to Senex, Maranoa Regional Council acknowledges and agrees to the terms above.

Signed for Maranoa Regional Council by its  
authorised representative:

  
\_\_\_\_\_  
Signature of witness  
Debbie Gelhaar  
\_\_\_\_\_  
Name and position of authorised  
representative of witness

Date: 12.2.19.

  
\_\_\_\_\_  
Signature of authorised representative  
JULIE LEITAND  
\_\_\_\_\_  
Name and position of authorised  
representative  
CHIEF EXECUTIVE OFFICER

## Round 2 2018/19

Applicant	Project	Total Cost of Project	Amount Funded
Booringa Action Group Inc	<a href="#">Workshops for Fire and Water Festival</a>	\$11,150.00	\$3,000.00
RSL Surat Sub Branch	<a href="#">Enhancing the Surat Freedom Tree</a>	\$5,491.00	\$2,745.00
Zonta Club of Roma Inc	<a href="#">Edge of the Outback</a>	\$7,776.00	\$2,990.00
Bendemere Pony Club Inc	<a href="#">Secure boundary fenceing - Yuleba Rec Grounds</a>	\$9,878.00	\$3,000.00
Surat Bowling Club Inc	<a href="#">Cooling the Volunteers and Visitors</a>	\$5,302.00	\$2,302.00
Injune Arts Inc	<a href="#">Injune's Creative Odyssey 2019</a>	\$20,250.00	\$2,463.00
<b>Total</b>			<b>\$16,500.00</b>

## Round 1 2019/20

Applicant	Project	Total Cost of Project	Amount Funded
Rotary Club of Mitchell	<a href="#">Upgrade of Fisherman's Rest Hut</a>	\$3,562.00	\$1,887.00
Roma Show Society Inc	<a href="#">New lighter display stands</a>	\$6,000.00	\$2,662.00
Roma Rugby Union Club	<a href="#">Gallas Fox oval resurface refurbishment</a>	\$6,840.00	\$3,000.00
Round 2			
Corona Lodge No 318	<a href="#">Masonic Lodge Building upgrade - Fence Installation</a>	\$8,162.61	\$3,000.00
Visit Roma	<a href="#">Purchase office Equipment</a>	\$1,915.50	\$467.00
Yuleba and District Bowls Club	<a href="#">Defibrillator for Clubhouse and green side</a>	\$3,000.00	\$1,825.00
All Saints Anglican Church	<a href="#">All Saints' Anglican Church Debutante Ball</a>	\$8,200.00	\$3,000.00
Noonga Community Association	<a href="#">Noonga's Black Tie affair</a>	\$6,000.00	\$1,500.00
Life Christian Church	<a href="#">Fridge/ Freezers/ oven</a>	\$5,614.90	\$2,807.00
Injune Rodeo Association Inc	<a href="#">Canteen Upgrade</a>	\$4,800.00	\$2,400.00
<b>Total 2019/20</b>			<b>\$22,548.00</b>

## Round 1 2020/21

Applicant	Project	Total Cost of Project	Amount Funded
QCWA - Roma Branch	<a href="#">CWA Roma Branch Technology Update</a>	\$6,101.55	\$2,901.55
Injune and District Men's Shed Inc	<a href="#">External works at the Injune Men's Shed</a>	\$6,000.00	\$3,000.00
Queensland Blue Light Association Inc - Mitchell Branch	<a href="#">Blue Light Equipment Upgrade</a>	\$2,017.00	\$1,008.50
Eumamurrin Gun Club	<a href="#">Crowd Capacity</a>	\$6,057.00	\$2,800.00
Surat Hospital Auxiliary	<a href="#">Surat Hospital Fete</a>	\$5,069.00	\$2,355.00
Warroo Retirement Village Association Inc	<a href="#">Socializing at Warroo</a>	\$4,090.00	\$1,985.00
Round 2			
Life Christian Church Roma	<a href="#">Secure Child Safety Fencing</a>	\$11,788.46	\$3,000.00
Hodgson Soldiers Memorial Hall and Recreation Association	<a href="#">Hodgson Camp Oven Dinner</a>	\$2,000.00	\$1,000.00
Roma Contract Bridge Club	<a href="#">Furniture Renewal</a>	\$4,296.00	\$2,148.00

Bendemere Arts Association Inc	<a href="#">New Furniture</a>	\$3,369.00	\$1,684.50
Roma and District Lapidary and Minerals Society Inc	<a href="#">Purchase shipping container</a>	\$3,660.00	\$1,830.00
Surat and District Development Association Inc	<a href="#">Cobb and Co Festival Social Media Plan 2021</a>	\$11,740.00	\$2,850.00
Surat Pool Advocates	<a href="#">Surat Pool Seating</a>	\$6,949.80	\$3,000.00
Booringa Action Group	<a href="#">Raku Workshop / Art Workshop</a>	\$6,036.00	\$2,986.00
Gunggari native Title Aboriginal Corporation	<a href="#">Cultural Sites Survey</a>	\$12,334.00	\$1,134.00
Total <b>2020/21</b>			\$33,682.55

**OFFICER REPORT****Meeting:** Ordinary 27 October 2021**Date:** 13 October 2021**Item Number:** 13.4**File Number:** D21/82789**SUBJECT HEADING:** Amendment to U3A's Grant Project**Classification:** Open Access**Officer's Title:** Project & Administration Officer - Economic & Community Development**Executive Summary:**

U3A is a not-for-profit community organisation who applied for a Community Grant in Round 2 in the 2020/21 Financial Year to fund a Roma Business Photo Book project. They have been unable to complete this project so would like to apply the funding to a newly proposed project involving various community centric events. It is recommended that their new project is supported so the community grant is effectively utilised by the organisation.

**Officer's Recommendation:**

That Council supports the Roma U3A to use the Community grant funds from Round 2 to complete the newly proposed project activities as detailed in their recent request to Council in lieu of the originally proposed Roma Business Photo Book.

**Individuals or Organisations to which the report applies:**

*Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?*

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

U3A Roma

**Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
U3A	University for the Third Age

**Context:**

***Why is the matter coming before Council?***

U3A received a \$8000 Community Grant to fund a Roma Business Photo Book project. U3A advised they are no longer able to complete this project and would like submit an Amended Community Grant Proposal for consideration by Council. As they are amending their project that is funded by Council's community grant program, Council's support is required in order to proceed.

# **Background:**

## ***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

U3A is a not-for-profit community organisation who applied for a Community Grant in Round 2 in the 2020/21 Financial Year to fund a Roma Business Photo Book project. Their application for \$8000 was approved by Council at the meeting on 14 April 2021 where the following Resolution was made:

### **Resolution No. OM/04.2021/29**

#### **That Council:**

- 1. Endorse the recommendations of the assessment panel and approve the following Community Grant applications for payment:**

GROUP	GRANT TYPE	FUNDED
Hodgson Soldiers Memorial Hall and Recreation Association	Small	\$1,000.00
Life Christian Church Roma	Small	\$3,000.00
Gunggari Native Title Aboriginal Corporation	Small	\$1,134.00
Booringa Action Group	Small	\$2,986.00
Surat Pool Advocates	Small	\$3,000.00
Surat and District Development Association Inc	Small	\$2,850.00
Roma and District Lapidary and Minerals Society Inc	Small	\$1,830.00
Bendemere Arts Association Inc	Small	\$1,684.50
Roma Contract Bridge Club	Small	\$2,148.00
<b>Total</b>		<b>\$ 19,632.50</b>

GROUP	GRANT TYPE	FUNDED
Mitchell Golf Club	Community	\$4,493.00
Roughlie Community Centre Inc	Community	\$6,425.00
<b>U3A</b>	<b>Community</b>	<b>\$8,000.00</b>
Seeds of Connection	Community	\$3,470.00
Roma Pony Club Inc	Community	\$9,910.00
The Rotary Club of Roma	Major	\$20,000.00
<b>TOTAL</b>		<b>\$ 52,298.00</b>
	<b>Overall Total</b>	<b>\$ 71, 930.50</b>

- 2. Reallocate the short fall of \$7,457 from the Local Development Ordinary Wages General Ledger 2883.2001.0301 to the Community Grants General Ledger 2887.2244.2001.**

Since this time, U3A has advised they are unable to complete the original project as they do not have enough cash for their 50% contribution. As they were creating a photo book, the volunteer hours and other in-kind assistance would not add up to the \$8000 they were required to contribute.

U3A considered returning the \$8000 grant to Council but this would not provide any benefit to U3A or the wider community. Therefore, U3A would like to submit an amended community grant proposal for Council to consider. The full project plan and budget can be seen in the supporting documentation.

U3A proposes to use the grant on various upcoming events they are hosting, including Seniors Olympics, Annual Lunch Event and more as seen in the attached proposed amendment. These events aim to benefit U3A as well as the wider community through engaging activities.

U3A were going to request sponsorship from Council for these events but have instead decided that they are able to use the community grant that was already allocated, rather than returning the \$8000 grant to Council.

Their proposed plan is estimated to cost \$16,651 in total, roughly the same amount as their original project. U3A will contribute \$8651 along with the \$8000 Community Grant, thereby still meeting the requirement of a 50% contribution.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

N/A

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision? What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

N/A

**Input into the Report & Recommendation:**

***Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?*** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Local Development Officer – Booringa as she has been organising the community grants program recently. She supports U3A in using the grant for their new project plan.

**Funding Bodies:**

***Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.*** (Please do not just include names)

N/A

### **This Financial Year's Budget:**

*Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$) Is this already included in the budget? (Include the account number and description).*

*If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?*

Not applicable as U3A have already received the \$8000 Community Grant.

### **Future Years' Budgets:**

*Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$) (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)*

N/A

### **Impact on Other Individuals or Interested Parties:**

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*

(Interested Parties Analysis - IS9001:2015)

N/A

### **Risks:**

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Not approved	U3A may need to cancel their events

### **Advice to Council:**

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is recommended that Council supports U3A's new project as proposed to utilise the \$8000 Community Grant. This will ensure that the funding benefits U3A and its many members rather than the alternative of them having to return the \$8000 grant.

### **Recommendation:**

*What is the 'draft decision' based on the advice to Council?*

*Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

*Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

That Council supports and applies this community grant to U3A's newly proposed project.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.12 Local development and events

**Supporting Documentation:**

- |                     |   |           |
|---------------------|---|-----------|
| 1 <a href="#">↓</a> | U3A Community Grant Round 2 2020-21 - Proposed Amendment              | D21/82574 |
| 2 <a href="#">↓</a> | Letter from U3A - Submission of Grant Amendment Proposal Round 2-2021 | D21/82583 |

**Report authorised by:**

Manager - Economic & Community Development

Deputy Chief Executive Officer/Acting Director Infrastructure Services

Volunteer Hours charged at \$41 per hour:- \$41.00

ORIENTATION DAY AND TERM 4					
	Volunteer Hours	Cost of Hours	Goods & Services	TOTAL COST	RUNNING TOTAL
Administration Volunteer Hours Tutor Co-ordinator	39	\$ 1,599.00			
Administration Volunteer Hours Secretary	25	\$ 1,025.00			
Administration Volunteer Hours Treasurer	7	\$ 287.00			
Volunteer Hours President	6	\$ 246.00			
Volunteer Hours Minutes Secretary	10	\$ 410.00			
Volunteer Hours Committee x 5	10	\$ 410.00			
Catering Hours x 3 Volunteers @ 4 hours each	12	\$ 492.00			
Volunteer Hours charged at \$41 per hour:- Yoga 1HR	6	\$ 246.00			
Volunteer Hours charged at \$41 per hour:- Folk Art 1HR	6	\$ 246.00			
Volunteer Hours charged at \$41 per hour:- Table Tennis 2.5HR	15	\$ 615.00			
Volunteer Hours charged at \$41 per hour:- Book Club 1HR	6	\$ 246.00			
Volunteer Hours charged at \$41 per hour:- Majohng 3 HRS	18	\$ 738.00			
Volunteer Hours charged at \$41 per hour:- Mens Stretch 1HR	6	\$ 246.00			
<b>TOTAL VOLUNTEER HOURS</b> charged at \$41 per hour:-	<b>166</b>	<b>\$ 6,806.00</b>			
Food and Sundry Items			\$ 60.00	\$ 6,866.00	\$ 6,866.00
SENIORS MONTH ACTIVITIES					
<b>Seniors Olympics</b>	Vounteer Hours	Cost of Hours	Goods&Services	TOTAL ACTIVITY COST	
(U3A AUSPICING BODY WITH WQPHN & OTHERS GROUPS)					
Volunteer Administration Hours - Secretary	4	\$ 164.00			
Volunteer Administration Hours - Tutor Co-ord	4	\$ 164.00			
Men's Shed - To Provide Lunch			\$ 1,200.00		
Additional Running Costs			\$ 200.00	\$ 1,728.00	\$ 8,594.00
<b>Annual Lunch Event</b>	Vounteer Hours	Cost of Hours	Goods & Services		
Sub-Committee Volunteer Hours	12	\$ 492.00			
Lunch Venue Hire, Equipment, Food			\$ 3,420.00		
Name Badges			\$ 1,800.00	\$ 5,712.00	\$ 14,306.00

WEBSITE DEVELOPMENT	Paid Hours	Cost Per Hour	Goods & Services	TOTAL ACTIVITY COST	
Robert per hour	4	\$ 85.00	\$ 340.00	\$ 340.00	\$ 14,646.00
WEBSITE DEVELOPMENT VOLUNTEER HRS	Volunteer Hours	Cost of Hours	Goods & Services	TOTAL ACTIVITY COST	
Tutor Co-ordinator (Volunteer Hours)	7	\$ 287.00			
Minutes Secretary (Volunteer Hours)	6	\$ 246.00		\$ 533.00	\$ 15,179.00
WEBSITE MAINTENANCE VOLUNTEER HRS PER MONTH	Volunteer Hours	Cost of Hours	Goods & Services	TOTAL ACTIVITY COST	
Tutor Co-ordinate	6	\$ 246.00			
Minustes Secretary	6	\$ 246.00		\$ 492.00	\$ 15,671.00
ADMINISTRATIVE COSTS:-			\$ 980.00	\$ 980.00	\$ 16,651.00

Estimated Volunteer Hours (U3A Contribution) \$ 8,651.00 **Total Vol Hours = 211**

\$ 16,651.00

Target is \$16,000

Estimated Financial Costs Incurred (MRC Contribution) \$ 8,000.00

Re:- Amendment to Round 2-2021 Community Grants Submission – U3A Roma

Following earlier discussion with the Maranoa Regional Council on our inability to continue with the original Community Grant proposal we would like to take the opportunity to submit an Amended Community Grant Proposal for consideration by Council.

U3A Roma is a not-for-profit volunteer organisation based in Roma drawing members from across the Maranoa. The purpose of the Amended Grant Proposal has been laid out in the attached spreadsheet for perusal. Also attached is our calendar of events for October and November 2021. As you can see our organisation works tirelessly in the community to provide opportunities for activities and social engagement for our Seniors.

U3A Roma has a membership of over 100 and was founded in 2011 and continues to grow. We offer ongoing activities, learning and social engagement to support people to remain in their homes longer by providing the opportunity to have a healthier, more engaged life. As evidenced in the attached October/November calendar of events there are activities occurring on a daily basis nearly every week of the year. The benefit of U3A to the seniors of this community, and what it's wholly volunteer committee and membership offer, is boundless.

As Seniors Month has a busy calendar of events it was our decision to extend it into November. The acknowledged health and wellbeing benefits of keeping our bodies moving, minds active and our inner being nourished has well documented outcomes in the ageing process. For those in our community who live alone, and perhaps without family nearby, the social engagement and enjoyment of being part of events such as the Seniors Games and the Annual Lunch Event have the important benefits of inclusion and enjoyment that one receives from being part of an enriched society embracing and recognising our Seniors.

**OFFICER REPORT****Meeting:** Ordinary 27 October 2021**Date:** 14 October 2021**Item Number:** 13.5**File Number:** D21/82965**SUBJECT HEADING:** Applications for Community Grants Round One 2021/22**Classification:** Open Access**Officer's Title:** Customer & Library Services Officer**Executive Summary:**

Council is committed to supporting local and regional initiatives that provide opportunities for residents to access and participate in a wide range of recreational, cultural, environmental, community and economic development projects and activities through the Community Grants Program.

Fifteen grant applications were received and assessed under Round 1 for 2021/22. Six Small Grants, six Community Grants and one Major Grant were recommended for funding, subject to conditions where applicable.

**Officer's Recommendation:**

That Council:

1. Endorse the recommendations of the assessment panel and approve the following Community Grant applications for payment:

GROUP	GRANT TYPE	FUNDED
Mitchell Campdraft Association	Small	\$3,000.00
Roma Filipino Community	Small	\$3,000.00
Bymount East State School P&C Association	Small	\$2,700.00
Surat Local Ambulance Committee	Small	\$1530.00
Mungallala Progress and Sporting Association	Small	\$3,000.00
Queensland Blue Light Association Inc – Mitchell Branch	Small	\$1481.10
<b>Total</b>		<b>\$ 14,711.10</b>

GROUP	GRANT TYPE	FUNDED
Booringa Heritage Museum Inc	Community	\$9,995.00
Cultural Heritage Injune Preservation Society	Community	\$4,640.00
Roma Patchwork and	Community	\$3,695.00

**Maranoa Regional Council**

**Ordinary Meeting - 27 October 2021**

Crafters Group		
Booringa Action Group	Community	\$10,000.00
Roma Commerce and Tourism	Community	\$3,356.95
Roma Show Society Inc.	Community	\$10,000.00
Roma Rugby Union Football Club Incorporated	Major	\$20,000.00
<b>TOTAL</b>		\$ 61,686.95
	<b>Overall Total</b>	<b>\$ 76,398.05</b>

2. Remove the Major Grant category for funding in Round Two, 2021/22 due to budget constraints.

**Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

**Community Groups:**

Mitchell Campdraft Association  
 Roma Filipino Community  
 Bymount East State School P&C Association  
 Surat Local Ambulance Committee  
 Mungallala Progress and Sporting Association  
 Queensland Blue Light Association Inc – Mitchell Branch  
 Booringa Heritage Museum Inc  
 Cultural Heritage Injune Preservation Society  
 Roma Patchwork and Crafters Group  
 Booringa Action Group  
 Roma Commerce and Tourism  
 Roma Show Society Inc.  
 Roma Rugby Union Football Club Incorporated  
 ICPA St George Branch  
 Carnarvon Clubs Junior Rugby League

**Acronyms:**

***Are there any industry abbreviations that will be used in the report?***

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

<b>Acronym</b>	<b>Description</b>
ICPA	Isolated Children's Parents Association

**Context:**

***Why is the matter coming before Council?***

Council is committed to supporting local and regional initiatives that provide opportunities for residents to access and participate in a wide range of recreational, cultural, environmental, community and economic development projects and activities through the Community Grants Program.

Council's Community Grants Program includes three types of funding:

- Small Grants (\$500 – \$3,000), where 50% funding is provided. Senex committed \$15,000 per annum for three years towards this category, on the proviso that this amount is matched by Council.
  - **Aim:** To assist eligible organisations with community projects, events or activities which will enhance the liveability of the Maranoa Region and the wellbeing of residents.
- Community Grants (\$3,001 – \$10,000), where Council provides 50% funding.
  - **Aim:** To assist eligible organisations with community projects, events or activities which will enhance the liveability of the Maranoa Region and the wellbeing of residents.
- Major Grants (\$10,001 – \$20,000), Council provides 25% funding.
  - **Aim:** To assist eligible organisations to undertake larger scale projects, events or activities which will make a positive contribution to the Maranoa Region's community wellbeing, cultural life, environmental sustainability and economic prosperity.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Six Small Grants, one Major Grant and eight Community Grant applications (totaling fifteen grants) were received with a total amount requested of \$96,035.35 for Round One of 2021/22. There was \$15,000 available in the Small Grants category, and \$151,665.00 in the Community Grants 2021/22 Budget.

The assessment panel met on Tuesday, 5 October 2021 and consisted of:

- Cr Johanne Hancock
- Cr Julie Guthrie
- Trevor Robertson, Government and Stakeholder Relations Manager, Senex
- Dee Schafer, Local Development Officer Booringa
- Fiona Vincent, Regional Sport & Recreation Coordinator

The assessment panel recommended the following projects for funding:

**Small Grants**

1. **Applicant:** Mitchell Campdraft  
**Project Title:** Campdraft Office and Canteen Equipment  
**Funding Requested:** \$3,000.00  
**Funding Recommended:** \$3,000.00  
**Total Project Cost:** \$6,389.00  
**Comments:** All in favour of project.

2. **Applicant:** Roma Filipino Community  
**Project Title:** 124<sup>th</sup> Philippine Independence Day Celebration  
**Funding Requested:** \$3,000  
**Funding Recommended:** \$3,000  
**Total Project Cost:** \$11,600.00  
**Comments:** All in favour of project.
3. **Applicant:** Bymount East State School P&C Association  
**Project Title:** Bymount East School Reunion  
**Funding Requested:** \$2,700.00  
**Funding Recommended:** \$2,700.00  
**Total Project Cost:** \$25,700.00  
**Comments:** All in favour of project.
4. **Applicant:** Surat Local Ambulance Committee  
**Project Title:** Surat Christmas Street Party  
**Funding Requested:** \$1,530.00  
**Funding Recommended:** \$1,530.00  
**Total Project Cost:** \$3,970.00  
**Comments:** All in favour of project.
5. **Applicant:** Mungallala Progress and Sporting Association  
**Project Title:** Community Garden Upgrade at Mungallala  
**Funding Requested:** \$3,000.00  
**Funding Recommended:** \$3,000.00  
**Total Project Cost:** \$12,600.00  
**Comments:** All in favour of project.
6. **Applicant:** Queensland Blue Light Association Inc – Mitchell Branch  
**Project Title:** Mitchell Youth Hub Activities  
**Funding Requested:** \$1,481.10  
**Funding Recommended:** \$1,481.10  
**Total Project Cost:** \$3,121.00  
**Comments:** All in favour of project.

#### Community Grants

1. **Applicant:** Booringa Heritage Museum Inc.  
**Project Title:** Restoration of Tractor and Erection of Shade Cover  
**Funding Requested:** \$9,995.00  
**Funding Recommended:** \$9,995.00  
**Total Project Cost:** \$22,705.00  
**Comments:** All in favour of project.
2. **Applicant:** Cultural Heritage Injune Preservation Society  
**Project Title:** Engagement of a Museum Curator  
**Funding Requested:** \$4,640.00  
**Funding Recommended:** \$4,640.00  
**Total Project Cost:** \$9,737.00  
**Comments:** Recommended to be funded in full.

3. **Applicant:** Roma Patchwork and Crafters Group  
**Project Title:** Studio #6 Carpet Replacement  
**Funding Requested:** \$3,695.00  
**Funding Recommended:** \$3,695.00  
**Total Project Cost:** \$7,390.00  
**Comments:** All in favour of project.
4. **Applicant:** Booringa Action Group  
**Project Title:** Community Courtesy Bus  
**Funding Requested:** \$10,000.00  
**Funding Recommended:** \$10,000.00  
**Total Project Cost:** \$35,888.00  
**Comments:** All in favour of project.
5. **Applicant:** Roma Commerce and Tourism (RCAT)  
**Project Title:** Building a sustainable Business Community through altering Spending Habits  
**Funding Requested:** \$3,837.95  
**Funding Recommended:** \$3,356.95  
**Total Project Cost:** \$8,153.90  
**Comments:** It was recommended that we removed the project management costs of \$1440 from the application and recommend that their new grant amount requested is \$3356.95.
6. **Applicant:** Roma Show Society Inc.  
**Project Title:** Maranoa New Year Spectacular  
**Funding Requested:** \$10,000.00  
**Funding Recommended:** \$10,000.00  
**Total Project Cost:** \$50,973.00  
**Comments:** All in favour of project.

#### Major Grant

1. **Applicant:** Roma Rugby Union Football Club Inc.  
**Project Title:** Clubhouse Kitchen Upgrade  
**Funding Requested:** \$20,000.00  
**Funding Recommended:** \$20,000.00  
**Total Project Cost:** \$77,395.00  
**Comments:** Recommended to be funded in full

The following projects were **not** recommended for funding:

#### Community Grants

1. **Applicant:** Isolated Children's Parent Association – St George Branch  
**Project Title:** Breaker Camp 2021  
**Funding Requested:** \$10,000  
**Funding Recommended:** \$0  
**Total Project Cost:** \$30,239.00  
**Comments:** This project was not recommended as it didn't comply with our Grants guidelines. The guidelines state that applicants outside the region are eligible to apply on the condition that program, project, event or

activity for which funding is sought, be delivered within the Maranoa Region and/or demonstrate a clear and direct benefit for the region's residents.

**2. Applicant:** Carnarvon Cubs Junior Rugby League

**Project Title:** Equipment for participation Expansion

**Funding Requested:** \$9,156.35

**Funding Recommended:** \$0

**Total Project Cost:** \$24,000

**Comments:** This project was not recommended as the project brief didn't not match the project budget and the amount of volunteer hours didn't not reflect what the budget was entitling. It was recommended that Council Staff work with the club to resubmit for Community Grants Round 2 2021/22 as if successful in this round the project could still be delivered in time for the new season.

During the assessment panel meeting a conflict of interest was declared. Dee Schafer left the room during the discussion regarding the Booringa Heritage Museum, as her husband had provided a quote for the project.

**Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under***

***consideration?*** (Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

The Local Government Regulation 2012 states that:

**Section 194 – Grants to community organisations**

A local government may give a grant to a community organisation only—

(a) if the local government is satisfied—

(i) the grant will be used for a purpose that is in the public interest; and

(ii) the community organisation meets the criteria stated in the local government's community grants policy; and

(b) in a way that is consistent with the local government's community grants policy.

<https://www.legislation.qld.gov.au/view/html/inforce/2018-02-18/sl-2012-0236#sec.194>

**Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

Applications were assessed in accordance with Council Grants Policy and Community Grant Guidelines.

### Input into the Report & Recommendation:

**Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

- Assessment panel members.
- Manager-Economic and Community Development
- Coordinator-Regional Sport and Recreation

### Funding Bodies:

**Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.** (Please do not just include names)

Senex has provided \$15,000 per annum towards the Small Grants category, on the condition that this is matched by Council.

### This Financial Year's Budget:

**Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).**

**If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?**

There is \$166,665.00 allocated in the 2020/21 budget, which includes Senex contribution of \$15,000. Council resolved **Resolution No. SM/06.2021/39** that Council approve 50% of the liveweight and open auction selling fees received for each head of cattle sold at the Roma Saleyards Store Sale on Tuesday, 6 July 2021 be donated by Maranoa Regional Council to the Royal Flying Doctor Service. This amount of \$36,664.19 has been deducted from the budget leaving \$130,000.81.

After Round One of the Community Grants program the following was remaining to be allocated to Round 2 2020/2021

Remaining Budget for Round 2 2020/2021	
Senex Small Grants	\$15,711.00
Community and Major	\$38,313.86

### Future Years' Budgets:

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

### Impact on Other Individuals or Interested Parties:

**Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?** (Interested Parties Analysis - IS9001:2015)

Isolated Children's Parent's Association – St George Branch  
Carnarvon Cubs Junior Rugby League

### Risks:

**What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)** (List each identified risk in a table)

Risk	Description of likelihood & consequences
Risk that allocations of grants could fall outside the Act	All grants have been assessed in accordance with Council's guidelines and policy. Unlikely.
Risk of exceeding budget	All grants have been assessed in accordance with Council's guidelines and policy, and the available budget at the time. Unlikely.

### Advice to Council:

**What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?**

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

Based on the applications, and the amount of budget available at the time, it is recommended that the funds be disbursed as listed, and with special conditions where applicable.

It is also advised, due to the limited amount of funding for Community/Major grants in Round 2, that the Major Grant category not be offered in Round 2. This will reduce the risk of raising expectations and creating work for community groups, and better enable Council to keep within budget.

### Recommendation:

**What is the 'draft decision' based on the advice to Council?**

**Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

**Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?**

That Council:

1. Endorse the recommendations of the assessment panel.
2. Remove the Major Grant category for funding in Round Two, 2021/22 due to budget constraints

### Link to Corporate Plan:

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.12 Local development and events

### Supporting Documentation:

Nil

### Report authorised by:

Manager - Economic & Community Development

Deputy Chief Executive Officer/Acting Director Infrastructure Services

## **OFFICER REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 15 October 2021

**Item Number:** 13.6

**File Number:** D21/83418

**SUBJECT HEADING:** Care Outreach Request for Support for Christmas for the Bush 2021

**Classification:** Open Access

**Officer's Title:** Project / Administration Officer

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### **Executive Summary:**

Care Outreach is a Not-for-Profit Organisation that runs an annual Christmas for the Bush program in rural communities. They provide physical, emotional and spiritual wellbeing support to families doing it tough around Christmas time.

They have requested use of the Injune Community Centre and accommodation at the Injune Caravan Park from Friday, 26 November through to Friday, 17 December 2021.

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

That Council:

1. Approve Care Outreach's request to use the Injune Community Centre over the nominated dates for the "Christmas for the Bush" program at no cost.
  2. Contributes 25% of the accommodation cost from GL 2887.2249.2001 Sponsorship Budget.
  3. Provide notice to Injune Youth Group Coordinators that this request has been approved by Council for the nominated dates.
- 

### **Individuals or Organisations to which the report applies:**

***Are there any individuals or organisations who stand to gain a benefit, or suffer a loss, (either directly or indirectly) depending on the outcome of consideration of this matter?***

(Note: This is to assist Councillors in identifying if they have a Material Personal Interest or Conflict of Interest in the agenda item - i.e. whether they should participate in the discussion and decision making).

Care Outreach – Mr Vince Johnston, Coordinator Injune Region.

### **Acronyms:**

**Are there any industry abbreviations that will be used in the report?**

*Note: This is important as particular professions or industries often use shortened terminology where they refer to the matter on a regular basis. However, for individuals not within the profession or industry it can significantly impact the readability of the report if these aren't explained at the start of the report).*

Acronym	Description
Nil	Nil

**Context:**

***Why is the matter coming before Council?***

Council has received a request from Care Outreach a Not-for-Profit Organisation to use the Injune Community Centre facilities and Injune Caravan Park accommodation for the “Christmas for the Bush” annual event. As the group is a not-for-profit organization, they are requesting the facilities free of charge.

In the past, Care Outreach found this facility more accessible for moving supplies to and from the building for the care packages, benefited from not having to move stock to cater for other local functions and the community found it more convenient to access information from the Care Outreach volunteers.

**Background:**

***Has anything already happened in relation to this matter?***

(Succinct overview of the relevant facts, without interpretation)

Not-for-Profit and ministry organisation “Care Outreach” travel to rural and remote regions that are suffering from drought conditions. Care Outreach support and assist with donated care packages for families when times are tough. Their support is focused on caring for the physical, emotional, and spiritual well-being to those in remote areas, specifically farmers.

Council has received a request from Care Outreach to seek permission to occupy the Injune Community Centre for the Christmas for the Bush 2021 event from 26 November to 17 December 2021. They have also requested accommodation at the Injune Caravan Park for 1-2 powered sites and 3-4 cabins as well as 12 chairs and 6 tables.

During their visit, care packages will be distributed to families suffering from hardship. In previous years, the location of Injune Community Centre made it easily accessible to Care Outreach volunteers, for families sourcing valuable information and assistance.

Over approximately 16 years, Care Outreach and their many volunteers have visited the Maranoa Region. During this time, they have occupied council facilities and provide selected regional communities with hampers containing everyday essential items for families in the greater region. In the past, Care Outreach have accessed accommodation facilities at the Injune Caravan Park when it was under commercial management and also received complimentary accommodation when the facilities were managed by Council in 2020.

When Care Outreach made this same request in 2020, Council made the following Resolution:

**Resolution No. OM/10.2020/100**

**That Council:**

- 1. Approve Care Outreach’s request for permission to use the Injune Community Centre for the “Christmas for the Bush” annual event from Saturday, 21 November to Saturday, 12 December 2020, at no cost.**

2. Approve a professional clean of the facilities (including cabins) prior to arrival and upon departure, with funds drawn from the Minor In-kind budget (up to the value of \$400).
3. Provide notice to Injune Youth Group Coordinators & Injune Blue Light that this request has been approved by Council for the nominated dates.
4. Request Care Outreach vehicles not be parked on the grassed area for the duration of stay.
5. Approve Care Outreach permission to use two powered caravan sites at the Injune Caravan Park for the duration of their stay.
4. Approve Care Outreach's request to use two cabins.

Now the Injune Caravan Park is externally managed, Council cannot provide the facilities as in-kind assistance as was done in 2020. Injune Caravan Park management were approached regarding a fee waiver and they have decided to offer a 50% discount for the accommodation of Care Outreach over the three week period. Care Outreach have requested 1-2 sites and 3-4 cabins, with exact numbers waiting to be confirmed as the time gets closer. For the purpose of the below quote, 2 sites and 3 cabins are estimated.

The approximate Caravan Park costs are outlined below for the three week period:

	Powered site	Cabin
Weekly Rate	\$180	\$595
Less 50% discount	\$90/week	\$297.50/week
Sub Total	2 sites x 3 weeks =\$540	3 cabins x 3 weeks =\$2677.50
Total Accommodation (including the 50% discount)	<b>\$3217.50</b>	

It is also important to note that Council have their own Christmas Relief Appeal, formerly known as the Christmas Hamper Appeal, coordinated by Council's Community Support Officer. This aims to assist families in the region who require financial assistance over the festive season.

#### **Legislation, Local Laws, State Policies & Other Regulatory Requirements:**

***What does the legislation and other statutory instruments include about the matter under consideration?***

(Include an extract of the relevant section's wording of the legislation – please do not just quote the section number as that is of no assistance to Councillors)

N/A

#### **Council Policies or Asset Management Plans:**

***Does Council have a policy, plan or approach ordinarily followed for this type of decision?***

***What are relevant sections of the policy or plan?***

(Quote/insert the relevant section's wording / description within the report)

N/A

### Input into the Report & Recommendation:

**Have others' views or input been sourced in developing the report and recommendation to Council? (i.e. other than the report author?) What did each say?** (Please include consultation with the funding body, any dates of critical importance or updates or approvals required)

Neil Meiklejohn – Injune Local Development Officer recommends that Council should approve this request to use the Community Centre.

Injune Caravan Park Management have offered a 50% discount for Care Outreach to use 3-4 cabins and 1-2 powered sites.

Uniting Care Queensland Community Support Coordinator – Casandra Sorenson (member of Injune Youth Group committee) recommend that Care Outreach use the Injune Community Centre for the period of three weeks (26/11/2021 to 17/12/2021) but wish to remind Care Outreach that they are sharing the space, not taking it over for the three weeks.

### Funding Bodies:

**Is the project externally funded (or proposed to be)? If so, are there any implications in relation to the funding agreement or grant application.** (Please do not just include names)

N/A

### This Financial Year's Budget:

**Will the matter under consideration impact how much Council collects in income or how much it will spend? How much (\$)? Is this already included in the budget? (Include the account number and description).**

**If the matter under consideration has not been included in the budget, where can the funds be transferred from? (Include the account number and description) What will not be done as a result?**

There is currently no fee associated with community groups and not for profit organisations using the Injune Community Centre, tables and chairs.

The total accommodation cost is \$6435. With the 50% discount offered by management, the cost is \$3217.50. Since it is recommended that Council contributes 25%, Council's contribution will total \$1608.75 from the Sponsorship Budget.

There is currently \$3350 remaining in GL 2887.2249.2001 Sponsorship Budget. If approved, there will be \$1741.25 remaining in the Sponsorship Budget.

The cost is broken down as the following:

Total Accommodation Cost (100%)	\$6435
Management's discount (50%)	\$3217.50
<b>Council's contribution (25%)</b>	<b>\$1608.75</b>
Remaining balance for Care Outreach (25%)	\$1608.75

### Future Years' Budgets:

**Will there need to be a change in future years' budgets to cater for a change in income or increased expenditure as a result of Council's decision? How much (\$)?** (e.g. estimate of additional maintenance or operating costs for a new or upgraded project)

N/A

### Impact on Other Individuals or Interested Parties:

*Is there anyone who is likely to be particularly interested in or impacted by the decision, or affected by the recommendation if adopted? What would be their key interests or concerns?*  
(Interested Parties Analysis - IS9001:2015)

Community members and families in Injune & surrounds.

### Risks:

*What could go wrong if Council makes a decision on this matter? (What is the likelihood of it happening and the consequence if it does)* (List each identified risk in a table)

Risk	Description of likelihood & consequences
Negative Feedback	If the request is not approved, community members will not receive Care Outreach's Christmas care packages.

### Advice to Council:

*What do you think Council should do, based on your skills, qualifications and experience, your knowledge of this and related matters, and the facts contained in the report?*

(A summary of what the employee thinks Council needs to hear, not what they think individual Councillors want to hear – i.e. employees must provide sound and impartial advice – the employee's professional opinion)

It is recommended that Council approve Care Outreach's request to use the Injune Community Centre to run their Christmas for the Bush program in 2021. It is hoped that families benefit from the donated care packages. It should also be noted that over the years, Care Outreach's request for assistance is growing as they have been requesting more facilities each year they return to the region.

It is also recommended that Council supports the Injune Caravan Park management in providing the generous 50% discount for Care Outreach. This brings the total accommodation cost from \$6435 down to \$3217.50. Due to Care Outreach being a non-profit organisation and the current position of the in-kind assistance budgets, it is recommended that Council contributes 25% to the accommodation cost (\$1608.75) to assist them in covering their costs. This will leave Care Outreach to self-fund the remaining 25% at \$1608.75.

### Recommendation:

*What is the 'draft decision' based on the advice to Council?*

*Does the recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

(Note: recommendations if adopted by Council become a legal decision of government and therefore must be clear and succinct about the action required by employees (unambiguous)).

*Does this recommendation suggest a decision contrary to an existing Council policy? If so, for what reason?*

That Council:

1. Approve Care Outreach's request to use the Injune Community Centre over the nominated dates for the "Christmas for the Bush" program at no cost.
2. Contributes 25% of the accommodation cost from GL 2887.2249.2001 Sponsorship Budget.
3. Provide notice to Injune Youth Group Coordinators that this request has been approved by Council for the nominated dates.

**Link to Corporate Plan:**

Corporate Plan 2018-2023

Strategic Priority 4: Growing our region

4.12 Local development and events

**Supporting Documentation:**

Nil

**Report authorised by:**

Manager - Regional Economic & Community Development

Deputy Chief Executive Officer/Acting Director Regional Development

## **COUNCILLOR REQUEST FOR AN AGENDA REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 15 October 2021

**Item Number:** 16.1

**File Number:** D21/83403

**SUBJECT HEADING:** Bassett Park Oval Improvements

**Classification:** Open Access

**Councillor's Title:** Cr Tyson Golder

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### **Executive Summary:**

Proposed Improvements to Bassett Park Oval.

### **Councillor's Recommendation:**

That a report be prepared for the next ordinary meeting on 10 November 2021 regarding:

1. A turf maintenance and watering schedule for adoption as part of Bassett the Park Operational Plan (Including feedback from Bassett Park Users of the Bassett Park Oval):
  - weekly watering schedule
  - weed control and fertilising
  - surface maintenance
2. Design of a two (2) level seat on the eastern side of the arena (Preliminary Design).
3. Improvement to the PA system for the arena (cuts out).
4. Maintenance to paint arena fence.

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### **Details of Requested Agenda Report:**

That a report be brought back to the next meeting about turf maintenance and watering schedule, to be adopted as part of the Bassett Park Operational Plan for the oval, including:

- watering weekly
- weed Control and fertilising
- surface maintenance

A design brought back for a two (2) level seat on the eastern side on the arena (between the two blue power poles), to replace the wire seating designed at a level not higher than the fence, with the design not to trigger safety barriers.

Recommendations for improvement to the PA system so unit can be taken anywhere on the arena circumference i.e. Roving microphone.  
Maintenance to paint arena fence.

**Supporting Documentation:**

Nil

## **COUNCILLOR REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 15 October 2021

**Item Number:** 16.2

**File Number:** D21/83453

**SUBJECT HEADING:** Meeting with Bassett Park User Groups

**Classification:** Open Access

**Councillor's Title:** Cr Tyson Golder

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### **Executive Summary:**

Proposed meeting with user groups of Bassett Park to discuss group projects and ideas to improve the facility.

### **Councillor's Recommendation:**

That all Bassett Park User groups be invited to meet with Councillors to discuss group proposals and ideas to improve the facility.

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### **Details of Requested Agenda Report:**

A request has been received from the Roma Show Society requesting that Council consider hosting a user group meeting to discuss projects.

This letter is attached for review.

### **Supporting Documentation:**

[1](#) Roma Show Society Correspondence - 20.09.2021 - D21/83429  
Letter of Request



September 20<sup>th</sup> 2021

The Mayor  
Mr Tyson Golder  
Maranoa Regional Council  
PO Box 620  
Roma Qld 4455

Dear Mr Mayor and Councillors,

**RE: Resolution No. OM/07.2021/19**

We the Roma Show Society would like to request that council consider a User Group meeting in relation to item 5 of this resolution (The Potential development of a multi-purpose pavilion at Bassett Park) and to discuss projects envisaged by other user groups. We can see a need for positive dialogue between the groups and council to enable everyone to move forward and make best use of potential grants. We feel that there is a need for all to work together towards a common goal.

There is a major grant currently available which closes early 2022 which we wish to apply for regarding the multi-purpose pavilion or alternative as per discussions with the other user. We will need an approval from Council to be able to submit the Grant application.

We look forward to being able to discuss this idea with both members of council and the other users of Bassett Park at the earliest convenience.

Kind Regards

Alanah Ladbroke  
President  
Roma Show Society

PO BOX 139, Roma Qld 4455

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Roma Show Society Inc ABN 49 334 968 854



**COUNCILLOR REQUEST FOR AN AGENDA REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 15 October 2021

**Item Number:** 16.3

**File Number:** D21/83460

**SUBJECT HEADING:** Diving Restrictions at Swimming Pools

**Classification:** Open Access

**Councillor's Title:** Cr Tyson Golder

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**Executive Summary:**

Investigation of diving requirements at swimming pools.

**Councillor's Recommendation:**

That a report be prepared for an upcoming Council meeting.

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**Details of Requested Agenda Report:**

A letter of complaint was received by all Councillors about diving restrictions at the Denise Spencer Memorial Pool.

I'd like a to request a follow up report to:

- Review legislation requirements
- Investigate risk profiles for community swimming pools
- Investigate if there are any circumstances when diving is allowed i.e, waivers

**Supporting Documentation:**

Nil

**COUNCILLOR REQUEST FOR AN AGENDA REPORT**

**Meeting:** Ordinary 27 October 2021

**Date:** 18 October 2021

**Item Number:** 16.4

**File Number:** D21/83540

**SUBJECT HEADING:** Maximising use of Big Rig Toilets

**Classification:** Open Access

**Councillor's Title:** Cr Tyson Golder

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**Executive Summary:**

Community feedback regarding the toilets and the statue at the Big Rig in Roma.

**Councillor's Recommendation:**

That a report be prepared for an upcoming Council meeting.

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**Details of Requested Agenda Report:**

Request from the community to not go backwards with the number of toilets available to be used at the Big Rig.

I've also received feedback from the community requesting that the statue located at the entrance driveway of the Big Rig be scheduled for routine checking and cleaning.

**Supporting Documentation:**

Nil