ORDINARY MEETING OF COUNCIL

AGENDA

24 APRIL 2018

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1.   MEETING OPENED

2.   LEAVE OF ABSENCE

No Leave Of Absence

3.   CONDOLENCES/GET WELL WISHES

3.1   Condolences/Get Well Wishes

Date: 18 April 2018
Author: Erin Carkeet, Governance & Strategy Officer
Responsible Officer: David Lewis, Acting Chief Executive Officer

Officer's Recommendation:

THAT letters of condolence be forwarded to the families of recently deceased persons from, within or associated with the Lockyer Valley region.

4.   DECLARATION OF ANY MATERIAL PERSONAL INTERESTS/CONFLICTS OF INTEREST BY COUNCILLORS AND SENIOR COUNCIL OFFICERS

4.1   Declaration of Material Personal Interest on any Item of Business

Pursuant to Section 172 of the *Local Government Act 2009,* a councillor or senior council officer who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

(a)   inform the meeting of the councillor's material personal interest in the matter; and

(b)   leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

4.2   Declaration of Conflict of Interest on any Item of Business

Pursuant to Section 173 of the *Local Government Act 2009,* a councillor or senior council officer who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest in the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

5. MAYORAL MINUTE

No Mayoral Minute

6. CONFIRMATION OF MINUTES

6.1 **Confirmation of Ordinary Meeting Minutes of 11 April 2018**

Date: 18 April 2018
Author: Erin Carkeet, Governance & Strategy Officer
Responsible Officer: David Lewis, Acting Chief Executive Officer

Officer's Recommendation:

THAT the Minutes of the Ordinary Meeting of Lockyer Valley Regional Council held on Wednesday 11 April 2018 be taken as read and confirmed.

7. BUSINESS ARISING FROM MINUTES

No Business Arising from Minutes

8. COMMITTEE REPORTS

No Receival of Committee Reports as Minutes

9. DEPUTATIONS/PRESENTATIONS

No Deputations/Presentations

10. EXECUTIVE OFFICE REPORTS

10.1   **Building Our Regions Fund and Natural Disaster Resilience Program**

Date: 17 April 2018
Author: Corrin Bischoff, Coordinator Governance & Strategy
Responsible Officer: David Lewis, Acting Chief Executive Officer

Summary:

The purpose of this report is to seek approval from Council for the submission of Lockyer Valley Cultural Centre Rooftop Solar Generation under the Building Our Regions Fund and Flood Modelling Review and Local Flood Risk Management Planning and Cooper Street Laidley Flood Mitigation Concept Design and Detailed Design projects under the Natural Disaster Resilience Program.

<u>**Officer's Recommendation**</u>**:**

THAT Council approve the submission of the Lockyer Valley Cultural Centre Rooftop Solar Generation project as an Expression of Interest application under Round 4 of the Building Our Regions Fund;
And further;
THAT Council approve the submission of the following projects under the Natural Disaster Resilience Program in priority order:
1) **Flood Modelling Review and Local Flood Risk Management Planning**
2) **Coopers Street Laidley Flood Mitigation Design.**

Report

1. Introduction

Round 4 of the Building Our Regions Fund and the 2017-18 Round of the Natural Disaster Resilience Program are open for submission of eligible projects by Queensland local governments.

2. Background

<u>Building Our Regions</u> is a $445 million targeted regional infrastructure program for local government projects. The purpose of the program is to provide funding for critical infrastructure in regional areas of the state that meet the specific needs of regional communities and supports economic development, including generating jobs. The $70 million Round 4 is open for expressions of interest closes on 27 April 2018. Lockyer Valley Regional Council is eligible under the Regional Capital Fund component of the Program.

The <u>Natural Disaster Resilience Program</u> (NDRP) is a competitive grants and subsidies program administered in Queensland by the Queensland Reconstruction Authority (QRA), and jointly funded (50/50) by the Australian and Queensland Governments under the National

Partnership Agreement on Natural Disaster Resilience. The NDRP objective is to enhance Queensland communities' resilience to natural disasters.

Projects funded by the 2017-18 NDRP should align with the key actions of the National Strategy for Disaster Resilience (NSDR) and the objectives of the Queensland Strategy for Disaster Resilience. Applications close on 27 April 2018.

3.   Report

Building Our Regions:
This program is focused on economic outcomes and is moving away from funding water, sewerage and waste management infrastructure for general community needs. Council has not previously been successful in receiving funding for applications under this program which have included;

- GWIZ Road Network Construction
- Gatton Landfill Site - New Cell and Sediment Pond
- Forest Hill Flood Mitigation - Stage 2
- Lockyer Valley Animal Management Facility

Council is required to provide a minimum 50% contribution to fund projects submitted.

The following project is proposed to be submitted for funding under Round 4 of this program:

Project Name	Lockyer Valley Cultural Centre Rooftop Solar Generation
Project Description	Installation of an additional 100kW rooftop solar plant - A 200kW plant could generate 361,312kWh of electricity that would off-set 349,813kWh of Council consumption. 11,499 kWh would be available for export. - Electricity bill savings are estimated to be $40,626.00 in the first year of operation that would result in total savings of $1.03million over 20 years. - Council`s annual usage charge would be reduced from $152,508 to $113,011 in the first year based on current tariffs for peak, off-peak demand charges. - The solar plant would have a payback of approximately 7 years
Total Project Cost	$240,000.00
Council Contribution	$120,00.00

Natural Disaster Resilience Program:
The 2017-18 NDRP funding of $12 million is aimed at supporting a program of natural disaster resilience activities by linking the Queensland Strategy for Disaster Resilience with state risk priorities identified through the Queensland State Natural Hazard Risk Assessment 2017 and other appropriate assessments.

The NDRP does not specify a co-funding contribution percentage.   In the past local government have been required to contribute 33% of the total cost of the projects submitted under NDRP. It is proposed that a 33% contribution is made by Council for the proposed projects and in line with budget considerations.

Two projects have been proposed for submission for funding under Round 4 of this program:

Project Name	Flood Modelling Review and Local Flood Risk Management Planning

Project Description	This project will integrate the components of the project to address gaps and anomalies in Lockyer Valley flood modelling. It will also fulfil the requirements of the South East Queensland Plan in relation to Phase 4 of the Brisbane River Flood Study. Additionally, modelling will be extended to incorporate the new Thornton School Road Alert Gauge as a part of the upgrading of the Laidley Creek Flood Warning System.
Total Project Cost	$555,000.00
Council Contribution	$220,000.00

Project Name	Cooper Street Laidley Flood Mitigation Concept Design and Detailed Design
Project Description	Design for improvements to mitigate local flooding in Cooper Street locality. This includes: a) Concept design ($100,000.00) b) Detailed design mitigation in Cooper Street from Joel Street to Hayes Street. This includes hydraulic modelling for the design ($120,000.00)
Total Project Cost	$220,000.00
Council Contribution	$72,600.00

Council is able to submit more than one project under this program. It is recommended that both of the projects outlined above are submitted for funding in the following priority order:

1) Flood Modelling Review and Local Flood Risk Management Planning
2) Coopers Street Laidley Flood Mitigation Design.

4.   Policy and Legal Implications

These funding applications have been considered in line with Council's External Funding Policy. Any future policy and legal implications will be addressed as matters arise before Council.

5.   Financial and Resource Implications

The Lockyer Valley Cultural Centre Rooftop Solar Generation project requires a 50% cash contribution from Council of $120,000.00 which will be included for consideration in the 2018/19 budget.

There is no prescribed cash contribution percentage for applications submitted under the Natural Disaster Resilience Program (NDRP). A 33% contribution from Council is recommended in line with previous NDRP applications. The Flood Modelling Review and Local Flood Risk Management Planning project requires a contribution of $220,000.00 and the Cooper Street Laidley Flood Mitigation Concept Design and Detailed Design requires a contribution of $72,600.00. Both of these contributions have been included for consideration in the 2018/19 budget.

6.   Delegations/Authorisations

No further delegations are required to manage the issues raised in this report. The Chief Executive Officer will manage requirements in line with existing delegations.

7.   Communication and Engagement

The following officers were engaged in the determining which projects are proposed to be submitted under the Building Our Regions Fund and Natural Disaster Resilience Program:
- Chief Executive Officer
- Executive Manager Corporate & Community Services
- Executive Manager Infrastructure Works & Services
- Manager Disaster Coordination
- Disaster Management Program Officer
- Manager Infrastructure Planning & Design
- Senior Engineer Water Projects
- Senior Project Officer (Community Facilities)

8.   Conclusion

The projects proposed for funding in this report meet the eligibility criteria and are able to be funded, subject to 2018/19 budget considerations, and delivered by Council in the required timeframe.

9.   Action/s

The approved projects are submitted to the Building Our Regions Fund and the Natural Disaster Resilience Program for funding consideration by the closing date of 27 April 2018.

10.2   **Internal Audit Update**

Date:	17 April 2018
Author:	Madonna Brennan, Governance and Strategy Officer
Responsible Officer:	David Lewis, Acting Chief Executive Officer

Summary:

The purpose of this report is to seek Council's adoption of the Internal Audit Plan for 2018-19 and the final report for the Internal Audit conducted on Council's Capital Project Planning (Asset Management) by Council's Internal Auditor BDO Pty Ltd.

Officer's Recommendation:

THAT Council adopt the 2018-19 Internal Audit Plan prepared by Council's Internal Auditor, BDO Pty on behalf of Council as attached to this report;
And further;
THAT Council adopt the report on the Internal Audit conducted on Council's Capital Project Planning (Asset Management) as attached to this report.

Report

1.   **Introduction**

Council has a statutory requirement to prepare and adopt an internal audit plan and to carry out an internal audit each financial year.

2.   **Background**

The Audit and Risk Management Committee determined at its meeting held on 7 December 2017 that Council's Internal Auditor, BDO Pty Ltd, develop a draft internal audit plan for the 2018/19 financial year based on the following areas of Council's operations:
- Compliance management
- Contract evaluation including value for money and work health safety compliance
- Development applications including infrastructure planning and charges
- Project management
- Asset management particularly translating strategy into programs
- Risk identification and mitigation.

A draft Internal Audit Plan was developed by BDO Pty Ltd and presented to Council's Executive Leadership Team for review in January 2018.

At the 17 August 2017 meeting, the Audit and Risk Management Committee endorsed the conduct of an internal audit into Council' Capital Project Planning (Asset Management Framework) based on the following key audit components:
- Integration of Total Asset Plan with budget and delivery plans
- Design and development of delivery plans

•   Design and development of maintenance plans including factors impacting reactive vs proactive approach to maintenance, alignment to service standards
•   Definition of service standards for asset management optimisation

The internal audit was conducted in October 2017, with a draft report presented to the Committee on 7 December 2017 and the final report presented endorsed by the Committee at its meeting held on the 22 March 2018.

3.   Report

Draft Internal Audit Plan 2018-19
The draft Internal Audit Plan for 2018/19 was prepared by BDO Pty Ltd, based on the recommendations of the Committee. The draft Plan was provided to Council's Executive Leadership Team to review and determine what internal audits and key risks focus identification workshops would provide the best value for money and benefit to Council in 2018/19.

It was recommended by the Executive Leadership Team that the following Internal Audits be conducted in the 2018/19 financial year, in the order noted:
1.   Infrastructure Charges
2.   Tender contract evaluation
3.   Compliance management framework.

It was determined that due to the current maturity level of Council and the resources available, there would be no benefit in conducting an internal audit into the next phase of Council's asset management framework or the project management framework in the 2018/19 year and that the 2019/20 Plan would be a more suitable timeframe for these audits.

In relation to undertaking further key risk focus identification workshops, it was determined that two workshops will be conducted by Council's Internal Auditor in the areas of Waste Management and Organisational Development in 2018/19. Further workshops will be conducted by Council's Governance and Strategy Team to enable the identification of key risks across the organisation's business units.

The recommended amendments to the draft 2018/19 Internal Plan were provided to the Internal Auditor and changes to the draft Plan were made to reflect this. The amended draft 2018/19 Internal Audit Plan was presented to the Audit and Risk Management Committee at its meeting held on the 22 March 2018, with the Committee recommending that the draft 2018-19 Internal Audit Plan be presented to Council for adoption.

The scope of the internal audit into Council's Capital Project Planning (Asset Management Framework) considered Council's asset management framework and capital project planning and delivery, specifically relating to capital program submissions, justification and prioritisation. Council's asset management framework is still under development and the review was focused on practical considerations to assist Council to further develop this framework.

The report has been reviewed and the recommendations accepted by Council's Asset Management Panel and Executive Leadership Team.

A summary of the key matters raised in the report is provided below:

Matter	Recommendation	Risk and/or Priority Rating
1. LVRC Financial Statements 2015-16 QAO recommendation	1.1 That Council reviews existing AMPs and adopts the outstanding AMPs ensuring that all plans contain the relevant requirements.	Low
Interim Management Response	Agreed All plans including those outstanding at 30 June 2017 will be submitted to Council for adoption as part of Council's 2018/19 Budget Process.	
2. Service Management Plans	2.1 That when the SMPs are reviewed at the end of their first year of operation the QAO logic model review checklist is used the ensure services are clearly articulated in all of the SMPs.	Medium
Interim Management Response	Agree SMPs will be reviewed against the QAO logic model as part of the development of Council's 2019/20 Budget.	
3. Terms of reference – Asset Management Panel	3.1 That the Terms of Reference of the Asset Management Panel be reviewed, for the 2018/19 Budget, in terms of Council's asset management framework including: • Review of the Service Management Plans • Establishment of capital project prioritisation • Proposing the Capital Project Budget to ELT and Council • Ensuring a balance between replacement and renewal capital projects is maintained.	Medium
Interim Management Response	Agree Terms of reference have been updated and adopted by the Asset Management Panel. Terms of reference have yet to be presented to the Executive Leadership Team for formal approval.	
4. Capital Project Prioritisation across business units	4.1 It is recommended that the Asset Management Panel establish and rollout a high level ranking system for the prioritisation of projects across business units.	Medium
Interim Management Response	Agreed High level ranking system has been agreed by the Asset Management Panel and is being used in the formation of Council's 2018/19 Capital Works Budget.	
5. Project assurance framework	5.1 It is recommended that the *Asset Management Panel establish* a high level methodology for a capital project assurance framework.	Low

Matter	Recommendation	Risk and/or Priority Rating
Interim Management Response	Agree Draft methodology and associated process will be trialled in the development of Council's 2018/19 capital budget.	
6. Priority Infrastructure Plan (PIP) Local Government Infrastructure Plan (LGIP)	6.1 It is recommended that the 2018-19 review of the SMPs include an introductory section identifying the priority infrastructure planning that drives the services on which capital planning is based.	Medium
Interim Management Response	Agree Where LGIP applies, an introductory section will be included in the relevant SMPs to be adopted by Council through its 2018/19 Budget Process.	

The Audit and Risk Management Committee accepted the internal audit report (including management responses) on Council's Capital Project Planning (Asset Management) and the recommendations made in the report will now be added to Council's Audit Register, with progress reports made on the recommendations until completion.

4. **Policy and Legal Implications**

The matters outlined in this report comply with the Internal Audit Policy. Any future policy and legal implications will be addressed as matters arise before Council.

5. **Financial and Resource Implications**

An allocation has been included in the 2018-19 budget preparations to fund the Internal Audit Plan. The Internal Audit works on Capital Project Planning were included as part of the 2017-18 budgetary requirements.

6. **Delegations/Authorisations**

No further delegations are required to manage the matters raised in the report. The Chief Executive Officer will manage requirements in line with existing delegations.

7. **Communication and Engagement**

The matters arising from this report that require further communication will be addressed through existing communication channels.

8. **Conclusion**

That Council adopt the 2018-19 Internal Audit Plan as endorsed by the Audit and Risk Management Committee, along with the Internal Audit Report on Council's Capital Project Planning (Asset Management).

9.   Action/s

1.   Internal Audit Plan 2018-19 implemented as programme by the Audit and Risk Management Committee in conjunction with the Executive Leadership Team
2.   The recommendations made in the Internal Audit Report on Council's Capital Project Planning (Asset Management) are actioned with progress reported against each item in Council's Audit Register.

Attachments

1View   draft Internal Audit Plan 2018-19   6 Pages
2View   Final Report - Internal Audit Capital Project Planning   20 Pages

INTERNAL AUDIT PLAN

2018 - 2019

LOCKYER VALLEY REGIONAL COUNCIL

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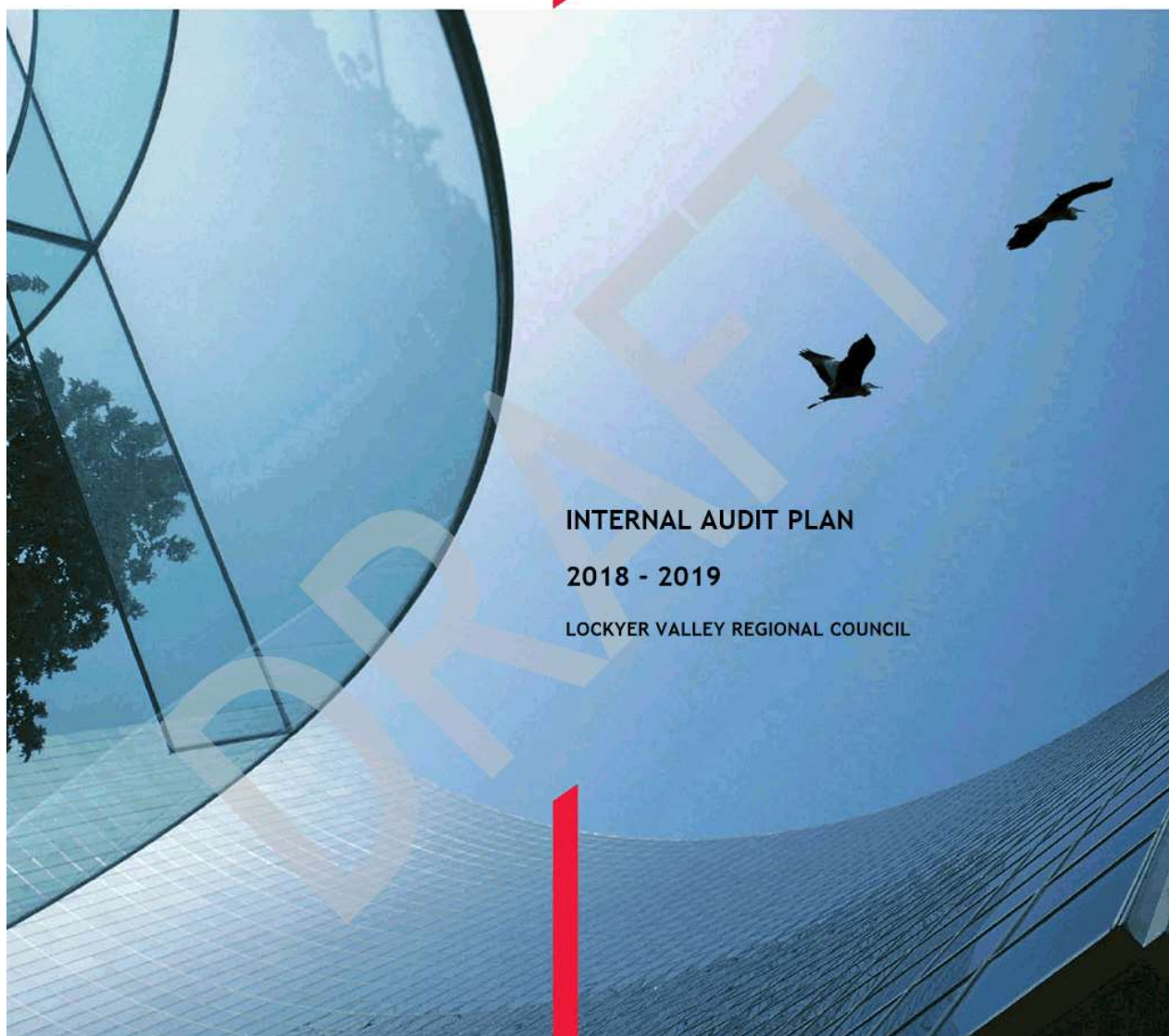
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Ian Church
Chief Executive Officer
Lockyer Valley Regional Council
26 Railway Street
GATTON QLD 4343

13 February 2018

Dear Ian

ANNUAL INTERNAL AUDIT PLAN 2018 / 19

As part of our engagement by Lockyer Valley Regional Council ("Council") for the provision of Internal Audit Services for the three years' 2016/17 to 2018/19, BDO (QLD) Pty Ltd ("BDO") has prepared the Annual Plan to the year 2018 /19 as attached.

Our engagement is on the basis of the contract BDO (QLD) Pty Ltd has entered under the LocalBuy Standing Offer Arrangement BUS 249-0515, with all terms and condition prevailing, except for rates, which have been reduced for Council. Our fee arrangements are set out in Appendix A.

If you would like to clarify or confirm any part of this document, please contact me directly on (07) 3237 5730. In turn, this document should be referred to the Audit and Risk Management Committee for its consideration and approval.

We look forward to working with Lockyer Valley Regional Council in the years to come.

Yours faithfully
BDO (QLD) Pty Ltd

Marita Corbett
Director

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BACKGROUND

Overall, the aim of the Internal Audit activity is to promote awareness, and provide advice on policy, procedures, effective and efficient risk management and management control practices and proper conduct. The Internal Audit Plan has been developed with the objective of:

- Responding to the need for advice and guidance to Council, its Audit and Risk Management Committee, and management in relation to areas of potential management control risk
- Providing assurance with respect to control systems and development
- Providing a development and educational approach in areas subject to review.

APPROACH

The Internal Audit Plan has been prepared having regards to:

- The mandatory requirements of the Institute of Internal Auditors' International Professional Practices Framework
- Statutory provisions of the Local Government Act 2009 and related Regulations regarding Internal Audit
- New developments, progressive advancements, key risks and opportunities identified through the Risk Management refresh process undertaken by the Executive Leadership Team throughout 2015/16
- Input and feedback from the Audit and Risk Management Committee and the Executive Leadership Team
- Sector issues, including those raised by the Auditor General in recent reports on Audits of local governments and/or the public sector more broadly as relevant
- Budget parameters and the need to develop an Internal Audit Plan that meets the cost-benefit, efficiency and effectiveness criteria
- The need for flexibility so that the Internal Audit Plan can be adapted for changing priorities as business operations, environments and risks also change over time.

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APPENDIX 1 - SUMMARY INTERNAL AUDIT PLAN

	2018/19 Days	2018/19 Est. Fees
Risk Ref FE2: Decision making governance, due diligence, accountability and sustainability		
Tendered contract evaluation: Review of adequacy and effectiveness of practices relating to: • Specification and definition of contract requirements • Approach to calling for tenders • Tender evaluation methodology, process and supporting documentation • Probity risk management • Contract conditions are fit for the nature and scope of works subject to contract • Negotiation of contract terms and conditions. Review will consider organisational approach and framework, combined with a sample contract approach for more specific focus on achieving value for money, ensuring health and safety compliance, particularly with recent legislative change imposing industrial manslaughter.	8	$14,400
Risk Ref LCL1: Compliance management		
Compliance management framework: Evaluation of the adequacy of the compliance management frameworks in a devolved environment across Council for the: • Identification of compliance obligations in the context of Council's legal and regulatory environment, structure and operations • Identification of revisions and updates to compliance requirements • Incorporation of compliance obligations into Council's policies, procedures and practices to ensure these are met • Monitoring and reporting compliance • Capturing non compliance for remedial action. • Training and communication. Review will consider orangisational approach and framework, combined with a sample business unit approach.	12	$21,600
Risk Ref BC1: Provision of core services now and into the future		
Infrastructure charges: Evaluate the processes, systems and structures for the identification and management of 'higher risk' developments (for example, developments with potential environmental, health, community impacts for management as a condition of approval), with a primary focus on: • Complete and reliable identification and capture of activity giving rise to infrastructure charges • Complete and accurate application of charging schedules to individual developments. Secondary focus will consider:	12	$21,600

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	2018/19 Days	2018/19 Est. Fees
• Complete, accurate and timely invoicing of charges		
• Appropriate approval of any variations to or reversals of charges		
• Timely follow up and remedial action regarding any late or unpaid charges		
• Appropriate recording and accounting treatment of revenue received from infrastructure charges.		
Risk management		
Operational Risk Identification and Control Assessment (two business units).	4	$8,000
Other		
Internal Audit planning and management	3	$6,000
Audit Register - Implementation follow-up	-	-
Total	**41**	**$71,600**

Note: Fees are in accordance with LocalBuy panel arrangement, further discounted for Lockyer Valley Regional Council.

Fees are exclusive of GST and disbursements (cost of staff travel).

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Capital Project Planning
Lockyer Valley Regional Council

November 2017

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EXECUTIVE SUMMARY

Background

Lockyer Valley Regional Council (LVRC, Council) has a significant capital budget program, operating under a range of project delivery models.

In view of the magnitude and diversity of these capital projects, it is essential that Council establish and maintain a project planning framework that supports/ensures:

- Individual project objectives are aligned with the strategic, financial and operational performance goals of Council
- Sound governance and management control arrangements are in place
- The right people are assigned to approve and oversee projects
- Legislative requirements are complied with.

In accordance with the requirements the *Local Government Act 2009* (as at 3 July 2017) Council has developed a *Corporate Plan 2017-2022* which aligns with the *Lockyer Valley Ten Year Community Plan* 2017-2027.

The *Corporate Plan 2017-2022* sets out Council's roles and responsibilities in ensuring that there is alignment between the Corporate Plan and:

- Operational Plan
- Business Unit Plans
- Staff and Performance Plans.

The *Corporate Plan 2017-2022* identifies a number of priorities including delivery of an asset management improvement plan that establishes a minimum core level of asset maturity and competence.

In addition to the Corporate Plan LVRC has prepared the following publications which are currently available on its website:

- Community Plan - Lockyer: Our Valley, Our Vision Community Plan 2017-2027
- Operational Plan 2017-2018 (including Performance Report)
- Annual Report 2016-2017
- Adopted Budget 2017-2018
- Long Term Financial Plan 2018-2027
- Initial Capital Works Schedule 2017-2018.

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Objective and scope of review

The scope of this review was to consider the Asset Management Framework and capital project planning and delivery, specifically relating to capital program submissions, justification and prioritisation. It is understood that LVRC is still developing its Asset Management Framework and the review was to focus on practical considerations to assist Council to further develop this framework and to ensure:

- Projects were delivered on time and in budget for the FY 2016-17
- Identification and analysis of risks and opportunities underlying project proposals
- Clearly understood business case analysis for each project
- Clearly defined objectives, giving due consideration to alternative options to meet these objectives
- Link between the project objectives and Council's strategic objectives, and supporting business unit plans
- Budget analysis of projects including such economic, social and environmental outcomes
- Approval of Capital Projects in accordance with the delegations of authority.

The review was to cover capital project planning and delivery for both additional and renewal capital projects.

Below are the LVRC capital budget and actual figures for 2016-17

Table 1 Capital Budget figures 2016-17

Unit	2016-2017 amended budget	2016-2017 expenditure	% budget
Corporate & Community Services	$7,052,200	$5,729,780	81%
Executive Office	$1,424,000	$1,054,624	74%
Infrastructure Works & Services	$14,039,016	$10,953,045	78%
Organisational Development & Planning	$235,500	$27,952	12%
Total 2016-17	$22,750,716	$20,286,982	78%
Donated assets	n/a	$3,576,206	n/a

Long term financial planning QAO Better Practice

In performing this review, we have referenced better practice elements as set out in the QAO better practice guide resulting from the QAO report *"Forecasting long term sustainability of local government (Report 2: 2016-17)."*

Figure 1A explains how strategic and operational planning documents can underpin an entity's long term financial sustainability. It also shows that financial plans need to align with corporate and asset management plans to demonstrate how the entity intends to remain financially stable.

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Better practice: planning documents to demonstrate financial sustainability
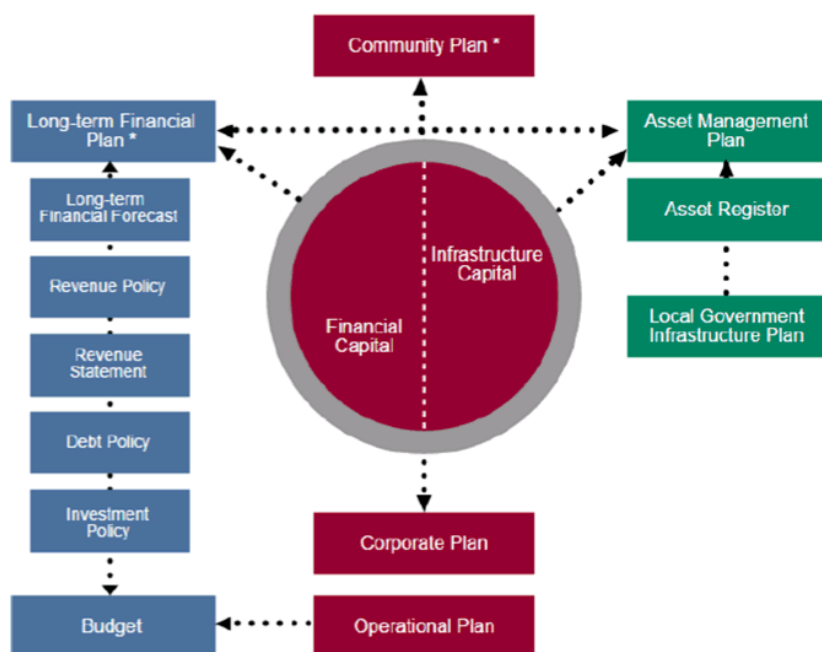
Apteryx - Indicates plan is not required under legislation or regulation

Service management planning

As stated in the Long Term Financial Plan as part of its asset management planning process, Council has developed a *Service Management Strategy 2017-2020*. The Service Management Strategy has been prepared to assist Council to improve the way it delivers services from its assets including roads, bridges, footpaths, stormwater drainage, parks, gardens and cemeteries, waste facilities, carparks, buildings and fleet.

The service management strategy has been developed to enable Council to:

- Demonstrate how its asset portfolio will meet the service delivery needs of its community into the future
- Enable Council's asset management policies to be achieved
- Ensure the integration of Council's asset management with its long term strategic plan.

Infrastructure assets such as public buildings, roads, drains, and bridges present particular asset management challenges because their condition and longevity can be difficult to accurately determine. Financing needs for these assets can be large, requiring planning for large peaks and troughs in expenditure for asset renewal and replacement. The demand for new and improved services adds to the planning and financing complexity of asset management.

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Service Management Plans describing; assets, services, operations and maintenance, capital renewal and upgrade works, and financial projections have been completed for the following:

- Transport (road assets & services)
- Buildings and facilities
- Information services
- Fleet and plant
- Disaster management
- Parks and gardens.

Plans are being developed for waste management, stormwater and cemeteries.

Capital works programming, budgeting and oversight

In November 2011 Council established a Capital Works Panel (now known as the Asset Management Panel) as a governance body tasked with overseeing the development of a sustainable and achievable capital works program over the life of the long term financial model. The effective development of the capital works program was largely frustrated until the completion of the Asset Management Model in Technology One in 2015. However, since the implementation of Technology One, the responsibility for the implementation of an effective Asset Management Framework has been transferred to the Asset Management Panel.

Under the guidance of the Asset Management Panel business units have been developing Service Management Plans.

Review procedures

Review procedures took the form of:

- Discussions with managers and staff
- Capital project planning process walkthrough
- High level review and analysis of capital project planning 1 July 2016 and 30 June 2017 and the processes developed for the 2017 -2018 budget year
- Review of service management plans
- Inspection & confirmation of documentation.

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Summary of key matters raised

Matter	Recommendation	Risk and/or Priority Rating
1. LVRC Financial Statements 2015-16 QAO recommendation	1.1 That Council reviews existing AMPs and adopts the outstanding AMPs ensuring that all plans contain the relevant requirements.	Low
2. Service Management Plans	2.1 That when the SMPs are reviewed at the end of their first year of operation the QAO logic model review checklist is used the ensure services are clearly articulated in all of the SMPs.	Medium
3. Terms of reference - Asset Management Panel	3.1 That the Terms of Reference of the Asset Management Panel be reviewed, for the 2018/19 Budget, in terms of Council's asset management framework including: • Review of the Service Management Plans • Establishment of capital project prioritisation • Proposing the Capital Project Budget to ELT and Council • Ensuring a balance between replacement and renewal capital projects is maintained.	Medium
4. Capital Project Prioritisation across business units	4.1 It is recommended that the Asset Management Panel establish and rollout a high level ranking system for the prioritisation of projects across business units.	Medium
5. Project assurance framework	5.1 It is recommended that the *Asset Management Panel establish* a high level methodology for a capital project assurance framework.	Low
6. Priority Infrastructure Plan (PIP) Local Government Infrastructure Plan (LGIP)	6.1 It is recommended that the 2018-19 review of the SMPs include an introductory section identifying the priority infrastructure planning that drives the services on which capital planning is based.	Medium

Acknowledgement

We would like to acknowledge the following staff for their contribution and assistance during the review:

- Chief Executive Officer, Ian Church
- Executive Manager Corporate & Community Services, David Lewis
- Executive Manager Infrastructure Works & Services, Myles Fairbairn
- Manager Infrastructure Support, John Keen
- Buildings and Facilities Manager, Christopher Goddard (Mike lisle on LSL)
- Accounting Services Co-ordinator, Tim Kajewski.

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KEY MATTERS ARISING FROM REVIEW

1.   LVRC financial statements 2015-16 QAO recommendation

Matter noted   **Risk/Priority: Low**

As an outcome of the LVRC Financial Statement 2015-16 external audit the QA found the following:

Control Environment -Governance Observation: Council has not developed an asset management strategy and only has asset management plans in place for some of its asset categories. Existing plans also require re-working to include links to long term financial planning and monitoring performance and demand.

Implication: In the absence of documented plans and strategies, Council may not be in a position to understand and plan for efficient and effective infrastructure maintenance and renewal practices.

The QAO made the following recommendation:

Recommend that Council formulates and adopts an asset management strategy, the remainder of the asset management plans and reviews existing plans to ensure it contains all relevant requirements.

Although Council has not adopted a formal asset management strategy, considerable work has been carried out in the formulation of Service Management Plans which form part of the Council's first long term financial plan 2017-18.

The Service Management Plans have replaced previous Asset Management Plans and aim to:

● Demonstrate how its asset portfolio will meet the service delivery needs of its community into the future
● Enable Council's asset management policies to be achieved
● Ensure the integration of Council's asset management with its long term strategic plan.

While the development of the Asset Management Plans in the individual business units is at varying stages of development and maturity (See Matter 2 below), the key performance indicators associated with the development and implementation of these plans is monitored and reported against in the Operational Plan 2017-18 Performance Report (First Quarter).

Implication

Long Term Financial Plan is an essential tool for Council to achieve and maintain sustainable operations, asset management and service delivery. Without adequate Service Management Plans it would be extremely difficult to ensure alignment between asset and service management strategies, capital works programs and annual budgets.

Recommendations

1. This recommendation is in progress.

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BDO

2. Service management plans

Matter noted   **Risk/Priority: Medium**

The *Long Term* Financial *Plan 2017/18 - 2026/27* states the following:

> *In its first long term financial plan Council seeks to provide detailed information on the parameters that have been used in developing the 2017/18 Budget and Long Term Financial Forecast.*

Included in the Long Term Financial Plan, Council has developed Service Management Plans for each of its key asset groups as well as an overarching Service Management Strategy which is central to its asset management planning process.

Service Management Plans reviewed by BDO:

Service Management Plan	BDO Observations

1. Transport (road assets & services	• This SMS is a comprehensive document of 68 pages with a detailed statement of the ten year forecast road asset expenditure (operations, maintenance, renewals, new/upgrade)
	
	• The purpose of this SMP is clearly articulated
	
	• Current service level statements (community and technical), performance measures and are clearly articulated per asset type
	
	• While there is extensive analysis using the IPWEA, 2006 methodology for preparing a Service Level Plan, much of the information is a restatement of information is not essential for an effective SMP (e.g. legislation requirements, risk methodology, sustainability and finance ratios). There is scope to rationalise the amount of detail in the SMP
	
	• It appears that the CAPEX and OPEX analysis over the ten-year horizon is still being largely driven by historical trends rather than being based on services levels and condition assessments
	
	• The improvement plan for this SMP includes:
	   – Develop priority ranking system for the renewal / maintenance program
	   – Develop a condition assessment manual for transport assets
	   – Align the long term financial plan to the expenditure forecasts found in the SMP.

2. Buildings and facilities	• This SMS is an extensive document of 101 pages which may prove difficult and resource intensive to maintain • The plan acknowledges shortcomings of data in terms of condition assessment and condition assessment is ad hoc (although assessment have been made for the top 10 assets) • The purpose of the plan is not readily available in the plan • The plan acknowledges that the major concern is the current investment level in renewals. The investment is less than the current depreciation charge, which in turn is less that the project renewal requirement • The plan states its goal as managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers

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Service Management Plan	BDO Observations
	• While there is extensive analysis using the IPWEA, 2006 methodology for preparing a Service Level Plan much of the information is a restatement of information is not essential for an effective SMP (e.g. three pages of legislation requirements, risk methodology). There is scope to rationalise the amount of detail in the SMP
	• The SMP is light in terms of identifying and articulating service levels and building criticality and their relevance to long term projected capital renewal and replacement
	• It appears that the CAPEX and OPEX analysis over the ten-year horizon is still being largely driven by historical trends rather than being based on services levels and condition assessments

	• The improvement plan for this SMP includes:
	  – Conduct risk and maturity assessment
	  – Define organisation structure aligned to strategic asset management
	  – Categorise buildings
	  – Detail condition assessment of buildings.

3. Information services	• The ICT SMP is a more concise plan of 12 pages
	• Goals and objectives of the SMP are clearly stated
	• The plan states that Service Level Agreements are currently under development and will be added to this plan when completed
	• For ICT there is an acknowledged difficulty in drawing a direct relationship between asset conditions and services and service levels provided
	• The ICT SMP does not address the impact of operating expenses (staffing) across the ten-year horizon or its impact on services levels

	• The improvement plan for this SMP includes:
	  – Monitor performance and customer satisfaction to better understand asset performance and service delivery
	  – Continuous improvement of ICT asset management practices, processes and procedures
	  – Update of Asset Management Plan.

4. Fleet and plant	• The Fleet and Plant SMP is a comprehensive plan of 48 pages
	• Council's goals and objectives for fleet services and the purpose of the SMP are clearly stated
	• The plan has attempted to define plant and fleet service levels (community consultation and levels of service) where appropriate> However, it may be more relevant to simply state Council's plant and fleet policy on replacement and to also focus more on plant and fleet utilisation
	• The plan also includes future demand forecasts. However, there has only been a loose connection established between future demand and projected expenditure on plant and fleet

	• The improvement plan for this SMP identifies the following work still to be completed:
	  – Align the Long Term Financial Plan to the expenditure forecasts found in this SMP
	  – Review fleet data and confirm asset lives and condition.

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Service Management Plan	BDO Observations
5. Disaster management	• The SMP for disaster management has been drafted as a high level document and details of the services provided, and the link to the required assets is still largely to be established • This plan does not have a Plan Improvement and Monitoring section which is an important part of the service management plans template.

6. Parks and gardens	• This SMS is a comprehensive document of 46 pages
	• Council's goals and objectives for parks and gardens and the purpose of the SMP are clearly stated
	• The improvement plan for this SMP identifies the following work still to be completed:
	  - Develop classifications and a hierarchy for each of Council's parks
	  - Confirm current levels of service for parks and open space assets
	  - Develop Condition Assessment Manual
	  - Develop a demand management plan and model.

These various SMPs have provided Council with a sound first pass at articulating the relationship between services and future asset requirements. However, as seen in the Improvement Plans in each of the SMPs, there is still much work to be done to align services and assets to the long term financial plan.

In this regard QAO has provided guidance on how to create a service logic model following their report to parliament: Follow-up: monitoring and reporting performance (Report 3: 2016-17).

> *The first step is to identify all activities, and then repeatedly ask why they need to conduct these activities. A chain of connections is created that links the activities to the desired end results. Lastly, the department lists all the resources needed to ensure the chain of connections is achieved.*

Implication

Without a clearly articulated service model based on inputs, activities, outputs and outcomes, it is not possible to align the services and assets to the *Long Term Financial Plan 2017/18 - 2026/27* to ensure the rollout of an effective and coordinated capital delivery program.

Recommendations

1. It is recommended that when the SMPs are reviewed at the end of their first year of operation, the QAO logic model review checklist is used to ensure services are clearly articulated in all of the SMP's.

Management response to recommendations   Accepted: Yes

Agreed. Will be incorporated into Council's process for the 2019/20 Budget.

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BDO

Action plan / Audit register input to recommendation

Implementation action	Responsible officer	Target completion date
2.1 It is recommended that when the SMPs are reviewed at the end of their first year of operation, the QAO logic model review checklist is used to ensure services are clearly articulated in all of the SMP's.	Executive Manager Corporate & Community Services	Mar 2019

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BDO

3. Terms of reference – Asset management panel

Matter noted **Risk/Priority: Medium**

The draft Terms of Reference of the Asset Management Panel was established in September 2016 with the purpose of being the "..governance body responsible for the implementation of asset management systems, processes and aligned decision making within Council."

> *The panel contributes directly to improved service delivery and asset utilisation within Council by ensuring that systems and investments are aligned with Council's overall business objectives and Council imperatives.*

> *Through its role in the development, review and oversight of strategic plans, policies, service standards, and capital projects, the Panel provides a forum for executive level and whole of Council deliberation of all asset management related activities.*

The Panel has been the driving force behind the establishment of the existing Service Management Plans over the last 12 months. However, there is no guidance in the draft Terms of Reference as to the ongoing role of the Panel now that the Service Management Plans have been established.

Any further role of the Panel in refining Service Management Plans, developing capital project prioritisation processes and ensuring the correct balance of renewal and additional capital projects is maintained still needs to be defined.

Implication

Without a clearly articulated Terms of Reference for the Panel, there is a risk that the impetus to drive further improvements in the asset management framework will be lost.

Recommendation

1. It is recommended that the Terms of Reference of the Capital Works Panel be reviewed, for the 2018/19 Budget, in terms of Council's Asset Management Framework including:

- Review of the Service Management Plans
- Establishment of capital project prioritisation across business units (See Matter 4 below)
- Proposing the Capital Project Budget to ELT and Council
- Ensuring a balance between replacement and renewal capital projects is maintained.

Management response to recommendation **Accepted: Yes**

Agree.

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BDO

Action plan / Audit register input to recommendation

Implementation action	Responsible officer	Target completion date
3.1 It is recommended that the Terms of Reference of the Capital Works Panel be reviewed, for the 2018/19 Budget, in terms of Councils asset management framework including: • Review of the Service Management Plans • Establishment of capital project prioritisation • Proposing the Capital Project Budget to ELT and Council • Ensuring a balance between replacement and renewal capital projects is maintained.	Executive Manager Corporate & Community Services	Mar 2018

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BDO

4. Capital project prioritisation across business units

Matter noted   **Risk/Priority: Medium**

While there are understandably a number of processes used to prioritise projects within business units (such as the Infrastructure Works and Services Application for Funding Template), we noted limited indication of a systematic process for the prioritisation of projects across the business units by the Asset Management Panel.

In the absence of an overall prioritisation process it is easy to see how projects in budget are replaced and substituted without a great deal of rigour. This can result in a reactive Capital Project Program being rolled-out, rather than one that is aligned to service management plans.

The old *Capital Works Panel* Charter from 2011 envisaged the following methodology for the ranking of capital projects such a methodology could be used to provide a high level prioritisation across business units where large projects are competing for funding.

Criteria	Sub-criteria	Weighting
Social factors	Diversity	5%
	Amenity	8%
	Public Health & Safety	10.3%
	Cultural & Heritage values	8%
	Community services	2%
	Factor weighting	33.3%
Environmental factors	Energy consumption	7.3%
	Greenhouse emissions	7%
	Resource use	6%
	Waste generation	5%
	Water consumption	8%
	Factor weighting	33.3%
Economic factors	Life cycle costs	13.3%
	Cost recovery	3%
	City assets	5%
	Key Business Sectors	7%
	Infrastructure	5%
	Factor weighting	33.3%
Total		100%

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BDO

Implication

Without a clearly articulated capital project planning prioritisation process, it is not possible to ensure the most important projects are actually being prioritised into the Capital Project Program or the capital budget.

Recommendations

1. It is recommended that the Asset Management Panel establish and rollout a high level ranking system for the prioritisation of projects across business units.

Management response to recommendations   Accepted: Yes

Agreed.

Action plan / Audit register input to recommendation

Implementation action	Responsible officer	Target completion date
4.1 It is recommended that the Asset Management Panel establish and rollout a high level ranking system for the prioritisation of projects across business units.	Executive Manager Corporate & Community Services.	Mar 2018

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BDO

5. Project assurance framework

Matter noted   Risk/Priority: Low

It was noted that Council does not operate within any defined project assurance framework. We note as pointed out by QAO: *Forecasting long term sustainability of local government Report 2: 2016-17*, there is no requirement for Council to use such a framework.

However, the lack of guidance that would be given by such a framework results in an ad hoc approach to projects across Council and lack of clarity around the need to develop a business case for certain projects.

Such a framework would articulate minimum requirements for projects and thresholds for preliminary approvals and when a business case was required and what constituted a minimum business case.

As a start the project assurance framwork could be established through a *Project Identification Form* that included:

- Economic, social and environmental outcomes
- Preliminary project costs identified
- Proposed funding source identified
- Requirement for detailed scoping
- Requirement for detailed design
- Early identification of tangible and intangible benefits of the project
- Identification of business importance of the project
- Business plan alignment identified.

Implication

Without any form of project assurance framework new capital projects are scoped, costed and submitted for budget approval without any project decision framework including: requirements and thresholds for business cases, requirements for scope definition and design, alignment to the long term strategy, option analysis or preliminary evaluation thresholds.

Recommendations

1. It is recommended that the Asset Management Panel establish a high level methodology for a capital project assurance framework including the following .

As a start the project assurance framework could be established through a Project Identification Form that included:

- Preliminary project costs are identified
- Proposed funding source identified
- Requirement of detailed scoping
- Executive Manager to sign off on specifications for projects greater than $100,000
- Requirement for detailed design
- Early identification of tangible and intangible benefits of the project
- Identification of business importance of the project
- Business plan alignment identified.

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This will prevent unauthorised expenditure on the project prior to approval and will provides a consistent template for the comparing and prioritisation of projects across Council.

Management response to recommendations   **Accepted: Yes**

Action plan / Audit register input to recommendation

Implementation action	Responsible officer	Target completion date
5.1 It is recommended that the Asset Management Panel establish a high level methodology for a capital project assurance framework.	Executive Manager Corporate & Community Services	Mar 2018

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6. Priority Infrastructure Plan (PIP) Local Government Infrastructure Plan (LGIP)

Matter noted   **Risk/Priority: Medium**

Under the *Sustainable Planning Act 2009* (SPA) all local governments were previously required to include a Priority Infrastructure Plan (PIP) in their planning schemes. With the introduction of the *Sustainable Planning (Infrastructure Charges) and Other Legislation Amendment Act 2014* (SPICOLA 2014), local governments are now required to include a *Local Government Infrastructure Plan* (LGIP) instead of a PIP.

In accordance with the *Integrated Planning Act 1997* (IPA) local governments must prepare a planning scheme as a framework for managing the nature and location of development in the local government area as well as expressing related decisions about community infrastructure.

The purpose of an LGIP is to:

- Integrate infrastructure planning with the land use planning identified in the planning scheme
- Provide transparency regarding a local government's intentions for the provision of trunk infrastructure
- Enable a local government to estimate the cost of infrastructure provision to assist its long term financial planning
- Ensure that trunk infrastructure is planned and provided in an efficient and orderly manner
- Provide a basis for the imposition of conditions about infrastructure on development approvals.

Development infrastructure is defined in the SPA and is limited to land and/or works for the following five networks that provide essential services for development:

- Water supply
- Sewerage
- Stormwater
- Transport
- Public parks and land for community facilities.

During our review of the SMPs all officers were aware that currently there was no alignment of the of SMPs with priority infrastructure planning and this was a shortfall of the plans that would need to be addressed at the annual review of the plans.

Implication

Without a clear alignment of priority infrastructure planning with the SMPs, there is a risk that services and capital investment will not be consistently applied across council.

Recommendations

a. It is recommended that the 2018-19 review of the SMPs include an introductory section identifying the priority infrastructure planning that drives the services on which capital planning is based.

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Management response to recommendations   **Accepted: Yes**

Action plan / Audit register input to recommendation

Implementation action	Responsible officer	Target completion date
6.1 It is recommended that the 2018-19 review of the SMPs include an introductory section identifying the priority infrastructure planning that drives the services on which capital planning is based.	Executive Manager Corporate & Community Services	Mar 2018

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10.3   **Application of Section 236(1)(b)(ii) Exception for Proposed Lease of Part of the Laidley Depot**

Date: 17 April 2018
Author: Caitlan Natalier, Solicitor & Legal Services Coordinator
Responsible Officer: David Lewis, Acting Chief Executive Officer

Summary:

The purpose of this report is to consider a proposal for the long term lease of the main shed and foreman's office at the former Laidley Depot by Biosecurity Queensland and meet Council's statutory procurement requirements.

> **Officer's Recommendation:**
>
> **THAT with respect to the proposal by Biosecurity Queensland (Department of Agriculture and Fisheries) for the lease of the main shed and foreman's office at the former Laidley Depot site situated on Rosewood Laidley Road, Laidley (Property ID 154230), Council resolve to:**
> (a) **apply the exception from tendering in section 236(1)(b)(i) of the *Local Government Regulation 2012* applicable to disposals of land to government agencies; and**
> (b) **delegate authority to the Chief Executive Officer to offer a 5 year lease of the main shed and foreman's office to Biosecurity Qld and negotiate satisfactory lease terms.**

Report

1.   Introduction

Biosecurity Queensland have requested a five year lease of the main shed and foreman's office at the former Laidley Depot to enable them to continue to deliver their fire ant treatment program. The purpose of this report is to consider this request and meet Council's legislative requirements for the disposal of land by lease.

2.   Background

Since 11 October 2017, Biosecurity Queensland has operated their fire ant treatment program from the main shed of the former Laidley Depot under a short term licence. The background of this arrangement has previously been provided to Council.

Biosecurity Queensland officers presented their request for a five year lease of the main shed of the Laidley Depot to a Council workshop on 23 January 2018. Since this time, they have also requested use of the former foreman's office to the east of the main shed.

Their initial proposal was a monthly rental of $2,727.27 plus GST for non-exclusive use of the main shed. Since submitting this offer, they have requested use of the drive-through area of the main shed and the former foreman's office to the east of the main shed.

Biosecurity Queensland's offer and other interest received from third parties were workshopped with Council by the Manager Regional Development on 13 March 2018. At that time, Council indicated that they may be prepared to grant exclusive use of the main shed and the former foreman's office to Biosecurity Queensland but indicated that they would like to see a higher rental amount negotiated if possible.

These negotiations have been undertaken and this report is being presented to Council for formal consideration of the lease offer by Biosecurity Queensland and to meet Council's statutory obligations before a lease can be entered into.

3.   **Report**

Biosecurity Queensland is currently using part of the main shed as a base for operating their fire ant treatment program under a licence which is due to expire on 30 April 2018.

They have requested a five year lease of the whole of the main shed and the former foreman's office to the east commencing on 1 May 2018. The proposed lease areas are shown on the Aerial Plan attached to this report.

The initial lease offer from Biosecurity Queensland would have seen an annual rental of $32,727.24 (GST exclusive) received by Council. An increased monthly rental of $3,500.00 plus GST, with annual CPI increases, has now been agreed on the basis that Biosecurity Queensland will have exclusive use of the main shed and former foreman's office. This will result in an annual rental of $42,000 plus GST. It has also been agreed that Council will reserve the right to utilise these areas as necessary in the event of an emergency event.

The Executive Manager Infrastructure Works and Services and the Executive Manager Corporate and Community Services have arranged for all Council property currently stored in the main shed and the former foreman's office to be removed, relocated and disposed of as appropriate. It is anticipated that this will be completed by the end of April 2018.

As Biosecurity Queensland is part of the Department of Agriculture and Fisheries, and falls within the definition of "government agency", the Recommendation made in this Report is to apply the exception from calling tenders under Section 236(1)(b)(i) of the *Local Government Regulation 2012* so that a lease can be entered into immediately.

4.   **Policy and Legal Implications**

The lease will clearly set out the legal obligations of Council and Biosecurity Queensland.

Although it is intended that the lease terms will be agreed and the lease arrangement will commence on 1 May 2018, it is possible that the lease documents may not be executed and registered immediately. The buildings being leased are currently situated over lot boundaries and it may be prudent to wait until such time as the lot boundaries have been reconfigured as part of the redevelopment project currently being progressed by the Manager Regional Development.

This is not anticipated to impact negotiations with Biosecurity Queensland to agree to lease terms or otherwise disrupt their continuing operations as a lease can be executed after its commencement date.

5. Financial and Resource Implications

Staff resources are currently being applied to provide vacant possession of the main shed and former foreman's office.

The Legal Services and Property team will prepare and finalise the lease internally.

From 1 May 2018, Council will receive a significant income for the lease of these buildings to Biosecurity Queensland. The intention is that all outgoings for water, electricity and telecommunications for the Biosecurity use will also be the responsibility of Biosecurity Queensland.

6. Delegations/Authorisations

The recommendation made in this report provides authority for the Chief Executive Officer to negotiate and enter into a lease with Biosecurity Queensland.

7. Communication and Engagement

The Chief Executive Officer, through the Legal Services and Property team, will be responsible for engaging with Biosecurity Queensland to advise of Council's resolution and to negotiate satisfactory lease terms.

8. Conclusion

The recommendation made in this report will provide a mutually beneficial solution for the use of the former Laidley depot sheds for value and the continued delivery of the fire ant treatment program in the Lockyer Valley.

9. Action/s
1. Advise Biosecurity of Council's resolution.
2. Negotiate and agree on lease terms.
3. Execute lease.

Attachments

1<u>View</u>   Aerial Plan   1 Page

Area to be used by Biosecurity Queensland (Hatched in Yellow)
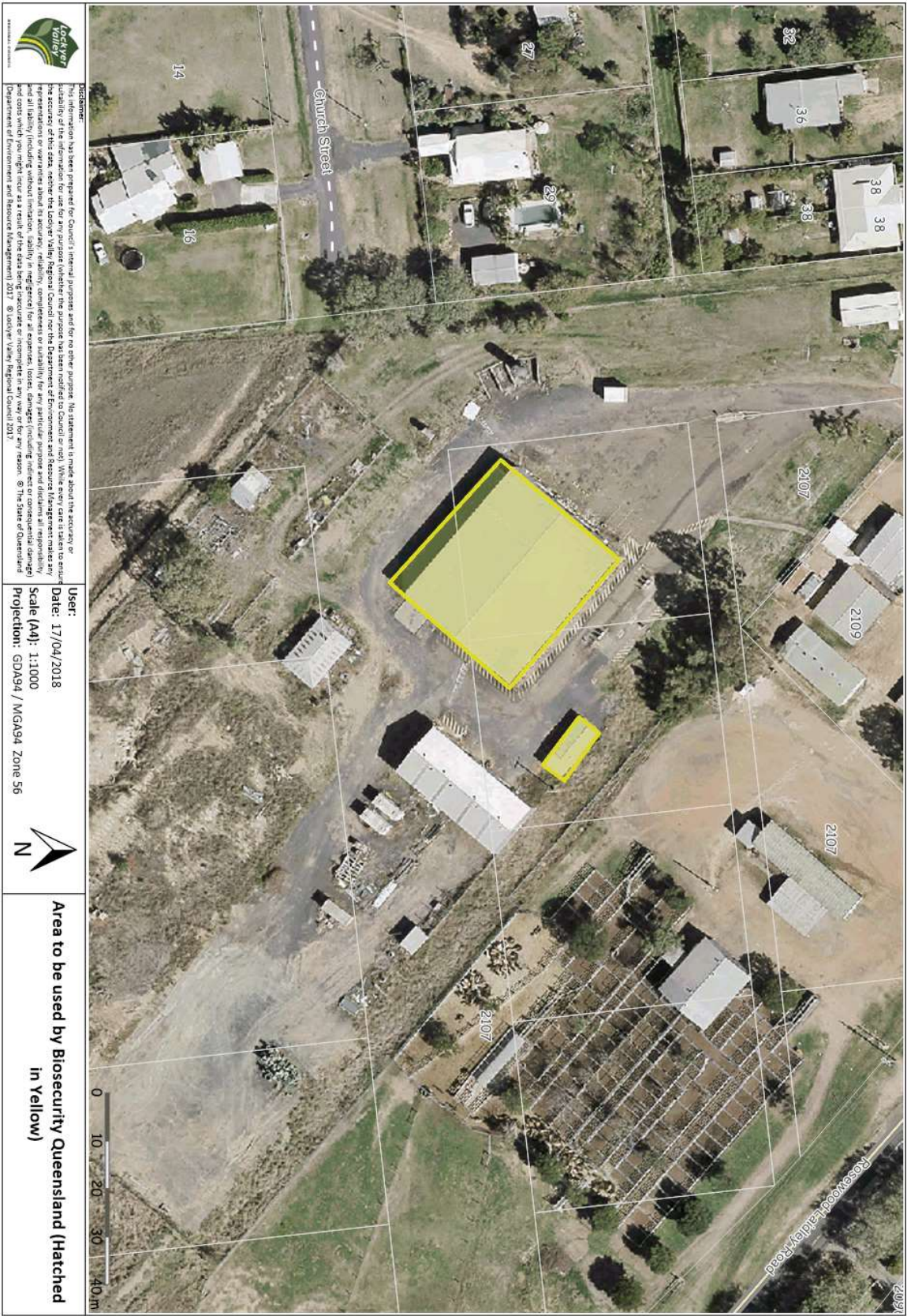
11. ORGANISATIONAL DEVELOPMENT AND PLANNING REPORTS

11.1   **Amendment of Adopted Infrastructure Charges Resolution**

Date: 17 April 2018
Author: Trevor Boheim, Manager Planning and Environment
Responsible Officer: Dan McPherson, Executive Manager Organisational Development &
                                  Planning

Summary:

The report proposes an amendment of the Lockyer Valley Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 (AICR) to allow the issuance of an Infrastructure Charges Notice for building works.

Officer's Recommendation:

THAT the Lockyer Valley Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 be amended by omitting the current wording for Section 13(1) and inserting the following in its place:
   (1)   The levied charge may be levied for the following development:
         (a)   reconfiguring a lot;
         (b)   material change of use of premises;
         (c)   building work.

1.   Introduction

This report proposes an amendment of the Lockyer Valley Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 (AICR) to allow Council to issue an Infrastructure Charges Notice for building works in addition to material change of use and reconfiguring a lot in line with the current legislation.

2.   Background

The current framework for issuing an infrastructure charges notice is pursuant to the *Planning Act 2016, Planning Regulation 2017* and the Adopted Infrastructure Charges Resolution (No.1) 2015.

Section 19 of the *Planning Act 2016* states that infrastructure charges may be levied if:
   a)   A development approval has been given; and
   b)   An adopted charge applies to providing trunk infrastructure for the development.

Under the 2015 AICR, an infrastructure charge may be levied for development that is a reconfiguration of lot or a material change of use (section 13(1)). The 2015 AICR does not provide for the levying of an infrastructure charge on development approval for building works.

As a result of the introduction of the *Planning Act 2016* and *Planning Regulation 2017*; and the receipt of legal advice with regard to a specific development matter, it has been brought to

Council's attention that it would be prudent to amend the AICR to provide for Infrastructure Charges Notice to be issued for building works.

3.   Report

Section 52(3)(a) of the *Planning Regulation 2017* prescribes the type of development for which a local government may have an adopted charge as:

   (a) Material change of use;
   (b) Reconfiguring a lot; or
   (c) Building work.

The current wording of the Lockyer Valley Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 (AICR) section 13 (1) states:

(1) The levied charge may be levied for the following development:
      (a) reconfiguring a lot;
      (b) *material change of use of premises*.

The proposed amendment inserts the words "building work" as a new sub-section 13(1)(c). The effect of this will bring the AICR into line with the current legislation (*Planning Act 2016, Planning Regulation 2017*).

The proposed amendment will allow Council to recover infrastructure charges for the development at the point when a development receives building approval.

Under the current wording of the 2015 AICR, Council cannot issue an infrastructure charges notice for development that is carrying out building work that results in increased infrastructure demand, but that does not require a material change of use or reconfiguring a lot approval.

The proposed amendment allows Council to charge for the increased demand caused by building work for such development. This does not mean that Council is obliged to levy infrastructure charges for building work.

4.   Policy and Legal Implications

The effect of this amendment is to bring the Lockyer Valley Regional Council Adopted Infrastructure Charges Resolution (No.1) 2015 (AICR) in line with the current legislation. The amendment takes effect on the day the amended AICR is published on Council's website.

5.   Financial and Resource Implications

The proposed amendment will ensure that where increased demand on trunk infrastructure arises from a building work approval an infrastructure charge can be levied.

6.   Delegations/Authorisations

There are no implications for delegations or authorisations arising from the recommendation provided in this report.

7.   Communication and Engagement

The amended Adopted Infrastructure Charges Resolution (No.1) 2015 will be published on Council's website.

8.   Conclusion

The proposed amendment to the Adopted Infrastructure Charges Resolution (No.1) 2015 will ensure the AIRC is consistent with the current legislation allowing Council to levy Infrastructure Charges Notice to be issued for building works.

9.   Action/s

The updated Adopted Infrastructure Charges Resolution (No.1) 2015 be amended in and published on Council's website.

11.2   **Request to Name a New Road and Continuation of Existing Roads - Meadows at Plainland Estate**

Date: 17 April 2018
Author: Tammie Davidson, Development Support Officer
Responsible Officer: Dan McPherson, Executive Manager Organisational Development & Planning

Summary:

This report seeks Council's approval to name streets within the Meadows at Plainland rural residential subdivision, located at Hooper Drive, Plainland.

Officer's Recommendation:
THAT Council approve the following road names as shown on detailed plan BRJD5894.000-014 Rev B and dated 16 April 2018:
- **Road 1 as Laverton Close**
- **Road 2 as Hooper Drive (continuation of existing road)**
- **Road 3 as Mahogany Drive (continuation of existing road)**

Report

1.   **Introduction**

      This report refers to a request made by LandPartners on behalf of the developer of a rural residential subdivision located within the Meadows at Plainland Estate.

2.   **Background**

      Council is responsible for assigning an official name to every gazetted road that is used to access properties. Council accepts requests from the public to name roads. All requests are considered in accordance with Council's Road Naming Policy and ASNZ Standard 4819:201.

3.   **Report**

      A request to name a new road and continuation of existing roads was received on 5 April 2018 from LandPartners on behalf of the developer of a rural residential subdivision located within the Meadows at Plainland Estate. The applicant is requesting on behalf of the developers to name a new road and the continuation of two roads. The applicant provided three preferences to name Road 1.

Road 1	
1. Laverton Close	No other instances of this name in Lockyer Valley
2. Oakhurst Court	No other instances of this name in Lockyer Valley
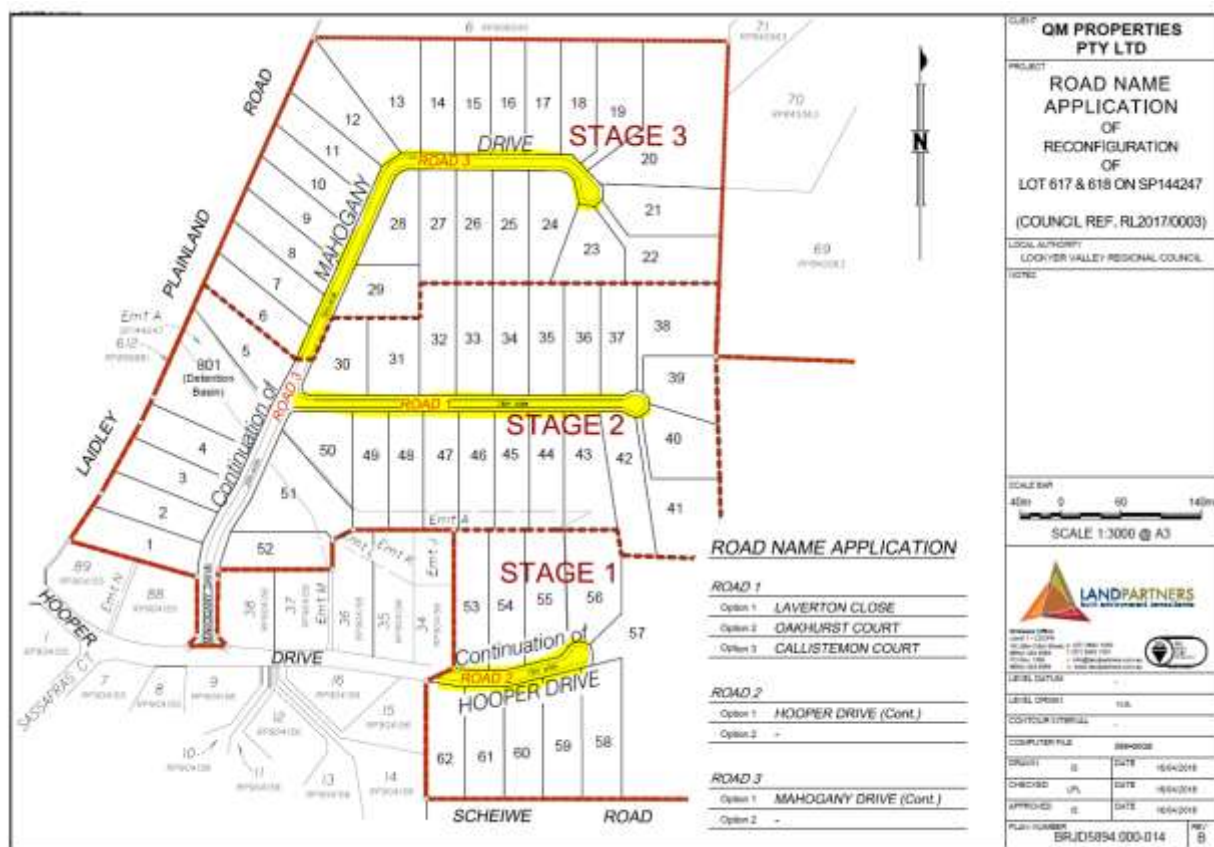
3. Callistemon Court	No other instances of this name in Lockyer Valley
Road 2	
1. Hooper Drive	Continuation of existing road
Road 3	
1. Mahogany Drive	Continuation of existing road

A search of roads and streets within the Lockyer Valley Reginal Council area provides that the preferences are not pre-existing and where they are similar or existing, this is noted.

Therefore, it is recommended that the first preference for Road 1, Laverton Close is the road name approved by Council. For Road 2, as this is the continuation of an existing road the road name Hooper Drive is approved by Council. For Road 3, as this is the continuation of an existing road the road name Mahogany Drive is approved by Council.

4.   Policy and Legal Implications

The suggested road names do not exist within the Lockyer Valley Regional Council area and are not in conflict with Council's Road Naming Policy or ASNZ Standard 4819:2011.

5.   Financial and Resource Implications

Budget implications will continue to be addressed through existing allocations.

6.   Delegations/Authorisations

No further delegations are required to manage the issues raised in this report.

7.   Communication

Council will notify the applicant of the outcome of their request for road naming.

8.   Conclusion

Council officers have assessed the request for naming three roads in the Meadows at Plainland Estate and conclude that the suggested names are in keeping with the policy pertaining to road naming with the Lockyer Valley Regional Council.

9.   Action/s

1. The applicant will be notified of the outcome of their request.
2. Council's records will be updated to reflect the approved names.

12. CORPORATE AND COMMUNITY SERVICES REPORTS

12.1 **Exemptions from Obtaining Competitive Offers for the March 2018 Quarter**

Date: 16 April 2018
Author: Tony Brett, Acting Executive Manager Corporate and Community Services
Responsible Officer: Tony Brett, Acting Executive Manager Corporate and Community Services

Summary:

To comply with existing legislative requirements, Council is required to make a resolution in relation to Section 235 of the *Local Government Regulation 2012* in relation to certain contractual obligations.

Officer's Recommendation:
THAT Council resolve to enter into medium-sized or large-sized contracts under Section 235 (a) of the *Local Government Regulation 2012* without first inviting written quotes or tenders, as it is satisfied that there is only 1 supplier who is reasonably available for:
a. **The construction of oil waste sheds at various locations by Transportable Shade Sheds Pty Ltd;**
b. **Bridge inspections and treatments by Instrada;**
c. **Supply of specialised landfill compaction equipment by Compass Equipment Sales Pty Ltd; and**
d. **Construction of spray units by Quick Corp.**
And further;
THAT Council resolve to enter into a medium-sized or large-sized contracts under Section 235 (b) of the *Local Government Regulation 2012* without first inviting written quotes or tenders, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for Council to invite quotes or tenders for:
a. **Delivery of a business continuity training program for local business by Pheonix Resilience; and**
b. **Revegetation analysis of Tenthill Creek Catchment by Catchment Connections.**

Report

1. Introduction

Under the *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation), Council has specific legislative responsibilities in relation to procurement. However, also contained within this legislation are exemptions from these requirements.

2. Background

Under Section 235 of the Regulation a local government may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if –

(a) the local government resolves it is satisfied that there is only 1 supplier who is reasonably available; or
(b) the local government resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders; or
(c) a genuine emergency exists; or
(d) the contract is for the purchase of goods and is made by auction; or
(e) the contract is for the purchase of second-hand goods; or
(f) the contract is made with, or under an arrangement with, a government agency.

Under the Regulation, a medium-sized contract is between $15,000 and $200,000 (exclusive of GST) and a large-sized contract being of greater value than $200,000 (exclusive GST).

3. Report

Over recent months, Council has entered into contracts with a number of suppliers under the approval of the Chief Executive Officer. These contracts exclude contracts under alternative legislative procurement exceptions under Sections 231 to 234 of the Regulation.

To comply with the requirements of the Regulation, Council is now required to make a resolution in relation to Section 235 of the Regulation in relation to these contractual obligations.

Tabled below is the group, type of contract, supplier and reasons for not applying competitive procurement:

Section 235	Unit	Supplier	Service(s)	GST Inclusive	Justification
a	Health, Waste and Regulatory Services	Transportable Shade Sheds Pty Ltd	Construction & installation of transportable oil waste shed at various transfer station sites.	$69,826.59	Local suppliers with capacity to supply specialised shed for waste oils that meet EHP requirements.
a	Infrastructure Works and Services	Instrada	Level 2 Bridge inspections & termite poisoning treatments on Council timber assets.	$19,558.66	Part of on-going asset inspections to determine conditions and repair of Council timber assets.
a	Health, Waste and Regulatory Services	Compass Equipment Sales Pty Ltd	Specialised piece of equipment for use on landfills to compact waste.	$114,400.00	Specialised equipment only available from a single supplier that meets EHP requirements.
a	Infrastructure	Quick Corp	Construction of spray	$17.351.40	Supplier has an

Section 235	Unit	Supplier	Service(s)	GST Inclusive	Justification
	Support Services		unit for pest management.		existing partnership with Council which ensures the consistency in the construction of spray units for use by community.
b	Disaster Management	Phoenix Resilience	Development and delivery of business continuity training & education program.	$15,000.00	Part two of industry specialist training for all hazards including flooding and bush fire for businesses within the Region.
b	Planning and Environment	Dr Jacky Croke – Catchment Connections	Revegetation analysis for Tenthill Creek Hill Catchment.	$29,060.00	Experienced local supplier to deliver crucial datasets.

4.   Policy and Legal Implications

Under Section 235 of the *Local Government Regulation 2012*, a local government may enter into a medium-sized or large-sized contractual arrangement without first inviting written quotes or tenders if –

(a) the local government resolves it is satisfied that there is only 1 supplier who is reasonably available; or
(b) the local government resolves that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders; or
(c) a genuine emergency exists; or
(d) the contract is for the purchase of goods and is made by auction; or
(e) the contract is for the purchase of second-hand goods; or
(f) the contract is made with, or under an arrangement with, a government agency.

5.   Financial and Resource Implications

Budget and resource implications will continue to be addressed through existing budget allocations.

6.   Delegations/Authorisations

No further delegations are required to manage the issues raised in this report. The Executive Manager Corporate and Community Services will manage the requirements in line with existing delegations.

7.   Communication and Engagement

The matters arising from this report that require further communication will be addressed through existing communication channels.

8.   Conclusion

To comply with the requirements of *Local Government Regulation 2012*, Council is required to make a resolution in relation to Section 235 of the Regulation in relation to the above mentioned contractual obligations.

9.   Action/s

No further actions are required in relation to this report.

12.2   **Summary of Council Actual Financial Performance vs. Budget – 31 March 2018**

Date: 16 April 2018
Author: Tony Brett, Acting Executive Manager Corporate and Community Services
Responsible Officer: Tony Brett, Acting Executive Manager Corporate and Community Services

Summary:

In accordance with Section 204 of the *Local Government Regulation 2012*, a financial report summarising the progress of Council's actual performance against budgeted performance is to be presented to Council. This report provides a summary of Council's financial performance against budget for the financial year to 31 March 2018.

Officer's Recommendation:
THAT Council receive and note the Summary of Council Actual Financial Performance versus Budget to 31 March 2018.

Report

1.   Introduction

In accordance with Section 204 of the *Local Government Regulation 2012*, a financial report summarising the progress of Council's actual performance against budgeted performance is to be provided to Council.

2.   Background

Monthly reporting of Council's financial performance is a legislative requirement and reinforces sound financial management practices throughout the organisation.

3.   Report

The following report provides a summary of Council's financial performance against budget to 31 March 2018.

Statement of Income and Expenditure

Operating Revenue - Target $51.00 million Actual $51.33 million or 100.65%

At 31 March 2018, overall operating revenue is on target for the budgeted amount.
Following the issue of the second rates levy, rating revenues are on target and it would appear that the growth target will be achieved for the year. For the year to date, income from development applications, and waste disposal fees remain more than anticipated.

Other revenue which includes QUU distributions and legal fee recoveries also remain higher than budget, as is Council's investment revenues due to higher cash balances.

Operating Expenditure - Target $42.19 million Actual $40.87 million or 96.87%

At 31 March 2018, overall operating expenditure for the year to date was under budget by $1.33 million.

Employee costs are on target for the year to date pending the finalisation of the certified agreement negotiations.

At 31 March, goods and services were $1.33 million less than budget due to the timing of contract and project payments across a number of cost centres. Although some of the timing issues have been addressed, and adjustments made to offset increased costs in other areas, overall expenditure remains less than expected.

Depreciation costs are now calculated using the One Council asset system and are reflective of the actual amount of depreciation being charged on the estimated revalued amount of Council's assets. At present depreciation costs are higher than budget due to increased asset values.

Capital Revenue - Target $3.18 million Actual $3.27 million or 102.83%

Overall capital grants and subsidies revenue is on budget for the year to date. The timing of capital grants and subsidies remains largely dependent upon the completion of the annual capital works program and the grant application approval process.

The loss on disposal of non-current assets relates to the write off of assets which have been replaced or renewed through the capital works program.

Statement of Financial Position

The Statement of Financial Position provides information on the breakdown of Council's assets and liabilities at a point in time. At 31 March, Council had $45.88 million in current assets compared to $9.77 million in current liabilities with a ratio of 4.70:1. This means that for every dollar of current liability, there is $4.70 in current assets to cover it.

Statement of Cash Flows

The Statement of Cash Flows provides information on the amount of cash coming in and going out. As at 31 March, there has been a net cash inflow of $8.09 million with $17.29 million received from operating activities and a net cash outflow for investing activities of $8.03 million with the proceeds from sales of property and grants received partially offsetting the amount spent on capital works. For the year to date, $1.17 million in repayments have been made on Council's loans.

The Statement of Cash Flows is important as it shows the real movement in Council's cash balances, as opposed to the accounting movements shown in the Statement of Income and Expenditure. In order to maintain adequate working capital, it is estimated that Council needs around $11.00 million cash at any one time; at 31 March, Council's cash balance was $35.33 million.

Capital Expenditure – Target $20.17 million Actual $11.34 million or 56.22%

To 31 March 2018, Council has expended $11.34 million on its capital works program with a further $3.05 million in committed costs for works currently in progress. With commitments included, the percentage spent is 71.31% which is on track for the year.

The main expenditures are $8.58 million within Infrastructure, Works and Services and $2.07 million within Corporate and Community Services. Major projects include the Laidley Flood Mitigation Project, Gravel Re-sheeting, Bitumen Resealing and the Plant Replacement program.

The cash flow of the capital works budget has been reviewed to take into account the proposed timing of the projects to provide a more accurate estimate of the progress of the works program. The timing of the cash flows will be adjusted as required to cater for changes in scheduling as advised by responsible officers.

4. **Policy and Legal Implications**

Policy and legal implications will be addressed in future on matters that arise before Council.

5. **Financial and Resource Implications**

Monitoring of budgets and actuals will remain important if Council is to achieve the financial results adopted as part of the 2017/18 Budget, with any variations or anomalies to be investigated and action taken as appropriate.

The results of the second budget review have been incorporated into this report however expenditure remains under budget. Monitoring of operational projects not yet started, the timing of contractor payments and any negotiated certified agreement pay increase on Council's employee costs remains ongoing.

The revised budget has been used as the basis for the development of the 2018/19 budget.

6. **Delegations/Authorisations**

No further delegations are required to manage the issues raised in this report. The Executive Manager Corporate and Community Service will manage the requirements in line with existing delegations.

7. **Communication and Engagement**

The matters arising from this report that require further communication will be addressed through existing communication channels.

8. **Conclusion**

At 31 March, Council's revenues are on target, and overall expenditure is under target.

9.   Action/s

1.   Nil

Attachments

1[View](#)   Council Monthly Financial Report   19 Pages

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

LOCKYER VALLEY REGIONAL COUNCIL
Total Council Operating Revenue and Expenses
For the Period Ended 31st March, 2018

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report
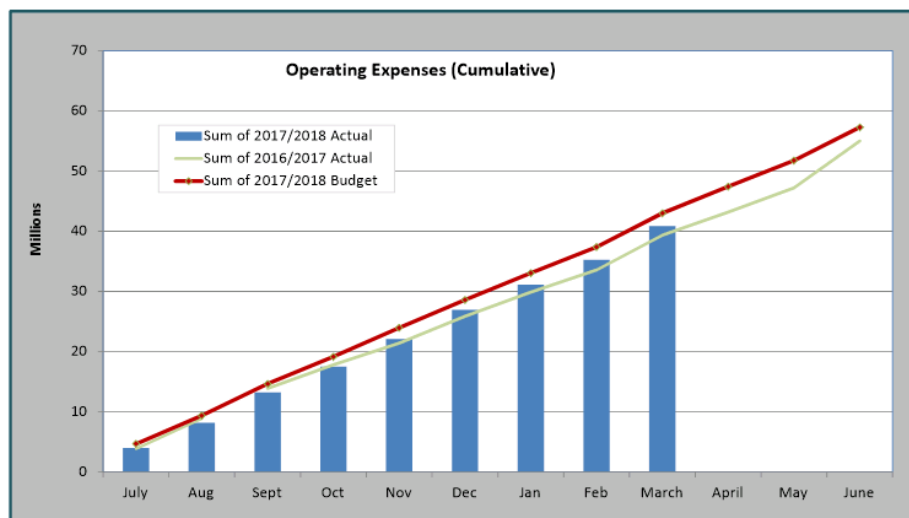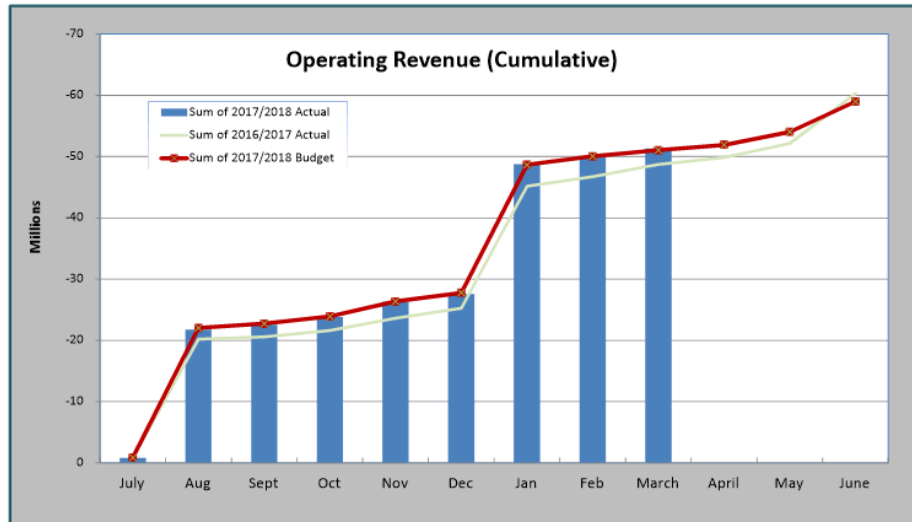
LOCKYER VALLEY REGIONAL COUNCIL
Operating Expenses
For the Period Ended 31st March, 2018

Operating Expenses Actual v Budget

- Sum of 2017/2018 Budget
- Sum of 2017/2018 Actual

Operating Expenses Variances

	Depreciation	Employee Costs	Finance costs	Goods and Services
Total	-5,161	747,365	-11,549	1,416,016

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

**Attachment 1
Council Monthly Financial Report**
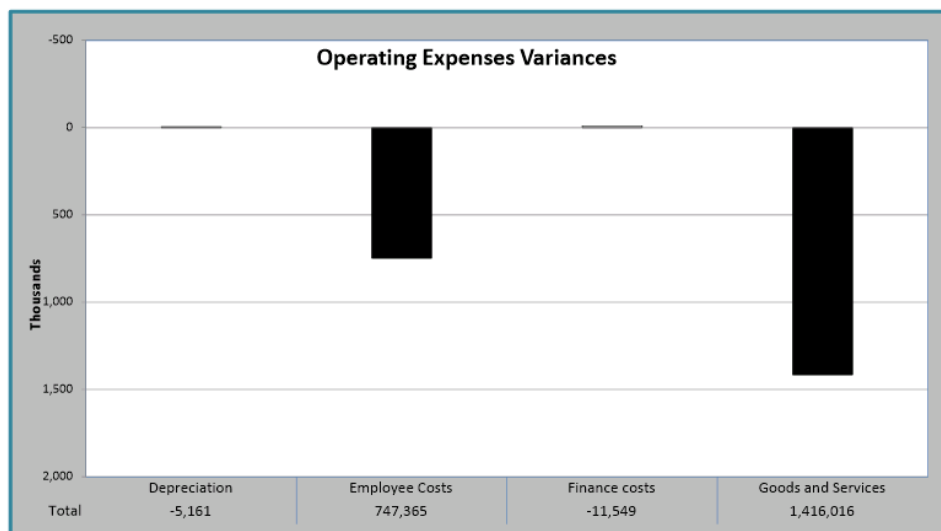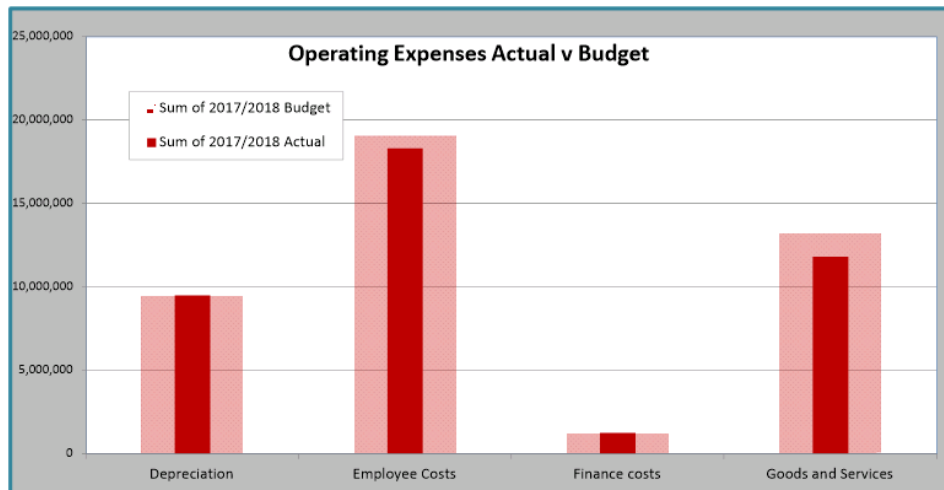
LOCKYER VALLEY REGIONAL COUNCIL
Operating Revenue
For the Period Ended 31st March, 2018

Operating Revenue Actual v Budget

	Charges and Fees	Discount	Interest	Operating Contributions and Donations	Operating Grants and Subsidies	Other Revenue	Profit from Investments	Revenue - Contract/Reco verable Works	Rates and Utility Charges (Gross)
Sum of 2017/2018 Budget	-4,048,358.31	1,610,000.00	-1,188,008.69	-87,000.01	-3,584,260.25	-1,668,094.81	0.00	-2,142,729.71	-39,937,218.60
Sum of 2017/2018 Actual	-4,223,321.56	1,619,820.52	-1,259,243.42	-90,377.90	-3,487,082.41	-1,746,777.63	0.00	-2,195,245.80	-39,914,110.55

Operating Revenue Variances

	Charges and Fees	Discount	Interest	Operating Contributions and Donations	Operating Grants and Subsidies	Other Revenue	Profit from Investments	Revenue - Contract/Rec overable Works	Rates and Utility Charges (Gross)
Total	174,963	-9,821	71,235	3,378	-97,178	78,683	0	52,516	-23,108

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Lockyer Valley Regional Council (Whole Council)
Statement of Income and Expenditure
For Period Ending March 2018

	Budget	Actuals YTD	Budget YTD	Budget Variance Amount YTD	Variance % YTD
Operating Revenue:					
Rates and Utility Charges (Gross)	40,057,990	39,914,111	39,937,219	23,108	0.06
Discount	(1,610,000)	(1,619,821)	(1,610,000)	9,821	(0.61)
Charges and Fees	5,284,500	4,223,366	3,988,358	(235,008)	(5.89)
Interest	1,682,880	1,259,247	1,188,009	(71,238)	(6.00)
Operating Grants and Subisidies	6,843,306	3,522,532	3,584,260	61,728	1.72
Operating Contributions and Donations	158,000	90,378	87,000	(3,378)	(3.88)
Revenue - Contract/Recoverable Works	2,630,300	2,195,246	2,142,730	(52,516)	(2.45)
Other Revenue	2,114,900	1,746,835	1,685,040	(61,794)	(3.67)
Profit from Investments	1,807,000	-	-	-	0.00
Total Operating Revenue	58,968,876	51,331,894	51,002,616	(329,278)	(0.65)
Operating Expenses:					
Employee Costs	24,674,330	18,317,073	18,344,535	27,463	0.15
Goods and Services	18,351,606	11,806,853	13,134,147	1,327,294	10.11
Finance costs	1,639,430	1,253,126	1,229,350	(23,776)	(1.93)
Depreciation	12,647,310	9,490,644	9,485,483	(5,161)	(0.05)
Total Operating Expenses	57,312,676	40,867,695	42,193,515	1,325,819	3.14
Operating Surplus/(Deficit)	1,656,199	10,464,199	8,809,101	(1,655,097)	(18.79)
Capital Revenue:					
Capital Grants, Subsidies and Contributions	5,038,000	3,183,212	3,270,250	87,038	2.66
Profit (Loss) on Disposal of Non Current Assets	120,000	(2,851,169)	120,000	2,971,169	2,475.97
Total Capital Revenue	5,158,000	332,043	3,390,250	3,058,207	90.21
Operating Surplus/(Deficit) After Capital Items	6,814,199	10,796,241	12,199,351	1,403,110	11.50

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Lockyer Valley Regional Council (Executive Office)
Statement of Income and Expenditure
For Period Ending March 2018

	Budget	Actuals YTD	Budget YTD	Variance Amount YTD	Variance % YTD
Operating Revenue:					
Charges and Fees	-	3	-	(3)	0.00
Operating Grants and Subisidies	121,000	106,000	106,000	-	0.00
Operating Contributions and Donations	6,000	29,738	6,000	(23,738)	(395.63)
Revenue - Contract/Recoverable Works	-	(271)	-	271	0.00
Other Revenue	400,900	344,025	352,675	8,650	2.45
Total Operating Revenue	527,900	479,495	464,675	(14,820)	(3.19)
Operating Expenses:					
Employee Costs	3,718,920	2,939,325	2,864,753	(74,572)	(2.60)
Goods and Services	2,993,265	1,601,523	1,909,305	307,782	16.12
Finance costs	4,000	3,319	2,880	(439)	(15.24)
Depreciation	88,320	33,319	66,240	32,922	49.70
Total Operating Expenses	6,804,505	4,577,485	4,843,177	265,692	5.49
Operating Surplus/(Deficit)	(6,276,605)	(4,097,990)	(4,378,502)	(280,513)	6.41
Capital Revenue:					
Capital Grants, Subsidies and Contributions	29,000	59,629	59,000	(629)	(1.07)
Profit (Loss) on Disposal of Non Current Assets	-	-	-	-	0.00
Total Capital Revenue	29,000	59,629	59,000	(629)	(1.07)
Operating Surplus/(Deficit) After Capital Items	(6,247,605)	(4,038,361)	(4,319,502)	(281,141)	6.51

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Lockyer Valley Regional Council (Organisational Development and Planning)
Statement of Income and Expenditure
For Period Ending March 2018

	Budget	Actuals YTD	Budget YTD	Variance Amount YTD	Variance % YTD
Operating Revenue:					
Rates and Utility Charges (Gross)	267,200	269,599	267,200	(2,399)	(0.90)
Charges and Fees	3,175,000	2,792,832	2,648,802	(144,030)	(5.44)
Interest	2,000	736	1,500	764	50.93
Operating Grants and Subisidies	85,000	76,364	85,000	8,636	10.16
Operating Contributions and Donations	56,000	36,000	56,000	20,000	35.71
Revenue - Contract/Recoverable Works	920,300	678,716	700,730	22,014	3.14
Other Revenue	5,000	4,718	1,200	(3,518)	(293.16)
Total Operating Revenue	4,510,500	3,858,964	3,760,431	(98,533)	(2.62)
Operating Expenses:					
Employee Costs	5,170,253	3,828,281	3,983,457	155,176	3.90
Goods and Services	1,908,590	1,123,743	1,502,821	379,077	25.22
Finance costs	900	936	675	(261)	(38.65)
Depreciation	20,040	18,220	15,030	(3,190)	(21.23)
Total Operating Expenses	7,099,783	4,971,180	5,501,982	530,802	9.65
Operating Surplus/(Deficit)	(2,589,283)	(1,112,216)	(1,741,551)	(629,335)	36.14
Capital Revenue:					
	-	-	-	-	0.00
Total Capital Revenue	-	-	-	-	0.00
Operating Surplus/(Deficit) After Capital Items	(2,589,283)	(1,112,216)	(1,741,551)	(629,335)	36.14

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Lockyer Valley Regional Council (Corporate and Community Services)
Statement of Income and Expenditure
For Period Ending March 2018

	Budget	Actuals YTD	Budget YTD	Variance Amount YTD	Variance % YTD
Operating Revenue:					
Rates and Utility Charges (Gross)	38,881,589	38,735,310	38,760,818	25,507	0.07
Discount	(1,610,000)	(1,619,821)	(1,610,000)	9,821	(0.61)
Charges and Fees	2,081,500	1,412,867	1,318,557	(94,311)	(7.15)
Interest	1,680,880	1,258,493	1,186,509	(71,984)	(6.07)
Operating Grants and Subsidies	3,914,081	1,852,511	1,902,924	50,413	2.65
Operating Contributions and Donations	46,000	-	-	-	0.00
Revenue - Contract/Recoverable Works	-	107	-	(107)	0.00
Other Revenue	1,392,400	1,142,229	1,085,716	(56,514)	(5.21)
Profit from Investments	1,807,000	-	-	-	0.00
Total Operating Revenue	48,193,450	42,781,697	42,644,523	(137,174)	(0.32)
Operating Expenses:					
Employee Costs	9,325,579	6,485,559	6,544,291	58,733	0.90
Goods and Services	10,103,156	7,091,591	7,219,452	127,862	1.77
Finance costs	1,186,530	940,142	889,795	(50,347)	(5.66)
Depreciation	3,484,830	2,410,563	2,613,623	203,060	7.77
Total Operating Expenses	24,100,095	16,927,854	17,267,161	339,307	1.97
Operating Surplus/(Deficit)	24,093,355	25,853,843	25,377,362	(476,481)	(1.88)
Capital Revenue:					
Capital Grants, Subsidies and Contributions	467,000	507,033	474,500	(32,533)	(6.86)
Profit (Loss) on Disposal of Non Current Assets	-	(395,968)	-	395,968	0.00
Total Capital Revenue	467,000	111,066	474,500	363,434	76.59
Operating Surplus/(Deficit) After Capital Items	24,560,355	25,964,908	25,851,862	(113,047)	(0.44)

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

**Attachment 1
Council Monthly Financial Report**

Lockyer Valley Regional Council (Infrastructure, Works and Services)
Statement of Income and Expenditure
For Period Ending March 2018

	Budget	Actuals YTD	Budget YTD	Variance Amount YTD	Variance % YTD
Operating Revenue:					
Rates and Utility Charges (Gross)	909,201	909,202	909,201	(1)	(0.00)
Charges and Fees	28,000	17,664	21,000	3,336	15.89
Interest	-	18	-	(18)	0.00
Operating Grants and Subisidies	2,723,225	1,487,658	1,490,336	2,678	0.18
Operating Contributions and Donations	50,000	24,640	25,000	360	1.44
Revenue - Contract/Recoverable Works	1,710,000	1,516,694	1,442,000	(74,694)	(5.18)
Other Revenue	316,600	255,862	245,450	(10,412)	(4.24)
Total Operating Revenue	5,737,026	4,211,738	4,132,987	(78,751)	(1.91)
Operating Expenses:					
Employee Costs	6,459,578	5,063,908	4,952,035	(111,874)	(2.26)
Goods and Services	3,346,595	1,989,997	2,502,570	512,573	20.48
Finance costs	448,000	308,729	336,000	27,271	8.12
Depreciation	9,054,120	7,028,542	6,790,590	(237,952)	(3.50)
Total Operating Expenses	19,308,293	14,391,176	14,581,194	190,018	1.30
Operating Surplus/(Deficit)	**(13,571,267)**	**(10,179,438)**	**(10,448,208)**	**(268,769)**	**2.57**
Capital Revenue:					
Capital Grants, Subsidies and Contributions	4,542,000	2,616,550	2,736,750	120,200	4.39
Profit (Loss) on Disposal of Non Current Assets	120,000	(2,455,202)	120,000	2,575,202	2,146.00
Total Capital Revenue	4,662,000	161,349	2,856,750	2,695,401	94.35
Operating Surplus/(Deficit) After Capital Items	**(8,909,267)**	**(10,018,090)**	**(7,591,458)**	**2,426,632**	**(31.97)**

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

LOCKYER VALLEY REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
As at 31 March, 2018

	2017-2018 Full Year Budget	2017-2018 YTD Actual
Current Assets		
Cash assets and cash equivalents	22,370,000	20,727,936
Cash investments	-	14,600,000
Trade and other receivables	3,540,000	7,888,573
Inventories	3,400,000	467,807
Non-current assets classified as held for sale	-	2,197,137
Total Current Assets	29,310,000	45,881,454
Non Current Assets		
Trade and other receivables	14,740,000	14,745,256
Equity investments	30,780,000	28,762,947
Investment properties	1,850,000	1,847,000
Property, plant and equipment	619,140,000	561,799,426
Intangible assets	5,520,000	4,471,281
Total Non Current Assets	672,020,000	611,625,910
TOTAL ASSETS	701,330,000	657,507,364
Current Liabilites		
Trade and other payables	4,000,000	4,644,681
Provisions	4,680,000	4,678,139
Borrowings	1,770,000	446,436
Total Current Liabilities	10,450,000	9,769,256
Non Current Liabilities		
Provisions	28,630,000	28,633,269
Borrowings	28,320,000	30,837,626
Total Non Current Liabilities	56,950,000	59,470,895
TOTAL LIABILITIES	67,390,000	69,240,151
NET COMMUNITY ASSETS	**633,940,000**	**588,267,214**
Community Equity		
Retained surplus (deficiency)	377,380,000	367,465,110
Asset revaluation surplus	254,960,000	205,124,593
Reserves	-	4,881,295
Current Surplus/(Deficit)	1,600,000	10,796,216
TOTAL COMMUNITY EQUITY	**633,940,000**	**588,267,214**

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

LOCKYER VALLEY REGIONAL COUNCIL
Statement of Cash Flows
For the period ended 31 March, 2018

	2017-2018 Full Year Budget	2017-2018 YTD Actuals
Cash flows from operating activities:		
Receipts		
Receipts from customers	56,910,000	48,953,789
Dividend received	-	-
Interest received	1,680,000	1,259,247
Payments		
Payments to suppliers and employees	(45,390,000)	(31,774,508)
Interest expense	(1,470,000)	(1,151,363)
Net cash inflow (outflow) from operating activities	11,740,000	17,287,166
Cash flows from investing activities:		
Capital grants, subsidies and contributions	4,610,000	3,183,212
Payments for property, plant and equipment	(19,870,000)	(11,274,931)
Payments for investment property	-	-
Net transfer (to) from cash investments	770,000	-
Proceeds from sale of property plant and equipment	240,000	56,963
Net cash inflow (outflow) from investing activities	(14,250,000)	(8,034,757)
Cash flows from financing activities:		
Repayment of borrowings	(2,360,000)	(1,165,241)
Proceeds from borrowings	-	-
Net cash inflow (outflow) from financing activities	(2,360,000)	(1,165,241)
Net increase (decrease) in cash and cash equivalents held	(4,870,000)	8,087,168
Cash and cash equivalents at beginning of the financial year	27,240,000	27,240,768
Cash and cash equivalents at end of the financial year	22,370,000	35,327,936

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

LOCKYER VALLEY REGIONAL COUNCIL
CAPITAL WORKS BY GROUP

Row Labels	Values 2017/2018 Budget	2017/2018 Actuals	Sum of PercentSpent
Corporate & Community Services	4,520,000	2,070,413	45.81%
Executive Office	444,000	192,974	43.46%
Infrastructure Works & Services	14,290,932	8,580,863	60.04%
Organisational Development & Planning	914,000	491,378	53.76%
Grand Total	**20,168,932**	**11,335,627**	**56.20%**

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report
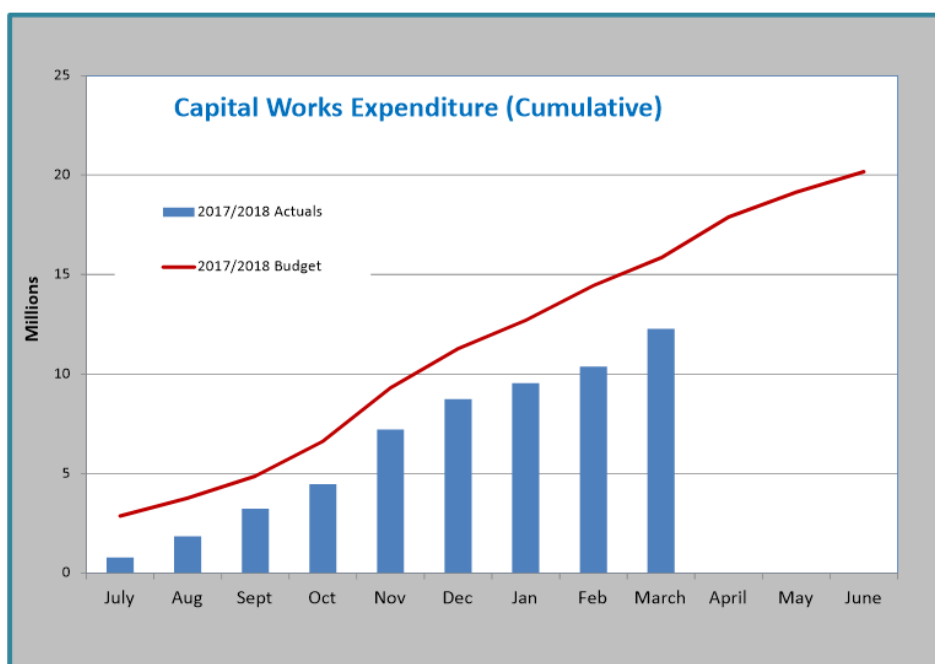
LOCKYER VALLEY REGIONAL COUNCIL
CAPITAL WORK SUMMARY
31st March, 2018

	2017-2018 Amended Budget	2017-20178 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Corporate & Community Services					
Community Facilities Management	80,000	2,227	17,091	19,318	60,682
Disaster Management	262,000	192,482	51,437	243,919	18,081
Facilities	2,090,000	1,007,447	357,793	1,365,240	724,760
Information Management	100,000	54,815	0	54,815	45,185
Information Technology	810,000	395,192	198,228	593,420	216,580
Public Order & Safety	70,000	12,399	580	12,979	57,021
SES	47,000	6,529	0	6,529	40,471
Transfer Stations	814,000	282,704	292,299	575,002	238,998
Gatton Child Care Centre	22,300	22,299	0	22,299	1
Waste Collection	30,000	25,032	0	25,032	4,968
Gatton Library	12,000	373	0	373	11,627
Kensington Grove Community Childcare	17,700	15,409	0	15,409	2,291
Health and Regulatory Services	165,000	53,504	1,900	55,404	109,596
Corporate & Community Services Total	4,520,000	2,070,413	919,327	2,989,740	1,530,260
Executive Office					
Qld Transport Museum	30,000	0	0	0	30,000
Regional Development Management	224,000	113,105	40,288	153,393	70,607
Tourism Initiatives	65,000	7,326	0	7,326	57,674
Corporate Communications	0	0	0	0	0
Advocacy	105,000	69,369	35,544	104,913	87
Executive Office Total	444,000	192,974	81,227	274,200	169,800
Infrastructure Works & Services					
Capital Program Delivery	10,632,892	6,873,520	733,793	7,607,314	3,025,578
Depot	99,000	200	79,500	79,700	19,300
Fleet	2,318,000	1,401,571	727,882	2,129,454	188,546
Parks & Open Spaces	612,890	140,865	212,933	353,798	259,092
Infrastructure Planning	0	0	0	0	0
Cemetery	65,650	4,456	9,037	13,493	52,157
NDRRA Program - Infrastructure Recovery	562,500	160,683	185,696	346,379	216,121
Infrastructure Works & Services Total	14,290,932	8,580,863	1,948,841	10,529,704	3,761,228
Organisational Development & Planning					
Planning & Environmental Management	0	0	0	0	0
Planning Scheme	744,000	458,035	97,343	555,378	188,622
Environmental Planning	25,000	0	0	0	25,000
Sport Recreation and Community Grants	50,000	12,127	0	12,127	37,873
Pest Management	95,000	24,883	0	24,883	70,117
Organisational Development & Planning Total	914,000	491,378	97,343	588,721	325,279
Grand Total	**20,168,932**	**11,335,627**	**3,046,738**	**14,382,365**	**5,786,567**

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

LOCKYER VALLEY REGIONAL COUNCIL
CAPITAL WORKS DETAIL
31st March, 2018

Row Labels	Amounts 2017-2018 Budget	2017-2018 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Corporate & Community Services					
Community Facilities Management					
Laidley Swimming Pool refurbishment	80,000	2,227	17,091	19,318	60,682
Community Facilities Management Total	80,000	2,227	17,091	19,318	60,682
Disaster Management					
Flood Mapping and Modelling L'yer Catchm	56,980	10,500	47,727	58,227	-1,247
Floodway Manual Gauges	7,000	441	0	441	6,559
River Height Gauges Laidley & Thornton	90,000	90,171	0	90,171	-171
Upgrade Cameras for Night Vision	58,020	58,020	0	58,020	0
Waterride Flood Intelligence	50,000	33,350	3,710	37,060	12,940
Disaster Management Total	262,000	192,482	51,437	243,919	18,081
Facilities					
Admin Building Fire Detection/Counter	150,000	82,294	28,295	110,589	39,411
Das Neumann Haus Refurbish Ramp & Paint	5,000	4,537	0	4,537	463
Decommission Old Gatton Pool	5,000	2,261	0	2,261	2,739
Facilities Key Storage	6,000	0	0	0	6,000
Forest Hill Rec Res Upgrade Toilet Block	0	291	0	291	-291
Gatton Depot Elec Switchboard Upgrade	40,000	4,733	1,200	5,933	34,067
Gatton Depot Facilities Shed	30,000	32,257	10,787	43,044	-13,044
Gatton North St Toilets Interior Refurb	70,000	69,375	25,070	94,445	-24,445
Gatton RV Park	75,000	83,772	0	83,772	-8,772
Gatton Show Grounds Internal Roadworks	50,000	50,060	9,861	59,922	-9,922
Gatton Showgrounds Energy Reduction	0	1,518	46,950	48,468	-48,468
Gatton Showgrounds Separate Metering	70,000	6,149	6,700	12,849	57,151
Gatton Showgrounds Yellow Toilets Replac	50,000	0	0	0	50,000
Gatton Squash Courts Refurbishment	45,000	0	0	0	45,000
Helidon Community Hall Painting & Repair	30,000	21,194	9,900	31,094	-1,094
Helidon Tennis Club Exterior Painting	10,000	9,938	0	9,938	62
Implementation of Sport & Rec Report	0	-3,182	0	-3,182	3,182
Indoor Sports Ctr LED Light & Cooling	169,000	67,509	0	67,509	101,491
Jessie's Cottage Repairs & Painting	10,000	7,287	0	7,287	2,713
Laidley Admin Building Refurbishment	80,000	14,170	27,967	42,137	37,863
Laidley DNH Toilet Block Repairs & Paint	10,000	0	0	0	10,000
Laidley Multipurpose Centre	0	75,750	0	75,750	-75,750
Laidley Pool Construct Disabled Toilet	40,000	40,441	0	40,441	-441
Laidley Pound Fencing Drainage & Repairs	5,000	3,131	0	3,131	1,869
Laidley Rec Res LED Lighting Replacement	202,000	219,698	0	219,698	-17,698
Laidley Recreation Reserve Toilet repair	10,000	0	0	0	10,000
Laidley Saleyards Undercover Walkway	20,000	453	4,350	4,803	15,197
LCC Replace Curtains & PA System	15,000	13,033	0	13,033	1,967
Lions Park Laidley Replace Toilet Block	110,000	11,409	121,104	132,514	-22,514
Lockyer Valley Cultural Centre Storage	10,000	6,247	0	6,247	3,753
LV Cultural Centre Tile Replacement	105,000	27,684	17,303	44,987	60,013
Murphys Ck Comm Centre Painting & Repair	3,000	1,458	0	1,458	1,542
New Temporary Laidley Library	0	18,081	0	18,081	-18,081
Nielsen`s Place shade shelters	50,000	0	0	0	50,000
Replace Ageing Furniture at Prem Halls	10,000	113	0	113	9,887
Replace Shade Shelters-Laidley Pool	15,000	14,637	0	14,637	363
Shire Hall Basement Exit/Fire Detection	95,000	9,581	39,217	48,798	46,202
Solar planning for buildings	180,000	69,473	5,677	75,150	104,850
Static Safety Lines Various Facilities	55,000	15,944	0	15,944	39,056
Vets Support Laidley Disabled Carpark	15,000	109	0	109	14,891
Withcott Toilet Block	245,000	26,040	3,411	29,451	215,549
Facilities Total	2,090,000	1,007,447	357,793	1,365,240	724,760
Information Management					
Physical Records Relocation Project Ldly	100,000	54,815	0	54,815	45,185
Information Management Total	100,000	54,815	0	54,815	45,185
Information Technology					
Council Chambers Audio Visual System	9,000	8,291	0	8,291	709
Data Centre Upgrades	25,000	40,119	0	40,119	-15,119
Gatton Library Audio Visual Equipment	16,000	16,211	0	16,211	-211
GIS Enhancement	155,000	34,398	23,655	58,053	96,947

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

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Council Monthly Financial Report

Row Labels	Amounts 2017-2018 Budget	2017-2018 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Implementation of Live Pro System	30,000	0	22,727	22,727	7,273
Laidley Cultural Centre Access Control	15,000	0	0	0	15,000
LVCC Audio Visual	0	18,683	0	18,683	-18,683
Network Security	40,000	0	21,561	21,561	18,439
Network Upgrades & Replacements	20,000	2,000	0	2,000	18,000
Skype for Business	5,000	0	0	0	5,000
Technology One 'ECM Upgrade'	175,000	150,865	8,311	159,176	15,824
Technology One 'One Council' Project	230,000	124,627	121,973	246,601	-16,601
Upgrade MS Office	50,000	0	0	0	50,000
Upgrade Windows Desktop Operating System	10,000	0	0	0	10,000
Website Upgrade	30,000	0	0	0	30,000
Information Technology Total	810,000	395,192	198,228	593,420	216,580
Public Order & Safety					
Depot CCTV	15,000	0	0	0	15,000
Gatton CCTV Project	10,000	0	0	0	10,000
Laidley Library CCTV	5,000	2,007	0	2,007	2,993
Mobile Body CCTV Cameras for Staff	25,000	6,134	0	6,134	18,866
Renewal of CCTV Equipment in Laidley	10,000	4,258	580	4,838	5,162
Unidentified CCTV Works	5,000	0	0	0	5,000
Public Order & Safety Total	70,000	12,399	580	12,979	57,021
SES					
SES Buildings Air-conditioning	15,000	5,438	0	5,438	9,562
SES Buildings Roller Door Auto Mechanism	10,000	0	0	0	10,000
SES Buildings Roof Ventilation	20,000	0	0	0	20,000
Technology & Communications Improvements	2,000	1,091	0	1,091	909
SES Total	47,000	6,529	0	6,529	40,471
Transfer Stations					
Bitumen Sealing at Transfer Stations	40,000	0	0	0	40,000
Bunded Sheds & Units Hazardous Material	95,000	48,774	17,082	65,856	29,144
Digital Camera Replacement for 3 sites	5,000	5,084	0	5,084	-84
Driveway Entrance Repairs to Lock Waters	36,000	0	0	0	36,000
Electricity to Withcott Transfer Station	108,000	117,102	0	117,102	-9,102
Gatton and Laidley Sites Landscaping	10,000	2,250	6,430	8,680	1,320
Gatton Landfill EHP Compliance	297,000	0	262,530	262,530	34,470
Gatton L'Fill Capping Design Western End	25,000	7,620	0	7,620	17,380
Laidley Landill Capping Works	0	56,858	6,177	63,035	-63,035
Laidley Transfer Station Improvement	0	0	80	80	-80
LockroseT'fer Station Building & R/Wall	29,000	35,714	0	35,714	-6,714
New Landfill Cell (4) for Gatton Site	74,000	9,301	0	9,301	64,699
Superintendent Landfill Capping	30,000	0	0	0	30,000
Waste Disposal Sites Survey and Fencing	0	0	0	0	0
Water Pump & Reticulation System Gatton	65,000	0	0	0	65,000
Transfer Stations Total	814,000	282,704	292,299	575,002	238,998
Gatton CC Centre Supply Furniture	4,164	4,163	0	4,163	1
GCCC Recover Exist Brick with Plaster	18,136	18,136	0	18,136	-0
Gatton Child Care Centre Total	22,300	22,299	0	22,299	1
Waste Collection					
Laidley Levy/Garbage Truck Turnarounds	30,000	25,032	0	25,032	4,968
Waste Collection Total	30,000	25,032	0	25,032	4,968
Gatton Library					
Gatton Library New Furniture	12,000	373	0	373	11,627
Gatton Library Total	12,000	373	0	373	11,627
Kensington Grove Community Childcare					
KGCC Replacement of Vinyl Flooring	17,700	15,409	0	15,409	2,291
Kensington Grove Community Childcare Total	17,700	15,409	0	15,409	2,291
Health and Regulatory Services					
Dog Off Leash Area(s)	50,000	0	0	0	50,000
LVRC Animal Management Facility	100,000	53,504	1,900	55,404	44,596
Security Fencing	5,000	0	0	0	5,000
Shade Shelters for Cattle Yards	10,000	0	0	0	10,000
Health and Regulatory Services Total	165,000	53,504	1,900	55,404	109,596
Corporate & Community Services Total	**4,520,000**	**2,070,413**	**919,327**	**2,989,740**	**1,530,260**
Executive Office					
Qld Transport Museum					
QTM Portable Fan for Museum	30,000	0	0	0	30,000
Qld Transport Museum Total	30,000	0	0	0	30,000

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

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Council Monthly Financial Report

Row Labels	Amounts 2017-2018 Budget	2017-2018 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Regional Development Management					
GWIZ	0	261	0	261	-261
Lakeview Accommodation Precinct	40,000	42,003	0	42,003	-2,003
Lockyer Legends	20,000	0	0	0	20,000
Pre-sale Activities Grantham West	105,000	70,491	0	70,491	34,509
Pre-sale activities Lakeview remain lots	20,000	0	0	0	20,000
Upgrade to Water Infrastructure Hawck St	39,000	350	40,288	40,638	-1,638
Regional Development Management Total	224,000	113,105	40,288	153,393	70,607
Tourism Initiatives					
Entrance Statement Plainland	25,000	7,326	0	7,326	17,674
Pioneer Village Shed Upgrade	30,000	0	0	0	30,000
Pioneer Village Upgrades	10,000	0	0	0	10,000
Tourism Initiatives Total	65,000	7,326	0	7,326	57,674
Legal Services					
Land disposal costs	20,000	3,173	0	3,173	16,827
Sale of Council Owned Land	0	0	5,395	5,395	-5,395
Legal Services Total	20,000	3,173	5,395	8,569	11,431
Advocacy					
Lockyer Valley Pre-Feasibility Study	105,000	69,369	35,544	104,913	87
Advocacy Total	105,000	69,369	35,544	104,913	87
Executive Office Total	**444,000**	**192,974**	**81,227**	**274,200**	**169,800**
Capital Program Delivery					
Advance Court Kensington Grove	0	0	0	0	0
Airforce Road, Helidon	30,000	2,273	0	2,273	27,727
Ambrose Street, Laidley	25,000	22,620	0	22,620	2,380
Amos Road, Withcott - CH 0-840	0	-3,500	0	-3,500	3,500
Australia II Drive, Kensington Grove	60,000	58,996	0	58,996	1,004
Bitumen Reseal Program - Various 16/17	170,000	151,190	0	151,190	18,811
Bitumen Reseal Program Various 17/18	920,000	640,940	161,706	802,646	117,354
Blanchview Road, Blanchview	30,000	7,033	0	7,033	22,967
Brightview Road, Glenore Grove	20,000	17,618	2,145	19,763	237
Church Street, Forest Hill	16,000	14,580	0	14,580	1,420
Crowley Vale Road, Crowley Vale - CH5000	0	0	0	0	0
Culvert Renewals - Various	286,000	0	0	0	286,000
Cycle Network Gatton	21,000	27,005	5,620	32,625	-11,625
East/Crescent Streets Gatton	145,000	156,250	0	156,250	-11,250
Fairway Drive	20,000	19,086	0	19,086	914
Feldhahn Street, Gatton	290,000	21,919	53,454	75,372	214,628
Flagstone Creek Road, Flagstone	60,000	1,147	5,855	7,001	52,999
Forest Hill Flood Mitigation Stage 1B	0	262	0	262	-262
Gehrke Road Culvert Replacement	10,000	6,448	0	6,448	3,552
Grantham Scrub Road and Carpendale Road,	0	0	0	0	0
Gravel Resheeting Program - Various	55,000	55,163	0	55,163	-163
Gravel Resheeting Program 17/18	880,000	868,366	0	868,366	11,634
Harm Drive, Crowley Vale - CH510	0	0	0	0	0
Hickey Street Kerb Ramps	15,000	10,964	0	10,964	4,036
Hickey Street, Gatton	250,000	214,900	38,290	253,190	-3,190
Ingoldsby Road, Ingoldsby	440,000	435,311	23,682	458,994	-18,994
Jones Road, Withcott	90,000	94,092	0	94,092	-4,092
Kentville Road, Kentville - CH 520	0	0	0	0	0
Kerb and channel rehabilitation programm	60,000	58,872	0	58,872	1,128
Lake Apex Car Park, Gatton	0	0	0	0	0
Lake Clarendon Rd (LCS School), Lake Cla	5,000	4,434	0	4,434	566
Lake Clarendon Way	0	1,632	0	1,632	-1,632
Lake Clarendon Way Pavement Reconstructi	395,000	398,224	0	398,224	-3,224
Lake Clarendon Way/Main Greenswamp Rd	225,000	222,560	0	222,560	2,440
Liftin Bridge-Black Spot Project 17/18	41,500	8,495	545	9,041	32,459
Long Gully Rd (CH.0-1.4) Upgrade gravel	300,000	105,262	21,389	126,651	173,349
Markai Rd / Nangara Rd, Lockyer Waters	0	0	0	0	0
Market Drive - Pavement Failures	60,000	0	0	0	60,000
Meadows Road, Withcott	5,000	4,450	0	4,450	550
Naomi Road, Lockyer Waters	350,000	367,078	2,933	370,011	-20,011
North St/William Street Gatton	315,000	278,315	0	278,315	36,685
Old Laidley-Forest Hill Rd Laidley North	0	0	0	0	0
O'Neil's Road, Withcott	0	0	41,818	41,818	-41,818
Operational Works Application Fees	0	20,542	0	20,542	-20,542
Patrick Street, Laidley	26,000	25,350	0	25,350	650
Queens Baton Relay	40,000	22,987	0	22,987	17,013

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

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Row Labels	Amounts 2017-2018 Budget	2017-2018 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Railway St, Laidley - CH 125 - 365 - Her	60,000	43,979	6,832	50,811	9,189
Railway Street Laidley	97,000	95,229	0	95,229	1,771
Road Closure Signs	30,000	0	0	0	30,000
Rons Road, Glenore Grove	15,000	0	0	0	15,000
Seventeen Mile Rd (Ch. 0.0-0.9)	298,000	45,452	101,644	147,096	150,904
Spencer Street Gatton	36,000	35,600	0	35,600	400
Spencer Street, Gatton	132,000	18,671	0	18,671	113,329
Spencer/William Street, Gatton	22,000	5,824	1,009	6,833	15,167
Steinkes bridge strengthening	40,000	0	0	0	40,000
Stormwater culvert replacements, Gatton	100,000	0	0	0	100,000
Strong Street, Gatton	270,000	191,028	71,133	262,162	7,838
Summerholm Road - Black Spot Project	66,000	47,357	8,199	55,557	10,443
Tallaringa Drive Adare Shoulder widening	115,000	91,724	13,510	105,234	9,766
Tenthill Crk Rd/Winwill Connection Rd	0	419	0	419	-419
Tenthill Crk/Ingoldsby / Krenskes Rd	0	0	0	0	0
Wandin Road, Withcott - CH 170 -300	55,000	2,723	8,040	10,763	44,238
William St / Orton St, Laidley	0	0	0	0	0
William Street and Lake Apex Drive PCNP	25,000	3,989	0	3,989	21,011
Woodlands Road	15,000	0	0	0	15,000
Woodlands Road 17/18	270,892	5,806	11,542	17,348	253,544
Capital Program Delivery Total	**10,632,892**	**6,873,520**	**733,793**	**7,607,314**	**3,025,578**
Depot					
Gatton Depot Sealing	24,000	0	0	0	24,000
New Emulsion Tank at Gatton Depot	75,000	200	79,500	79,700	-4,700
Depot Total	**99,000**	**200**	**79,500**	**79,700**	**19,300**
Fleet					
Capital Plant Purchases - 2016/2017	180,000	177,694	0	177,694	2,306
Earthmoving	555,000	589,608	0	589,608	-34,608
Light Commercial Vehicles	417,000	248,370	0	248,370	168,630
Mowers	27,000	18,186	72,542	90,728	-63,728
New Trencher for Parks	6,000	0	0	0	6,000
Passenger Vehicles	135,000	0	0	0	135,000
SES Vehicles and Plant	23,000	0	0	0	23,000
Trailers	15,000	7,236	0	7,236	7,764
Trucks	960,000	360,476	655,340	1,015,817	-55,817
Fleet Total	**2,318,000**	**1,401,571**	**727,882**	**2,129,454**	**188,546**
Parks & Open Spaces					
Dawson Phipps Pk Renewal Shade Shelter	10,000	10,754	0	10,754	-754
Forrest Hill Rec Res Synthetic Grass	0	0	0	0	0
Gatton CBD Revitalisation	15,000	5,997	0	5,997	9,003
Hatton Vale Park Concept and Design	20,000	0	7,500	7,500	12,500
Laidley CC Bichel Oval Earth Drain Const	14,000	330	0	330	13,670
Laidley Rec Res Renewal PA001460	8,680	0	0	0	8,680
Laidley Rec Res Renewal of PA001454	30,000	1,016	0	1,016	28,984
Laidley Rec Res Renewal PA001365	1,300	1,130	0	1,130	170
Lake Apex Park Gatton Shade Shelter	14,300	9,745	0	9,745	4,555
Lake Apex Pk Handrail & Steps BBQ Area	22,500	26,279	0	26,279	-3,779
Lake Apex Pk Irrigation & Landscaping	15,000	3,536	0	3,536	11,464
Lake Apex Skate Bowl Carpark	50,000	1,732	0	1,732	48,268
Lake Clarendon Rec Res Renewal of BBQ	8,800	6,678	4,572	11,250	-2,450
Littleton Park Renewal Playground Equip	4,400	4,113	0	4,113	287
M/Creek Cricket Grnd Renewal of Seating	5,000	5,782	0	5,782	-782
McNulty Park Laidley Refurbishment	40,000	11,464	0	11,464	28,536
Parks and Gardens Deficiencies Review	25,000	0	0	0	25,000
Removal of Poor Condition & Obsol Assets	9,500	2,460	0	2,460	7,040
Schultz Lookout Bin and Fencing Renewal	3,230	1,285	0	1,285	1,945
Springbrook Prk Renewal of PA000725	3,300	2,224	0	2,224	1,076
Wilks Park Renewal of Garden Edging	880	476	0	476	404
William Kemp Pk Replace Existing Bollar	15,000	12,497	0	12,497	2,503
Zabel Road Lockrose Dip Site Rehabilitat	295,500	31,967	200,861	232,828	62,672
Parks & Open Spaces Total	**612,890**	**140,865**	**212,933**	**353,798**	**259,092**
Roads & Drainage					
Western Drive Shared Path	0	-433	0	-433	433
Roads & Drainage Total	**0**	**-433**	**0**	**-433**	**433**
Cemetery					
Forest Hill Cemetery Erect a Columbarium	18,650	2,640	9,037	11,677	6,973
Gatton Cemetery Garden Edging	14,000	0	0	0	14,000
Laidley Cemetery Concrete Strips	15,000	0	0	0	15,000
Laidley Cemetery Garden & Fence Removal	8,000	1,816	0	1,816	6,184

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Row Labels	Amounts 2017-2018 Budget	2017-2018 Expenditure	Committed	2017-2018 Expenditure (including Committed)	Remaining Budget (including Committed)
Master Plan for all LVRC Cemeteries	10,000	0	0	0	10,000
Cemetery Total	65,650	4,456	9,037	13,493	52,157
NDRRA Program - Infrastructure Recovery					
NDRRA Works 2017 - Submission 1	0	114,360	1,219	115,579	-115,579
NDRRA Works 2017 - Submission 4	0	0	77,594	77,594	-77,594
NDRRAProgram Management 2017 Flood Event	562,500	46,324	106,882	153,206	409,294
NDRRA Program - Infrastructure Recovery Total	562,500	160,683	185,696	346,379	216,121
Infrastructure Works & Services Total	**14,290,932**	**8,580,863**	**1,948,841**	**10,529,704**	**3,761,228**
Organisational Development & Planning					
Staging Post Café					
Staging Post Mini Re-Model	0	-3,667	0	-3,667	3,667
Staging Post Café Total	0	-3,667	0	-3,667	3,667
Planning Scheme					
LGIP Prepare Infrastructure Plan	200,000	83,037	61,961	144,998	55,002
Planning Scheme Revision LVRC	544,000	374,998	35,382	410,380	133,620
Planning Scheme Total	744,000	458,035	97,343	555,378	188,622
Environmental Planning					
Lake Apex Water Quality Improvements	25,000	0	0	0	25,000
Environmental Planning Total	25,000	0	0	0	25,000
Sport Recreation and Community Grants					
Master Plans R'Hill, Springbrook & AFL	50,000	12,127	0	12,127	37,873
Sport Recreation and Community Grants Total	50,000	12,127	0	12,127	37,873
Pest Management					
Freezer and electricity supply/lighting	25,000	21,177	0	21,177	3,823
Loan Spray Equipment	20,000	0	0	0	20,000
Spray Unit Collection Shed	50,000	0	0	0	50,000
Upgrade Animal Traps	0	3,706	0	3,706	-3,706
Pest Management Total	95,000	24,883	0	24,883	70,117
Organisational Development & Planning Total	**914,000**	**491,378**	**97,343**	**588,721**	**325,279**
Grand Total	**20,168,932**	**11,335,627**	**3,046,738**	**14,382,365**	**5,786,567**

Summary of Council Actual Financial Performance vs. Budget – 31 March 2018

Attachment 1
Council Monthly Financial Report

Top 10 Capital Projects by Budget

Legend: Sum of Amended Budget | 2017-2018 Expenditure | Committed

Categories: Laidley Flood Mitigation, Laidley; Trucks; Bitumen Reseal Program Various 17/18; Gravel Resheeting Program 17/18; Old College Road, Gatton; NDRRAProgram Management 2017 Flood Event; Earthmoving; Planning Scheme Revision LVRC; Thallon Rd, Kensington Grove- Full Length; Ingoldsby Road, Ingoldsby

**Summary of Council Actual Financial Performance vs.
Budget – 31 March 2018**

**Attachment 1
Council Monthly Financial Report**

Top 10 Capital Projects by Actual Expenditure

13. INFRASTRUCTURE WORKS AND SERVICES REPORTS

No Infrastructure Works & Services Reports

14. ITEMS FOR INFORMATION

14.1   **Connected Council**

Date:	11 April 2018
Author:	Tina Bramley, Business Improvement Coordinator
Responsible Officer:	Tony Brett, Acting Executive Manager Corporate and Community Services

Summary:

This report supplements the update on the Connected Council program that was presented to Council at the Councillor Workshop on Tuesday, 3 April 2018.

This document is for Council's information only.

Report

1. Introduction

The purpose of this report is to provide an update on the Connected Council program. Its key Corporate Plan linkage is 'Lockyer Leadership':
- Excellence in customer service to our community.
- Promote a values based culture that appreciates and empowers its workforce.

This is an internal organisational initiative, but its focus is very much on the people of the Lockyer Valley Region. It's about making sure we are always looking for better ways to connect with our customers and adapt our services to respond to the changing needs of our community.

Keeping the customer front of mind is key to achieving our vision: *deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity.*

2. Background

Connected Council is a program designed to implement two key culture and business improvement initiatives:

- Response to the 2017 Employee engagement and opinion survey

- 'Closing the loop' customer service strategy.

There is a very strong connection between these pieces of work, and our employees are taking an active, driving role.

3.   Report

The primary mechanisms for driving the Connected Council work are progress groups made up of employees. There are two types of progress group:

1. **Whole-of-organisation progress group** (focused on supporting an engaged, high-performing, customer-focused culture).

2. **Business unit progress groups** (focused on continuously improving processes and practices that enable us to continue to deliver relevant, sustainable, value-for-money services and offer an exceptional customer experience). These groups have already redesigned several processes and resources to improve services. The approach these groups are using is outlined in the diagram below.
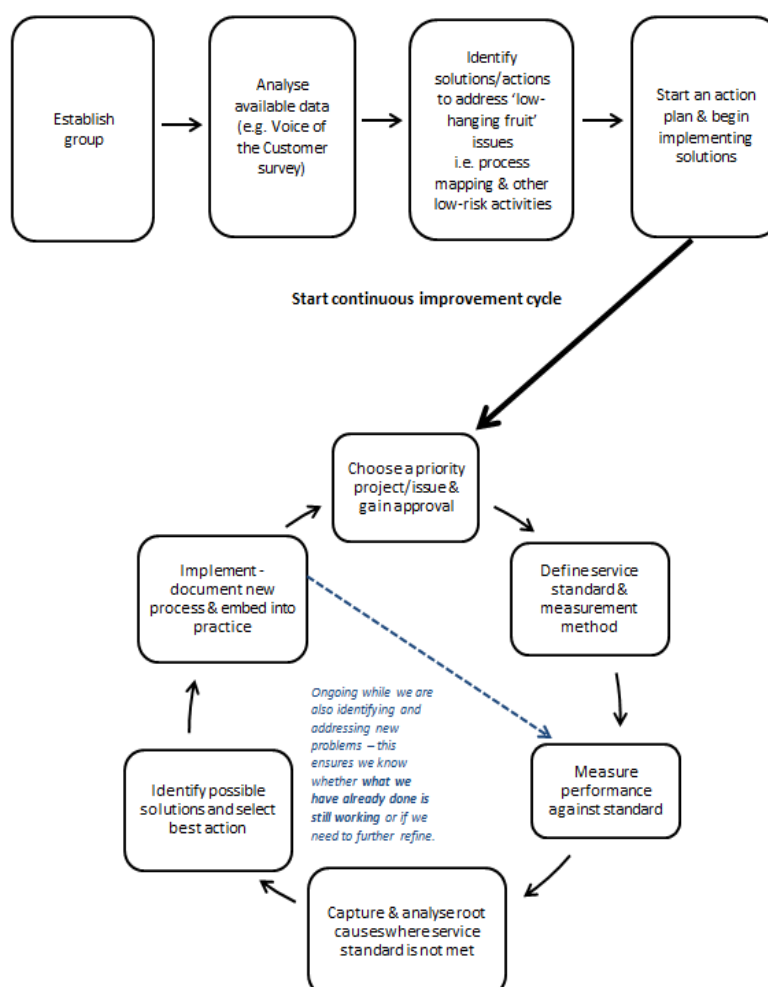
As outlined above, a key input into this continuous improvement process is data extracted from Voice of the Customer surveys. These surveys are independently administered and provide in-depth information about what our customers value, and what has the greatest impact on their experience. Using this evidence, we can understand what we are doing well, where we can improve, and prioritise which issues to address first in order to make the biggest difference to our customers.

Another dataset that helps us monitor and improve aspects of our service is taken from our Phone Fox audits. These audits measures our performance in answering the phone with a professional greeting and, where required, responding promptly to voicemails. This is a basic of customer service and is a useful way to 'check the pulse' when it comes to customer focus.

We have had three audits since December 2016, and can now demonstrate significant, sustained improvement over time.

14.2	**Library Review Update**

Date:	11 April 2018
Author:	Sue Banff, Branch Coordinator, Gatton Library; Nicole Kilah, Branch Coordinator - Laidley Library
Responsible Officer:	Tony Brett, Acting Executive Manager Corporate and Community Services

Summary:

This information report provides Council with an update on progress of the recommendations and actions presented to Council in April 2017, following the Library Review conducted by Orion Consulting Network in 2016.

This document is for Council's information only.

Report

1.   Introduction

This information report provides Council with an update on progress of the recommendations and actions presented to Council in April 2017, following the Library Review conducted by Orion Consulting Network in 2016.

2.   Background

The Library Review, conducted at the end of 2016 identified 10 themed recommendations. To date, five recommendations are complete and five are in progress.   It is anticipated that 80% of the recommendations will be completed by 30 June 2018.

3.   Report

The following is a brief summary of the actions to date against each of the 10 themed recommendations.

Operational Savings target of $50,000 to $100,000 per year with savings to be applied to additional capital and collection investment.
This recommendation involved
• Phasing out the mobile library co-ordinator position
• Developing a list of priority items
• Identifying and costing solutions to ensure priorities are the customers by:
o Self-returns
o Self-issues
o Updated catalogues
o Booking solutions
o Printing and copying solutions, etc.

The recommendation was to phase out the mobile library co-ordinator position. Since the review, our Library Manager has left the library service and this position has been phased out. The Mobile Library Co-ordinator position has been used to increase our pool of casual library officers. The mobile library has been sold. A list of priority items has been completed for inclusion in the 2018/19 budget process. Self-Service solutions are currently being implemented.	**COMPLETE**

Modern door counters to be installed to accurately record usage throughout the day (and to enable ongoing review of opening hours)	
Library staff separated this recommendation out further to include customer engagement as well as door counters. 1. Install modern, non-beam door counters (Complete) 2. Investigate customer engagement techniques to ascertain satisfaction with services and programs provided 3. Investigate a membership drive	
Part 1 of this has been completed however the other two recommendations have not yet started.	**IN PROGRESS**

Staffing numbers and options.	
Several recommendations were made re: staffing levels. 1. Employ 1 casual at each library branch to work with a permanent staff member on Saturday mornings 2. Continue to look at procedures to identify possible savings	
Library staff are well below the SLQ staffing recommendation. Library staffing levels have decreased with the resignation of 2 staff members. Library staffing levels continue to be well below the SLQ staffing recommendation of 12.8 FTE for a library of our size. Lockyer Libraries currently have an establishment of 9.18 FTE. At this stage, vacant positions are being filled from a casual pool.	**IN PROGRESS**

Independent review of the library collection and stock levels.	
The review identified a lower turnover rate for physical items where library staff identified a continuous review process for collections by: • Investigate / implement a software solution for collection analysis • Implementing a recovery / debt collection service.	
Debt recovery will commence by the end of April. This will be a 90 day trial for items less than 90 days overdue. Once the trial has been completed, libraries will follow up on items that are still on loan from the 1 January 2017. Depending on the results of this, the service may look at going back a further 6 months. A software solution for collection analysis is being investigated and will be implemented by 30 June.	**IN PROGRESS**

Strategic planning, policies and procedures	
Update the Business Unit Plan for the Library service to forward plan, and prioritise. Update policies, procedures and guidelines to ensure users have a consistent experience.	
Part of this process is to identify existing policies, procedures and guidelines and work on a priority based on need. To date, the Library Policy and 4 associated guidelines are in draft format. The Business Unit Plan update has commenced.	**IN PROGRESS**

Customer satisfaction survey	
Customer satisfaction surveys should be conducted annually to assess services and programs provided by the Library service.	
Looking at best practice solutions.	**IN PROGRESS**

Establish stronger links into Council.	
Fostering linkages with key staff in Council is important. Library staff are continuing to establish working relationships with other Council departments.	
This will be continuous and since the last update, library staff are participating and becoming more involved in activities including: • Connected Council • Seniors Week • Workplace Health and Safety • Supervisors and Coordinators meetings.	**COMPLETE / ON GOING**

Operational Matters	
The Gatton library is a key service point however access is difficult when large events are being held in the Cultural Centre. These include school formals, funerals and large conferences. The recommendation was to consider enforcing the time limits of the short-term carparks. It was understood that we don't have the capacity to do this. Library staff will liaise with centre management so: • at the time of booking, organisers are aware of car parking restrictions • during housekeeping announcements, attendees are encouraged to park outside of the short term carparks	
This potentially will be an issue in November during the formal timeframes. Library staff will continue to monitor this and work with Cultural Centre Management.	**COMPLETE / ON GOING**

The Mobile Library plant hire charge should be renegotiated on a monthly or annual basis.	
Based on the council workshop and relevant recommendations, the mobile library ceased service on the 30 June 2017. Since then, the truck has been destocked, delivered to the depot and prepared for sale.	
With the sale of the mobile library, savings of $30k per year (plant hire) have been achieved.	**COMPLETE**

Change of opening hours

The recommended library hours have been implemented. Staff recommended that the 2 maintenance days be held on the 1st Monday in June and December to allow for collection management time and training.	
Being open each Wednesday morning has significantly increased service contact hours. The first maintenance day occurred in December and will continue on the 1st Wednesday of June and December.	**COMPLETE**

Priorities for the next three months include:
- Staff training
- Debt recovery.

14.3   **Lockyer Valley Libraries Update**

Date: 11 April 2018
Author: Sue Banff, Branch Coordinator, Gatton Library; Nicole Kilah, Branch
                    Coordinator - Laidley Library
Responsible Officer: Tony Brett, Acting Executive Manager Corporate and Community
                    Services

Summary:

Library staff continue to plan and ensure Lockyer Valley Libraries maintains its high standing within our community by implementing new and relevant events, activities and collections. This report provides information to Council on the new initiatives and activities the library service has implemented or plans to implement in the future.

This document is for Council's information only.

Report

1.   Introduction

        Over the past 9 months, Lockyer Valley Libraries have made some changes to its services and activities which have been designed to ensure that Lockyer Valley Libraries continue to evolve to meet and respond to the changing needs of our community.

2.   Background

        Libraries are an ever evolving institution. Lockyer Valley Libraries have, in many areas, been quick to implement new technologies and services. These include RFID solutions, self-service machines and eResource platforms like BorrowBox.

3.   Report

        Following are brief summaries of some of these recent initiatives.

        eResources

        Kanopy
        Lockyer Valley Libraries recently introduced a new video streaming service called Kanopy. The service now offers more than 15 000 movies via a streaming solution. The collection includes blockbusters, awarded winning documentaries, training films and theatrical releases on many topics. Kanopy's fee model ensures that libraries only pay for films patrons actually watch with no additional hidden fees. This is very cost effective for a library service.

        BorrowBox
        In January, Lockyer Valley Libraries integrated our BorrowBox collection (eBooks and eAudiobooks) to create a network collection with Scenic Rim and Somerset libraries. This

network has seen a saving in the annual solution fee of over $2,300 to Council. The network has also given Lockyer Valley Library members access to an additional 4,200 items with double the amount of new content available to members each month. As a result of the integrated collections, our turnover rated has substantially increased for eBooks and eAudiobooks.

Collection Management

As part of the recent library review, an automated collection management tool was recommended.

Following presentations of Collections HQ and Spydus Manager, Council officers are implementing Spydus to facilitate collection management (stock purchasing, discarding and location).

Promotions and Events

Facebook
• Launched in December 2018, with 240 page likes
• Allows for outside of hours interactions between staff and customers.

Mail chimp
• Monthly eNewsletter to 2,000 subscribers
• 30% interaction with subscribers.

Library Brochures
• Brochures will be updated next financial year to include our new services.

Events

Lockyer Valley Libraries continue to hold many events each month.

Recently
• Welcome Baby Ceremony
• Law Talk series
• Regular Children's services
• School Holiday Activities
• Tech Savvy Seniors program.

Upcoming
• Creative Writing workshop
• Health Engagement Meeting (Health Information series to follow)
• Kevin Hennah workshop (for librarians)
• Author Talks
• Family history talks.

14.4   **Lockyer Valley Art Gallery**

Date: 11 April 2018
Author: Sue Banff, Branch Coordinator, Gatton Library
Responsible Officer: Tony Brett, Acting Executive Manager Corporate and Community Services

Summary:

The purpose of this report is to provide Council with information on the workings of the Lockyer Valley Art Gallery, new initiatives being implemented and possibilities for the future development of the gallery.

This document is for Council's information only.

Report

1.   Introduction

The report focuses on recent key improvements to the Lockyer Valley Art Gallery (the gallery) and the main objectives for the gallery over the next 12 months, which will hopefully increase the range of exhibitions and scope of activities within the gallery.

2.   Background

Over the past 9 month, Council officers have been implementing changes to the gallery to update our image, increase our artist bank and introduce workshops and associated artist talks. In 2018/19 Council will participate in the National Standard Review which will further assist with making our gallery an exciting place to exhibit and visit.

3.   Report

Below is a summary of our changes, plans and projects for the gallery.

Expression of Interest Form

The Expression of interest form has been revised to provide a more visually appealing form with a clear outline of what the gallery can offer. In the near future, these will be uploaded to facilitate online applications.

Artists are also encouraged in their application to provide a guest artist talk, and/or workshop to provide an experience for our local artists and other community members.

Promotions

To date
•   Upcoming art exhibitions, short movie clips etc. have been added to our Facebook page

- Advertising in Art magazine and on Facebook for art exhibitors
- Advertising in the Lockyer Valley Community Newsletter
- Brochures are now being distributed through the Paddington Art Gallery
- The gallery has been added to Queensland Museums and Galleries page
- E-Invitations (saving council $100 per month plus staff time) have been introduced.

Planned
- Investigate professional brochures development
- Investigate better signage.

Art Exhibitions

2018
Several exciting new exhibitions including:
- Meredith Howse, February – March, Brisbane artist
- The Whitton Family – very well-known Queensland artists – November
- Travelling GOMA exhibition – July - August
- Pam Finlay workshops coinciding with her exhibition – September to October.

2019
- EOI for Artel (travelling exhibition)
- Investigating a themed exhibition
- Investigating ways to challenge local artists.

Gallery opportunities

2018
- Piloted first artist talk in February 2018, which attracted 20+local artists
- Encouraging visiting exhibition artists to provide an artist talk/workshop
- Artists providing artists statements to accompany their exhibitions
- Trial local artists providing a USB with their artworks and displaying on our screens in the library and on the Davson Room monitor
- Providing more space for workshops
- Investigations into the formation of a 'Friends of the Gallery'
- Conduct a customer survey and work with the community to provide for their needs
- Mentor's working with staff through a Museums and Galleries review.

Queensland Museums and Galleries Standards review 2018

Participate in a review to aspire to meet best practice standards. This will include updating/creating business and strategic plans, promotions, working with stakeholders and development of a 'Friends of the Gallery'.

Strategic planning, policies and procedures

The development of a Business Unit Plan for the Library/Gallery will allow for forward planning and prioritisation of activities. The Business Unit Plan update has commenced.

Updating of policies, procedures and guidelines will also ensure users have a consistent experience.

Establish stronger links with council and the community

Progressive planning, linking with Council and community through shared opportunities.
- Looking at ways to work with Community Engagement
- Working with community groups
- 'Friends of the Gallery'.

Key Actions and Priorities:
- Work with Museums and Galleries to gain knowledge and review our practices
- Continue working towards providing exhibitions that engage, excite and meet the community's expectations and needs
- Museums and Galleries investigative reports
- QGOMA exhibition
- 2019 exhibits.

14.5   **Investment Report – March Quarter 2018**

Date: 16 April 2018
Author: Tony Brett, Acting Executive Manager Corporate and Community
                            Services
Responsible Officer: Tony Brett, Acting Executive Manager Corporate and Community
                            Services

Summary:

As outlined in Council's 2017/2018 Investment Policy, a quarterly report is required to be submitted to Council on the performance of its investment portfolio.

The investment of surplus funds has been made in accordance with the requirements of the *Statutory Bodies Financial Arrangements Act 1982* as well as Council's Investment Policy. As at 31 March 2018, Council had a total investment holding of $35.54 million.

Overall our investments continued to perform well in comparison with targeted benchmarks with current Council investments exceeding these benchmarks. Interest revenue has exceeded the target for the year to date, but continues to be monitored as interest rates on investments are currently less than anticipated.

This document is for Council's information only.

Report

1.   **Introduction**

        As per the policy statement in Councils 2017/2018 Investment Policy, a quarterly report is required to be submitted, updating Council on the performance of its investment portfolio.

2.   **Background**

        As at 31 March 2018, Council had a total investment holding of $35.54 million.

3.   **Report**

        Council's 2017/2018 Investment Policy sets out Council's investment guidelines including the time horizon, maximum exposure, credit risk guidelines and performance benchmarks of its investments.

        The two following tables show the investment institution, credit rating and product type of Council's investment portfolio at 31 March 2018.

Table 1			
Institution	**Amount $**	**Percentage Holding**	**Credit Rating**
QTC	20,936,336	58.92%	AA
CBA	1,000,000	2.81%	AA-
NAB	2,000,000	5.63%	AA-
Suncorp-Metway	1,500,000	4.22%	A+
AMP Bank	4,100,000	11.53%	A
Bank of Qld	2,000,000	5.63%	BBB+
Bendigo Bank	500,000	1.41%	BBB+
ME Bank	1,500,000	4.22%	BBB
MyState Bank	1,500,000	4.22%	BBB
Auswide Bank	500,000	1.41%	BBB-
Total	**35,536,336**	**100.00%**	

Table 2		
Product Type	**Amount $**	**Percentage Holding**
Cash Fund - QTC	20,936,336	58.92%
Term Deposit	14,600,000	41.08%
Total	**$35,536,336**	**100.00%**

The following tables display the performance of Council's investments, identified by investment type and days invested, against the Bank Bill Swap Rate (BBSW) and the Bloomberg AUSBOND Index (AUSBOND).

The tables compare the rate of return on Council's investments at 31 March 2018, against the benchmarks indicated above (BBSW and AUSBOND).

Overall, the investments continued to perform well in comparison with these benchmarks although there has been a decrease in the interest rates for term deposits with new investments averaging around 2.50%

Table 3			
Cash Fund Performance Against RBA Cash Rate & UBS Bank Bill Index	**QTC**	**RBA Cash Rate**	**AUSBOND Index**
Cash Fund Performance	2.23%	1.50%	1.87%

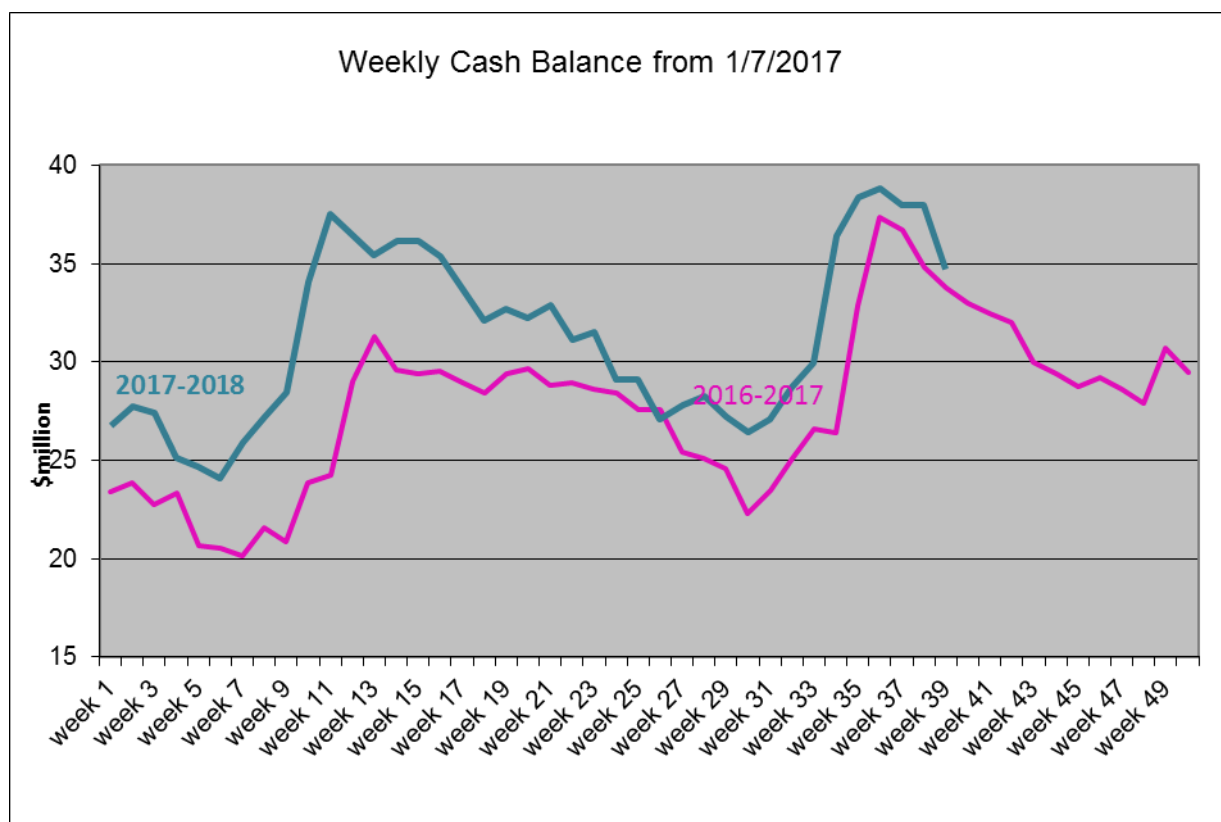| Table 4			
Term Deposit Performance Against BBSW Index & AUSBOND Index	**Av Return on Deposits**	**BBSW Index**	**AUSBOND Index**
Term Deposits	2.58%	1.83%	1.87%

Interest rates have continued to fall to well below 3.00% for rates of less than twelve months. The QTC cash fund rate is now slightly lower than most term deposit rates making term deposits a more attractive investment option; however, if Council is to proceed with making an early repayment on its debt, funds will need to be kept in the QTC At Call Account. The best regular rates on offer at present are around the 2.45% to 2.60% mark for investment periods from three to twelve months.

As reflected in Table 5 below, interest revenue has exceeded the target for the year to date. This has mainly been achieved by the number of term deposits with some maintaining slightly higher than expected interest rates. As cash is transferred to the QTC Account, interest revenues will reduce over the final quarter of the year.

TABLE 5			
Interest Income vs Budget	**Actual YTD**	**Original YTD Budget**	**% Annual YTD Budget**
Interest Income on investments	$588,696	$548,182	108.00%

During the third quarter, cash at bank has increased following the issue of the second Rates Levy. Only minimum cash remains in Council's general funds each day with any excess funds being invested as Term Deposits or transferred to the QTC Cash Fund. The graph below shows a comparison over time of Council's cash balances.

The following table shows that Council's investments at 31 March 2018 complied with its 2017/2018 Investment Policy.

TABLE 6			
Investment Policy Credit Risk Compliance	**Current Exposure**	**Allowable Exposure**	**Difference**
Cash Funds			
QTC Cash Funds	58.92%	100%	41.08%
Term Deposits			
AAA to A+	12.66%	80%	67.34%
A to BBB+	18.57%	40%	21.43%
BBB to BBB	9.85%	25%	15.15%

14.6   **Response to 2017 Local Government Association Queensland
                                            Conference Resolutions submitted by Lockyer Valley Regional
                                            Council**

Date: 16 April 2018
Author: Stephen Hart, Coordinator Council Business
Responsible Officer: David Lewis, Acting Chief Executive Officer

Summary:

Five Lockyer Valley Regional Council motions were carried at the 2017 Local Government
Association of Queensland (LGAQ) conference. This report provides an update on two of these
motions where the relevant Ministers have now responded to LGAQ.

This document is for Council's information only.

Report

1.   **Introduction**
        Correspondence has been received from the Local Government Association of Queensland
        (LGAQ) regarding two resolutions carried at the 2017 Annual Conference that had been
        submitted by Lockyer Valley Regional Council.

        LGAQ have forwarded correspondence received from both the Deputy Premier and the
        Minister for Education and Minister for Industrial Relations in response to these resolutions.

2.   **Background**

        The LGAQ Annual Conference was held in Gladstone from 16-18 October 2017. Mayor
        Milligan, Cr Hagan and the Chief Executive Officer attended from Lockyer Valley Regional
        Council.

        Five LVRC motions were considered by the State Conference.

            •   Motion 11 - Works for Queensland Funding Eligibility.
            •   Motion 21 - High School Car Parking.
            •   Motion 48 - Agricultural Data Collection.
            •   Motion 73 - Valuation Land Disposal.
            •   Motion 75 - Protection of Council Officers.

        All five motions were carried at the conference. Responses relating to Motion 21 and Motion
        48 have now been received by LGAQ from the relevant Ministers and referred to Council.
        LGAQ will advise as other responses are to hand.

3. **Report**

This report provides an update on two motions put forward by Council and carried by LGAQ conference. These were referred to the relevant ministers and the responses are noted below (and as attached).

Motion 21 - High School Car Parking
That the LGAQ call on the State Government to recognise the impending requirement for additional student car parking around the State's high schools and identify new funding to provide improved car parking and/or public transport services in these locations.

As per the motion, from 2020 there is a looming increase in the finishing age of year 12 students with a corresponding increase in motor vehicle use especially in regional areas not supported by public transport. The motion called for increased funding to address the associated safety and congestion issues.

The Hon. Grace Grace Minister for Education and Minister for Industrial Relations has now sent correspondence to LGAQ responding to this Resolution. The response advises that many high school sites are fully utilised and that the Queensland government will work with schools and their communities to manage growth and ensure appropriate facilities are provided. This fairly generic response is somewhat disappointing as it did not acknowledge the looming change and did not provide a mechanism to consider additional funding. The Minister suggests following up with the Department of Transport and Main Roads from a road safety perspective.

Motion 48 – Agricultural Data Collection
That the LGAQ call on the Department of Agriculture and Fisheries to coordinate with the Australian Bureau of Statistics to make publically available agricultural data (by volume/tonnage and dollar value) by local government area.

This resolution sought freely available agricultural data by volume/tonnage as well as dollar value by local government area. This would assist with local government decision making

Local governments rely on the Australian Bureau of Statistics (ABS) and the Department of Agriculture and Fisheries for the provision of cost effective collection and analysis of agricultural data. At the moment, publically available data on agricultural commodity production by tonnage (volume) and by dollar value is not available from either of these sources.

The Hon Jackie Trad, Deputy Premier has now responded on this resolution. She notes that the ABS will be planning the production of data from the Agricultural Census at the local government area level. The Deputy Premier further advises that the Queensland Government Statistician's Office will investigate the potential to produce this required data from existing resources.

Attachments

5View   Attach 5   3 Pages

Response to 2017 Local Government Association
Queensland Conference Resolutions submitted by Lockyer
Valley Regional Council

Attachment 1
Attach 1

21 March 2018

Cr Tanya Milligan
Mayor
Lockyer Valley Regional Council
PO Box 82
GATTON QLD 4343
Email: mayor@lvrc.qld.gov.au

Dear Cr Milligan,

2017 LGAQ Annual Conference – Resolutions 21 & 48

The Local Government Association of Queensland (LGAQ) held its successful 121th Annual Conference in Gladstone on 16 – 18 October 2017, with over 300 delegates attending from across the state.

A total of 90 motions were presented, 85 were carried at the 2017 Annual Conference including Resolutions 21 & 48 submitted by Lockyer Valley Regional Council.

Resolution 21:	**Road Design - High School Car Parking –**	(Attachment 1)
Resolution 48:	**Land Management - Agricultural Data Collection**	(Attachment 2)

Enclosed;
- formal response to resolution 21 from the Honourable Grace Grace MP, Minister for Education and Minister for Industrial Relations dated 14 March 2018 and
- formal response 38 from the Honourable Jackie Trad MP, Deputy Premier, Treasurer and Minister for Aboriginal and Torres Strait Island Partnerships dated 19 March 2018.

Please let me know if you wish for LGAQ to take any further action on this matter.

Yours sincerely,

Sarah Buckler PSM
GENERAL MANAGER - ADVOCACY

c.c   Mr Ian Church, Chief Executive Officer, Lockyer Valley Regional Council
Email: ichurch@lvrc.qld.gov.au

NB: All received responses to LGAQ Annual Conference resolutions can be found at: http://www.lgaq.asn.au/group/guest/motions-database?p_p_id=101_INSTANCE_8BOgroUS3ipA&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_p_col_id=column-4&p_p_col_pos=2&p_p_col_count=3&p_r_p_564233524_tag=ac2016

P 07 3000 2222	Local Government House	PO Box 2230	Local Government Association Of Queensland Ltd.
F 07 3252 4473	25 Evelyn Street	Fortitude Valley BC	**ABN** 11 010 883 293 **ACN** 142 783 917
W www.lgaq.asn.au	Newstead Qld 4006	Qld 4006	

Response to 2017 Local Government Association
Queensland Conference Resolutions submitted by Lockyer
Valley Regional Council

Attachment 2
Attach 2

2017 LGAQ ANNUAL CONFERENCE
WAVES OF CHANGE OCEANS OF OPPORTUNITY

FINAL AGENDA

GLADSTONE ENTERTAINMENT
CONVENTION CENTRE
56 GOONDOON ST GLADSTONE

16-18 OCTOBER 2017
🐦 📘 #LGAQ2017

Submitting council / organisation: Lockyer Valley Regional Council	
Date of council / organisation resolution: 23 August 2017	**LGAQ Policy Executive District** District 2 – SEQ Western
Number and title of motion	**21 — Road Design - High School Car Parking**
Motion	That the Local Government Association of Queensland lobby the State Government to recognise the impending requirement for additional student car parking around the all high schools and identify new funding to provide improved car parking and/or public transport services in these locations.
Background	Many high schools in the State already suffer significant traffic congestion caused by car parking in and around the school grounds. Of further concern is that the introduction of the preparatory year into Queensland schools in 2007 will result in an increase in the finishing age of year 12 school students from 2020. Lockyer District High School in Gatton and Laidley State High School provide local examples of this problem. A recent LVRC study into the issue has identified that up to 670 students attending these schools would be eligible at the end of the year to hold their drivers licence from 2020 onward - effectively doubling the current numbers. The study found, if it is assumed that 30% of eligible students were to drive to school, this would result in an extra 80 student vehicles at Laidley and 120 additional vehicles at Gatton. This issue will be state wide but will be exacerbated in non-metropolitan areas that are not well serviced by public transport services. Regional areas often have no real public transport alternative. Accordingly it is considered that the state government should plan for this impending problem and identify funding to address this concern through improved car parking and/or public transport services at Queensland's high schools.
What is the desired outcome sought?	New State government funding to deliver improved car parking and/or public transport at Queensland's high schools prior to the anticipated surge in demand from 2020.
What are the impacts (positive or negative) on local government?	A new funding stream will help reduce the anticipated negative impacts on road safety and transport efficiency around the State's high schools.
LGAQ comment	The LGAQ Policy Statement 2016 contains the following positions: *3.1.2.5 The State Government should provide a 100% subsidy to councils for provision of external infrastructure to State Government sites and to non-State school sites and make arrangements for improved engagement and associated planning mechanisms to ensure a better balance is achieved between State and local government priorities in the provision of essential public infrastructure.* *8.2.1.1 Federal and State Government funding should be available to provide for a regionally and locally focused, multi-modal and integrated public transport network.*

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Response to 2017 Local Government Association   **Attachment 2**
Queensland Conference Resolutions submitted by Lockyer   **Attach 2**
Valley Regional Council

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| | *The funding should be available for infrastructure delivery and operational continuance in preparation for sustained urban growth.*

While noting the above LGAQ Policy positions support the intent of the motion, it should also be noted that Transport Infrastructure Development Scheme (TIDS) funding may be used for the development of infrastructure associated with safe school travel.

Further, as outlined in motion 5, the LGAQ is pursuing a longer term agenda of consolidating State Government grant programs into a small number of program streams aligned to local government outcomes. |

Response to 2017 Local Government Association Queensland Conference Resolutions submitted by Lockyer Valley Regional Council

Attachment 3
Attach 3

Minister for Education and
Minister for Industrial Relations

Queensland
Government

LGAQ

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Email: industrialrelations@ministerial.qld.gov.au

Mr Greg Hallam PSM
Chief Executive Officer
Local Government Association of Queensland
PO Box 2230
FORTITUDE VALLEY BC QLD 4006

Dear Mr Hallam *Greg,*

Thank you for your letter dated 19 January 2018 regarding the Local Government Association of Queensland's annual conference resolutions. It was a pleasure meeting with you on 8 February 2018.

I am pleased to provide the following response to the resolutions under my portfolio area as advised by the Department of Education.

Resolution 21: High School Car Parking

The department is committed to providing safe road access to all Queensland Government school sites across the State. The department works in collaboration with relevant local government authorities and other Queensland Government agencies to ensure a coordinated approach to road safety at our schools and facilities for car parking at sites adjacent to our schools.

Many existing high school sites are fully utilised for school buildings, student play and recreational spaces and, therefore, have limited space available to provide additional parking. However, the department continues to monitor the growth of all schools in Queensland, and works with principals and their school communities to manage this growth to ensure appropriate facilities are provided.

You may be aware that the Department of Transport and Main Roads (DTMR) is responsible for administering relevant road safety programs, including the SafeST program, and community road safety grants. I encourage you to contact DTMR in relation to potential opportunities.

Resolution 41: Roads – New public schools – excise of off-street car park to road reserve

To ensure that all safety requirements are met, the department assesses car parking issues on a site-by-site basis for all new public schools constructed in Queensland. It is the current practice of the department to excise Stop, Drop and Go zones to the relevant local government authority for road use, as road management does not fall within the responsibility of the department.

It is the view of the department that local authorities are best placed to manage traffic around the school and the surrounding neighbourhood, ensuring a safe and efficient road network for all motorists and local residents. Local authorities maintain drop off and pick up zones as part of their road infrastructure, promoting a consistent approach and utilising maintenance efficiencies.

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Currently, the *Transport Operations (Road Use Management) Act 1995* provides the local authorities with powers to regulate road use. When facilities are dedicated for public use as a road, police can also become involved in road infringements and penalties can apply. This is an important feature, contributing to safe access to school facilities, and management of incidents.

The department will continue to work in collaboration with relevant local government authorities regarding the excision of land in accordance with the *Guidelines on Arrangements of Infrastructure External to State Government Sites and Non-State Schools 1997*.

As a result of our meeting, the department has committed to continuing to work with local authorities when planning education infrastructure, including Stop, Drop and Go zones.

Resolution 90: Utilisation of educational institutions for community sport

Principals are currently required to give consideration to all requests to use existing school facilities, including any local government requests. This allows state schools to maximise their use after school hours and benefit the community by sharing their grounds and infrastructure.
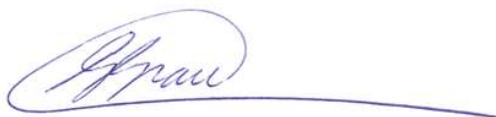
The community use of sporting and open space facilities is also considered as part of the planning for new schools. This is subject to an agreement being established between the school and the local government to ensure community access to facilities is balanced with the core educational and operational needs of the school during school hours.

The Baringa State Primary School shared use Memorandum of Understanding is a recent example of the State Government partnering with local government to maximise community use and utilisation of the newly opened school facilities.

If you require further information or assistance, please contact Mr Dave Baxter, Executive Director, Infrastructure Planning and Delivery, Infrastructure Services Branch by email at dave.baxter@det.qld.gov.au or on telephone (07) 3034 4836.

Thank you for raising these important matters with me.

Yours sincerely

GRACE GRACE MP
Minister for Education and
Minister for Industrial Relations

Ref: 18/48016

cc: motions@lgaq.asn.au

**Response to 2017 Local Government Association
Queensland Conference Resolutions submitted by Lockyer
Valley Regional Council**

**Attachment 4
Attach 4**

2017 LGAQ ANNUAL CONFERENCE
WAVES OF CHANGE OCEANS OF OPPORTUNITY

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**GLADSTONE ENTERTAINMENT
CONVENTION CENTRE**
56 GOONDOON ST GLADSTONE

16-18 OCTOBER 2017
🐦 📘 #LGAQ2017

Submitting council / organisation: Lockyer Valley Regional Council	
Date of council / organisation resolution: 23 August 2017	**LGAQ Policy Executive district** District 2 – SEQ Western
Number and title of motion	**48 — Land Management - Agricultural Data Collection**
Motion	That the Local Government Association of Queensland lobby the State Government to coordinate with the Australian Bureau of Statistics to make publically available agricultural data (by volume/tonnage and dollar value) by local government area.
Background	Local Governments need relevant data to understand their local economies and industries and to make better decisions regarding infrastructure and services. Local governments rely on the Australian Bureau of Statistics (ABS) and the Department of Agriculture and Fisheries for the provision of cost effective collection and analysis of agricultural data. At the moment, publicly available data on agricultural commodity production by tonnage (volume) and by dollar value is not available from either of these sources. As part of council's economic development role, key data sets and analysis of that data is required. Both industry and government need appropriate data sets to ensure good decisions are made to provide that assistance. This data would assist with: • the timing and location of key future infrastructure and services, • more targeted economic assistance policies, • better development of Council grant applications, and • clearer regional economic development. Such data is required on a local government area basis for local government decisions. Further, the data is required in both dollar value terms and by commodity tonnage (volume). This will assist in ensuring yearly market fluctuations in price (that can be significant in agricultural commodities) do not mislead decision makers. This data should be freely and publicly available.
What is the desired outcome sought?	Improved coordination in the collection and collation of publicly available agricultural data (by volume/tonnage and dollar value) by local government area.
What are the impacts (positive or negative) on local government?	The provision of this data would improve decision making around the timing and location of key future infrastructure and services. It would also provide more targeted economic assistance policies, better development of Council grant applications and clearer regional economic development.
LGAQ comment	Relevant policy statement: 8.8.6 Local government is a legitimate partner with State and Federal Governments in facilitating sustainable economic and regional development. Local government does this through its role as a purchaser, property owner/developer, regional leader, infrastructure provider, economic policy and community advocate, regulator and business development facilitator.

JLT   KING & COMPANY SOLICITORS   LGMS LOCAL GOVERNMENT MUTUAL SERVICES   LGIAsuper Let's Grow   PowerPlus   T   Hastings Deering CAT   NETWORKS   energex   Queensland Government   peak   QUEENSLAND TREASURY CORPORATION   CARAVANNING QUEENSLAND   ORACLE

Response to 2017 Local Government Association Queensland Conference Resolutions submitted by Lockyer Valley Regional Council

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The Australian Bureau of Statistics prepares the Agricultural Census every five years. The Agricultural Census includes data on the area and production of key agricultural commodities, and information on water and land use. This information is gathered to support policy and planning by Commonwealth and State governments, industry bodies, research organisations and the farming community. The latest Agricultural Census is scheduled for release in 2017.

The Department of Agriculture and Water Resources produces agricultural commodity statistics on an annual basis for 19 rural commodities and includes information about production, consumption and Australian and world prices. The report also contains statistics on agricultural water use and macroeconomic indicators such as economic growth, employment, balance of trade, exchange rates and interest rates.

The Department of Agriculture and Fisheries produces the Queensland AgTrends report on an annual basis. This report provides Gross Value of Production data for each of the major commodities produced in Queensland.

There is currently no publicly available agricultural data at the local government area scale.

Response to 2017 Local Government Association
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Valley Regional Council

Attachment 5
Attach 5

Deputy Premier
Treasurer
Minister for Aboriginal and Torres Strait Islander Partnerships

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ABN 90 856 020 239

Our Ref: 00419-2018

LGAQ

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19 MAR 2018

Mr Greg Hallam PSM
Chief Executive Officer
Local Government Association of Queensland Ltd
PO Box 2230
FORTITUDE VALLEY BC QLD 4006

Dear Mr Hallam Greg,

Thank you for your letter of 19 January 2018 regarding the resolutions of the 2017 Local Government Association of Queensland (LGAQ) Annual Conference.

The Palaszczuk Government is committed to working closely with the LGAQ and local governments to grow Queensland's economy, improve productivity and help build stronger local communities.

Resolutions 38, 40, 48 and 74 are addressed individually below.

Resolution 38 – Rating – State and Federal Government Properties in Remote, Indigenous and Discrete Communities

While the Queensland Government does not pay rates to councils, it does contribute significantly to remote communities through the provision of services such as health, education and law enforcement. The government also provides housing for its employees, who contribute to the economy of remote communities.

The Department of Local Government, Racing and Multicultural Affairs (LGRMA), together with other agencies, also provides a range of grant and subsidy programs to directly support remote, Indigenous and discrete communities.

The Australian Government, under *the Local Government (Financial Assistance) Act 1995*, also provides grants annually to local councils. The calculation of these grant entitlements is, in part, based on the ability of councils to raise rates revenue.

Resolution 40 – Impacts of Compliance with Government Regulation on Rural and Remote Councils

A key element in achieving regulatory compliance is ensuring regulation does not impose unnecessary burdens on business and the community, while maintaining necessary consumer, safety and environmental protections.

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The Queensland Regulatory Impact Analysis (RIA) is a fundamental element of best practice regulation to assess potential economic (including competition and compliance), social and environmental impacts of proposals on stakeholders, including rural or remote communities.

The Palaszczuk Government continues to implement a range of significant regulatory reforms, including through our ongoing commitment to reduce red tape for small business.

In July 2017, in the six-month progress report on the Red Tape Reduction Advisory Council's 2016 Report, the government committed to the development of a revised regulatory framework that will help ensure the design, implementation, administration and enforcement of regulation in Queensland is better focussed on:

- a risk-based approach to the design of regulation so that it is proportionate to the 'risk' the activity represents;
- appropriate and timely review of regulations to assess their continued relevance;
- agencies clearly outlining the impacts of proposed regulatory actions, including consulting with the Office of Small Business;
- a regulatory performance framework requiring regulators to report annually; and
- more effective and timely consultation with stakeholders on regulatory proposals.

As part of this review of the RIA system and development of the enhanced regulatory framework, Treasury will be consulting with LGRMA and will raise the matters you have highlighted as part of this consultation.

Resolution 48 - Agricultural Data Collection

The Australian Bureau of Statistics (ABS) is planning the production of data from the Agricultural Census at local government area level. In the interim, the Queensland Government Statistician's Office (QGSO) will investigate the potential to produce this data from the Statistical Area Level 2 data which has been released by the ABS.

The QGSO makes available a vast array of socio-economic statistics on local government area boundaries to support planning and decision making. Queensland Regional Profiles can be accessed through the QGSO website (www.qgso.qld.gov.au). The QGSO can be contacted by telephone: (07) 3035 6430 or email: govstat@treasury.qld.gov.au if you have any questions.

Resolution 74 – Transfer of Duty Exemption

The *Duties Act 2001* (the Duties Act) imposes transfer duty on dutiable transactions including a transfer of, or agreement to transfer, land in Queensland, and does not contain an exemption for transfers of land to local governments for community purposes. Decisions on land to be acquired for community purposes by local governments would generally be voluntary decisions made after consideration of all the benefits and costs, including transaction costs such as transfer duty.

However, the Commissioner of State Revenue (the Commissioner) has advised that certain acquisitions of land by local governments for community purposes can be assessed in accordance with the Commissioner's practice outlined in *Public Ruling DA505.2.2- Dutiable value of transfers of land to local government* (the Public Ruling), refer: www.treasury.qld.gov.au/resource/da505-2/. Under the Duties Act, transfer duty is calculated on the greater of the consideration for the transaction or the unencumbered value of the land.

Response to 2017 Local Government Association
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Where land is transferred to a local government for no or nominal consideration according to a plan of subdivision or development project, and the land has only a nominal dutiable value because it is held on trust for public or community purposes, no transfer duty would be payable. Under the Public Ruling, the Commissioner may rely upon a valuation completed by a local government employee in determining the dutiable value of the land.

For instance, under the *Sustainable Planning Act 2009,* a local council may require the gifting of land by a developer, in lieu of paying infrastructure charges. Providing that the conditions under the Public Ruling are met, the Commissioner will accept a valuation by a local government employee that the land has nominal value only due to the restriction placed on the land that it must be held on trust for a public or community purpose. Accordingly, the transfer would be charged with nil duty.

Thank you for bringing these matters to my attention. I look forward to continuing to collaborate with the LGAQ.

Yours sincerely

JACKIE TRAD MP
DEPUTY PREMIER
Treasurer
Minister for Aboriginal and Torres Strait Islander Partnerships

14.7   **Inland Rail Update**

Date: 17 April 2018
Author: Stephen Hart, Coordinator Council Business
Responsible Officer: David Lewis, Acting Chief Executive Officer

Summary:
This report provides an update to Council on the Australian Rail Track Corporation (ARTC) Inland Rail project. In particular, it provides Council with further information on the Community Consultative Committee (CCC) and the Lockyer Valley Regional Council ARTC Technical Working Group that has been established. The report also flags anticipated community engagement over the next quarter.

This document is for Council's information only.

Report

1.   **Introduction**

         The purpose of this report is to update Council on the recent activities undertaken by ARTC as well as Council's involvement on the Technical Working Group.

2.   **Background**

         The Inland Rail project is the largest freight rail infrastructure project in Australia and will provide a 1700 km line between Melbourne and Brisbane. This is a project of national significance. Council has previously been advised on the nature of the project at Council meetings and a number of Councillor Workshops. A Councillor Tour has also been undertaken to visualise some of the likely impacts at key points along the corridor.

         The larger Inland Rail project has been broken down into a series of projects of a more manageable size. The two of relevance to the Lockyer Valley are the Gowrie to Helidon Project (G2H) and the Helidon to Calvert Project (H2C). It is proposed that the section between Gowrie and Kagaru (near Bromelton) would be delivered through a public private partnership.

         Council provided significant input to the Draft Terms of Reference for the Environmental Impact Statement (EIS) (for both projects) which were developed by the Department of the Coordinator General. That Department is administering the EIS and prepared the Terms of Reference for that EIS work.

         Council provided detailed input to the EIS process to highlight the range of concerns held by the community over the project. It is recognised that there will be benefits for the nation attributed to this project in terms of freight transport and economic development. However, there is a range of concerns over the very real impacts for the communities within the Lockyer Valley.

         ARTC are aware of Council's concerns and are considering these in the proposed design and in the EIS work underway.

3. **Report**

The following information provides an update for Council of matters pertaining to the projects. A key step has been the engagement by ARTC of the consultants to deliver the EIS work. This will be done by a Joint venture of AECOM and Aurecon called the Future Freight Joint Venture (FFJV). That joint venture will deliver the H2C and the G2H EIS work.

Community Consultative Committee (CCC)

The CCC has been established with agreed Terms of Reference and a role to provide a conduit to and from the ARTC project Team. Council officers attend the CCC meetings as observers.

The last meeting of the CCC was held 14 March and Councillors were provided with notes following the meeting. The minutes are not yet available but will be posted to the ARTC website.

Issues raised by the CCC during discussions included
- the level and nature of community engagement,
- route variations,
- noise,
- visual amenity,
- business impacts,
- access,
- tourism opportunities,
- the reduced rates base,
- flood impacts,
- passenger rail.

Technical Working Group

The LVRC ARTC Technical Working Group (TWG) has also been established. The terms of reference for this group provide that the purpose of the group is to facilitate communication and address issues relating to the projects. The matters may be of a technical, environmental, or strategic nature and may also relate to stakeholder information and issues.

The LVRC members of the group are the:
- Chief Executive Officer
- Executive Manager Infrastructure Works & Services
- Manager Infrastructure Planning & Design
- Community Development & Engagement Officer
- Coordinator Council Business

The Technical Working Group (TWG) will generally meet monthly. The next meeting is set for 2 May 2018. It is anticipated that additional Council staff may attend this meeting to be briefed on the forthcoming engagement processes and potentially to see the fly through that Councillors have previously seen at a Councillor workshop.

The TWG have been advised of the status of the project and that the EIS is underway. Community members may be affected by some of the studies which will be undertaken by an Access Agreement. A Land Access Fact Sheet is attached (Attachment 1) to provide information on the nature of these agreements. Inland Rail staff are out in the community sorting out the final agreements for land access, and also surveyors are around the area doing some non-invasive work on road reserves.

Community Engagement

Also attached (Attachment 2) is the Helidon to Calvert EIS Engagement Program. This indicates that a significant amount of community engagement is anticipated in May. This is likely to commence in the first half of May and will cover the following aspects:

- Corridor alignment
- Flood data
- Noise
- Level Crossings
- Air
- Local hazards and risks
- Social and economic issues
- Flora and fauna
- Heritage

It is understood that these sessions will not be public meeting style events but will be "booth" style sessions giving community members the opportunity for one-on-one sessions with ARTC staff to discuss individual concerns. Relevant Council officers will attend the community consultation where required.

It is understood similar community consultation will follow within the month for the G-H project.

Position Paper

Some time ago a Council Position Paper was developed, endorsed by Council and provided to ARTC. A revised position paper is currently being developed now that further information on the project and its impacts is available. This Position Paper will be provided for Council consideration.

Attachments

1View   Engagement Program   1 Page
2View   Fact Sheet   2 Pages

HELIDON TO CALVERT EIS ENGAGEMENT PROGRAM

LAND ACCESS FACT SHEET

About Inland Rail

Inland Rail is a once-in-a-generation project connecting regional Australia to global markets, transforming the way we move freight around the country. It will complete the 'spine' of the national freight network between Melbourne and Brisbane via regional Victoria, New South Wales and Queensland.

This new 1,700km line is the largest freight rail infrastructure project in Australia. Early works will start in 2017, and based on the 10-year delivery schedule developed in 2015, the first train is expected to operate in 2024/25.

The Australian Government, through ARTC, is delivering the multi-billion dollar infrastructure in partnership with the private sector.

ARTC and Landowners

ARTC has been working alongside landowners for over 18 years and we value our relationships. As a landowner you are an important part in the success of Inland Rail.

ARTC is committed to having a productive and positive relationship with landowners wherever we conduct business. We understand that we are a guest on your property and will at all times behave with respect and courtesy.

Why do we need land access?

ARTC is now moving through, the planning and approvals phases for Inland Rail. This stage of planning and approvals will help to identify the best detailed alignment in those areas where we need to build new track. To do that, we will complete a series of preliminary field studies, concept design and undertake community consultation.

Working with landowners is a vital part of this early planning and consultation work and your input will be important in helping to get Inland Rail underway.

What is a Land Access Agreement?

A Land Access Agreement is a voluntary legal agreement between you (the landowner) and ARTC, that allows us to access your property to carry out agreed activities.

The Agreement is negotiated between ARTC and the landowner and details the type of activities we would like to complete, timeframes and any conditions for ARTC to access the land.

We will not commence any activity on your property without an agreement in place.

The conditions of access that are agreed between the landowner and ARTC will be provided to all staff and contractors who need to access your property, outlined in a Property Access Protocol.

Your nominated Community Engagement representative will make periodic spot checks and keep in touch with you throughout the activities to make sure that everything is running smoothly.

inlandrail.com.au   1800 732 761   JUNE 2017

What activities do we want to undertake?

To help determine the best possible alignment for Inland Rail in areas where we need to build new rail infrastructure, we need to complete a number of preliminary field studies. We may not need to complete all these studies on your property, however these studies may include:

- **Ecological surveys** – to identify habitats and/or species that exist within the area of investigation
- **Utility identification surveys** – to identify infrastructure such as gas and water pipelines
- **Heritage surveys** – investigations for any evidence of Aboriginal and non-Aboriginal artefacts/heritage
- **Noise, air quality and vibration surveys** – to measure background noise, air quality and vibration levels at key sites
- **Land surveys** – to identify any easements and to install survey pegs if required
- **Geotechnical investigations** – to obtain information about the physical properties of the soil and rock
- **Hydrology studies** – to obtain information about flooding and surface water movements.

Information about the type of activities to be conducted is provided in more detail with any land access negotiations, including anticipated time frames, hours of work, types of equipment and vehicles to be used, etc.

What conditions are usally part of a Land Access Agreement?

We are committed to ensuring the least disruption as possible, so it's important for you to raise any conditions or concerns you may have when we are negotiating the Land Access Agreement.

For example, a landowner may request that a specific activity is not to take place until after a major event, such as harvest; or that a particular access road is used as the main point of entry.

Some examples of what may be negotiated include:

- the timeframe for the activity
- the path of access
- any biosecurity requirements
- rehabilitation requirements

Is compensation paid?

The activities that ARTC needs to complete at this stage are non-invasive and will have minimal impact on the daily operation of your property so no compensation will be paid.

What if something goes wrong?

ARTC is fully insured for the field studies it needs to undertake, so you can be assured that in the unlikely event that any damage occurs we will make good on any proven damage.

Should I get legal advice?

Landowners do have legal rights during our activities and it is your choice to seek legal advice at your own cost.

Want to know more?

ARTC is committed to working with State and local governments, communities and landowners as a vital part of our planning and consultation work, and we value your input. If you have any questions or comments about land access please let us know.

☏ 1800 732 761
@ inlandrailenquiries@artc.com.au
✉ ARTC Inland Rail
GPO Box 2462
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⊕ inlandrail.com.au

R_05B_LAND_ACCESS_FACTSHEET_PUB

inlandrail.com.au   1800 732 761   JUNE 2017

15. CONFIDENTIAL ITEMS

15.1   **Legal Update - 3rd Quarter**

Date: 16 April 2018
Author: Caitlan Natalier, Solicitor & Legal Services Coordinator
Responsible Officer: Ian Church, Chief Executive Officer

That the above item be considered in Closed Session to the exclusion of the press and public in accordance with Section 275 (1) (h) of the Local Government Regulation, 2012, as the matter involves other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

Summary:

The purpose of this report is to provide an update to Council in relation to a number of confidential legal matters.

16. MEETING CLOSED