



# **ORDINARY MEETING**

## **AGENDA**

**27 JANUARY 2016**

*Your attendance is required at an Ordinary meeting of Council to be held in the Council Chambers, 232 Bolsover Street, Rockhampton on 27 January 2016 commencing at 9.00am for transaction of the enclosed business.*

A handwritten signature in black ink, appearing to be "C. R.", written over a horizontal line.

**CHIEF EXECUTIVE OFFICER**  
21 January 2016

Next Meeting Date: 09.02.16

**Please note:**

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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**1 OPENING**

The opening prayer will be presented by Reverend Scott Ballment from the Parish of Rockhampton South Uniting Church.

**2 PRESENT**

Members Present:

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

In Attendance:

Mr E Pardon – Chief Executive Officer

**3 APOLOGIES AND LEAVE OF ABSENCE****4 CONFIRMATION OF MINUTES**

Minutes of the Ordinary Meeting held 8 December 2015

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

**6 BUSINESS OUTSTANDING**

Nil

**7 PUBLIC FORUMS/DEPUTATIONS**

Nil

**8 PRESENTATION OF PETITIONS**

Nil



**9 COMMITTEE REPORTS**

Nil

**10 COUNCILLOR/DELEGATE REPORTS****10.1 REQUEST FOR DONATION FROM DIVISION 6 COUNCILLOR DISCRETIONARY FUND - GRACEMERE LAKE GOLF CLUB**

**File No:** 8295  
**Attachments:** Nil  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Megan Careless - Executive Support Officer

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**SUMMARY**

*Councillor Greg Belz requesting approval to donate \$2000 from his Division 6 Councillor Discretionary Fund to the Gracemere Lake Golf Club.*

**OFFICER'S RECOMMENDATION**

THAT approval be granted to donate \$2000 from Division 6 Councillor Discretionary Fund to the Gracemere Lake Golf Club to assist with the purchase of a side-mount mower attachment.

**BACKGROUND**

Councillor Belz is requiring approval to donate \$2000 from his Councillor Discretionary Fund to the Gracemere Lake Golf Club towards the purchase of a side-mount mower attachment to assist with weed control around creek and waterways on the course.

As the amount is over \$1000 Council decision is required.

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## 11 OFFICERS' REPORTS

### 11.1 CQ PRINCIPAL CYCLE NETWORK PLAN - PRIORITY ROUTE MAPS

<b>File No:</b>	<b>5732</b>
<b>Attachments:</b>	<b>1. Priority Route Maps for RRC</b>
<b>Authorising Officer:</b>	<b>Robert Holmes - General Manager Regional Services</b>
<b>Author:</b>	<b>Angus Russell - Coordinator Strategic Infrastructure</b>

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#### SUMMARY

*The Department of Transport and Main Roads have recently completed a draft of the proposed Priority Route Maps, highlighting Council's preferred and priority routes within the Principal Cycle Network. These priority routes will assist with future planning and design, and will increase opportunities for State Government funding. The Department is seeking endorsement of these plans by Rockhampton Regional Council.*

#### OFFICER'S RECOMMENDATION

THAT Council review and endorse the Priority Route Maps for the Principal Cycle Network.

#### COMMENTARY

The Queensland Government is seeking endorsement of the proposed Priority Route Maps by Rockhampton Regional Council. The priority route maps are an addendum to the Central Queensland Principal Cycle Network Plan (CQPCNP) and provide an indication of the desired implementation priority of routes within the Rockhampton Region's Principal Cycle Network.

These maps will be used to guide State and local government planning, design and investment to deliver the Principal Cycle Network. The routes are indicative and guide further planning and design to determine the precise route, design and form of the cycle facilities. The maps also guide assessment of Queensland Government Cycle Network Local Government Grants program applications.

Council officers began working with Department of Transport and Main Roads in June 2015 to develop these priority route maps. The routes identified in the CQPCNP (endorsed by Council in June 2014) were identified as priority A (for delivery in the next 10 years), priority B (10-15 years), priority C (15 to 20 years) or priority D (for delivery in the next 20 years or more).

Prioritisation considered safety, topography, land use, current usage, knowledge of current or latent demand, feasibility, constructability, cost effectiveness and location of existing cycling infrastructure. Also routes that supported trips to work, school, shops and other major attractors were considered a higher priority than those used for sporting or training circuits.

The priority maps indicatively show where future capital projects for cycling infrastructure will occur however other cycling facilities may be delivered outside these routes as part of other projects, or as the result of development.

#### BACKGROUND

The Queensland Principal Cycle Network is comprised of core cycle routes designed to maximise the community's use of the bicycle as an everyday form of transport. It is a functional network concentrated on trips that can be easily cycled.

The focus of a principal cycle network is on connecting residential areas with employment nodes such as town centres, industrial precincts, ports, high frequency public transport, education facilities, and shopping and entertainment destinations within a 5km radius of town centres and key destinations in urban areas.

The network was identified by analysing existing and future demands for cycling using demographic data and travel patterns. Preliminary workshops were held with representatives from local industry, education, tourism, bicycle, community and interest groups, local councils and state agencies. Further consultation took place with Local Government stakeholders to refine the principal cycle network before it was endorsed by Council in June 2014.

### **PREVIOUS DECISIONS**

On 4 June 2014, Council resolved that the Rockhampton sub-region section of the Central Queensland Principal Cycle Network Plan be endorsed.

### **BUDGET IMPLICATIONS**

There are no immediate implications on the budget however endorsement of these priority route maps implies that these routes will be given preference when considering future capital projects for cycle infrastructure.

The approval of these priority routes allows Council to apply for future State funding however some programs may require matching funding from Council.

### **CORPORATE/OPERATIONAL PLAN**

The endorsement of the CQPCNP, recommended endorsement of the Priority Route Maps and the delivery of projects on the network supports Strategy 3 within the Community Plan: "A community that enjoys a range of strategically placed and integrated pedestrian and cycle paths".

### **CONCLUSION**

With the endorsement of the *Central Queensland Principal Cycle Network Plan* in June 2014, Council, in conjunction with the Department of Transport and Main Roads, have prioritised several routes throughout the region to highlight the desired staged implementation of the Principal Cycle Network. This report now seeks Councils endorsement of these proposed priority routes.

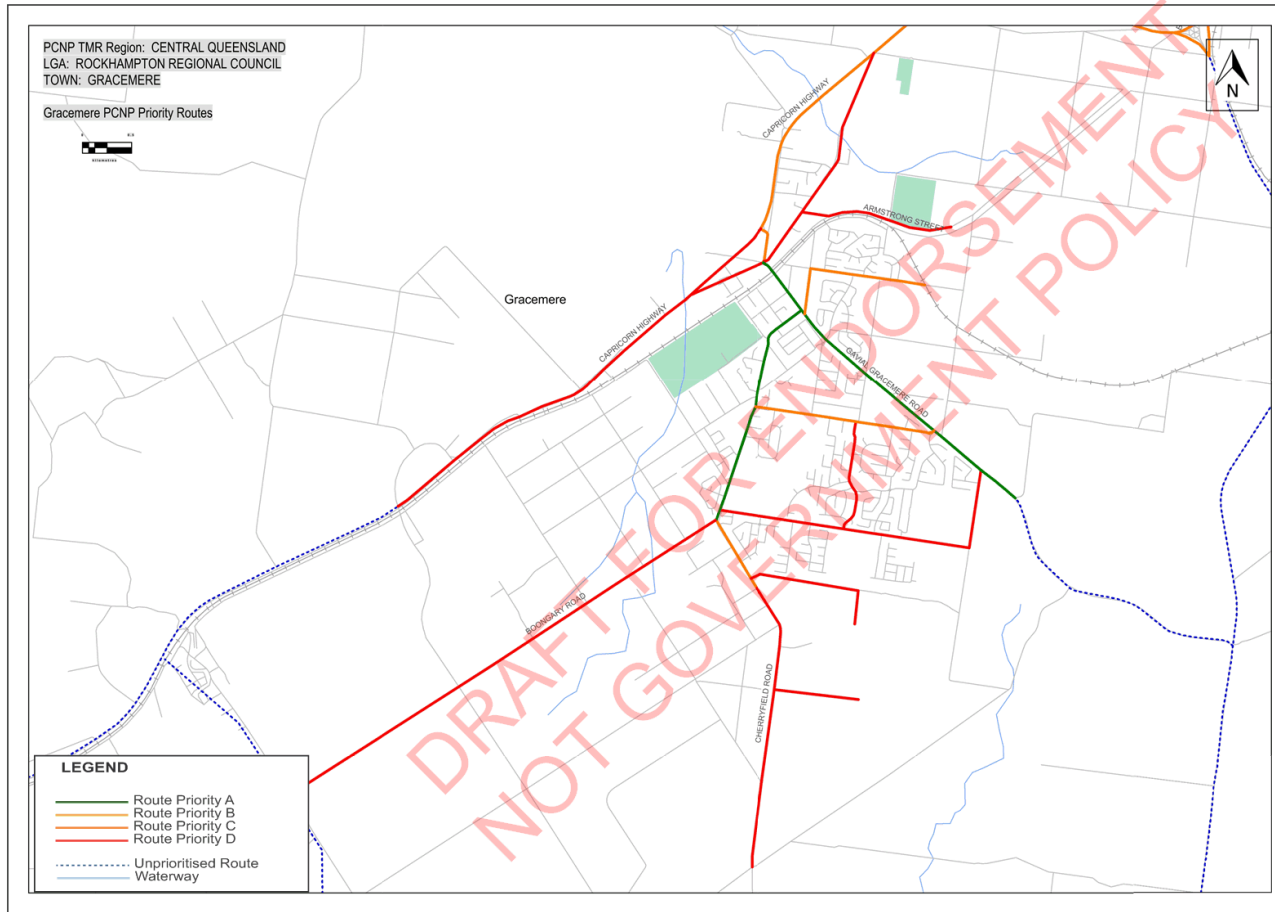
# **CQ PRINCIPAL CYCLE NETWORK PLAN - PRIORITY ROUTE MAPS**

## **Priority Route Maps for RRC**

**Meeting Date: 27 January 2016**

**Attachment No: 1**

## Rockhampton Regional Council – Gracemere



### Priority Route Map 17

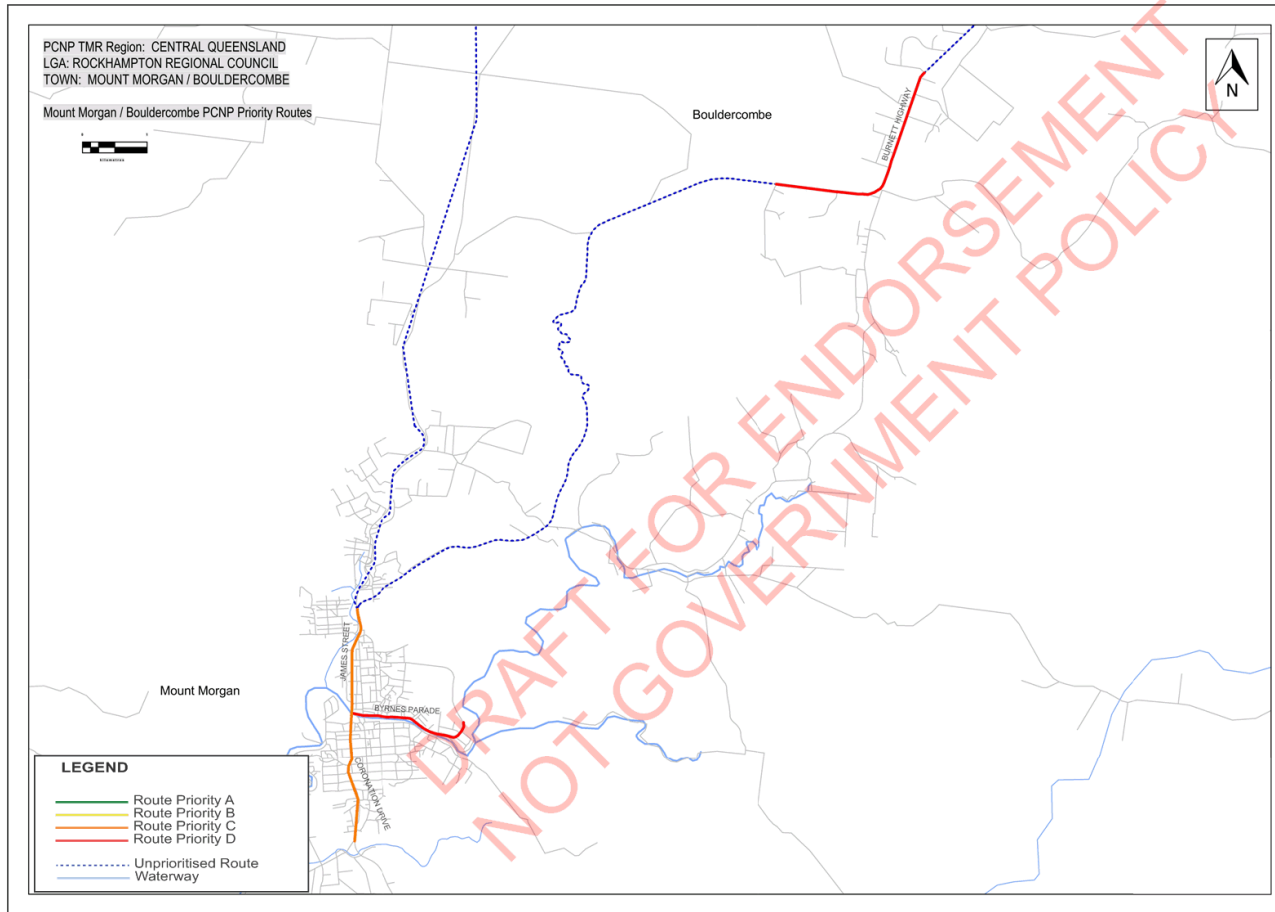
Central Queensland Principal Cycle Network

The routes shown are indicative and exist to guide further planning that will determine the precise routes and design of cycle facilities.

Disclaimer: While every care is taken to ensure the accuracy of this data, Transport and Main Roads and/or the State Government makes no representation or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages (including indirect or consequential damage) and costs which you might incur as a result of the data being inaccurate or incomplete in any way and for any reason.



## Rockhampton Regional Council – Mount Morgan / Bouldercombe



### Priority Route Map 18

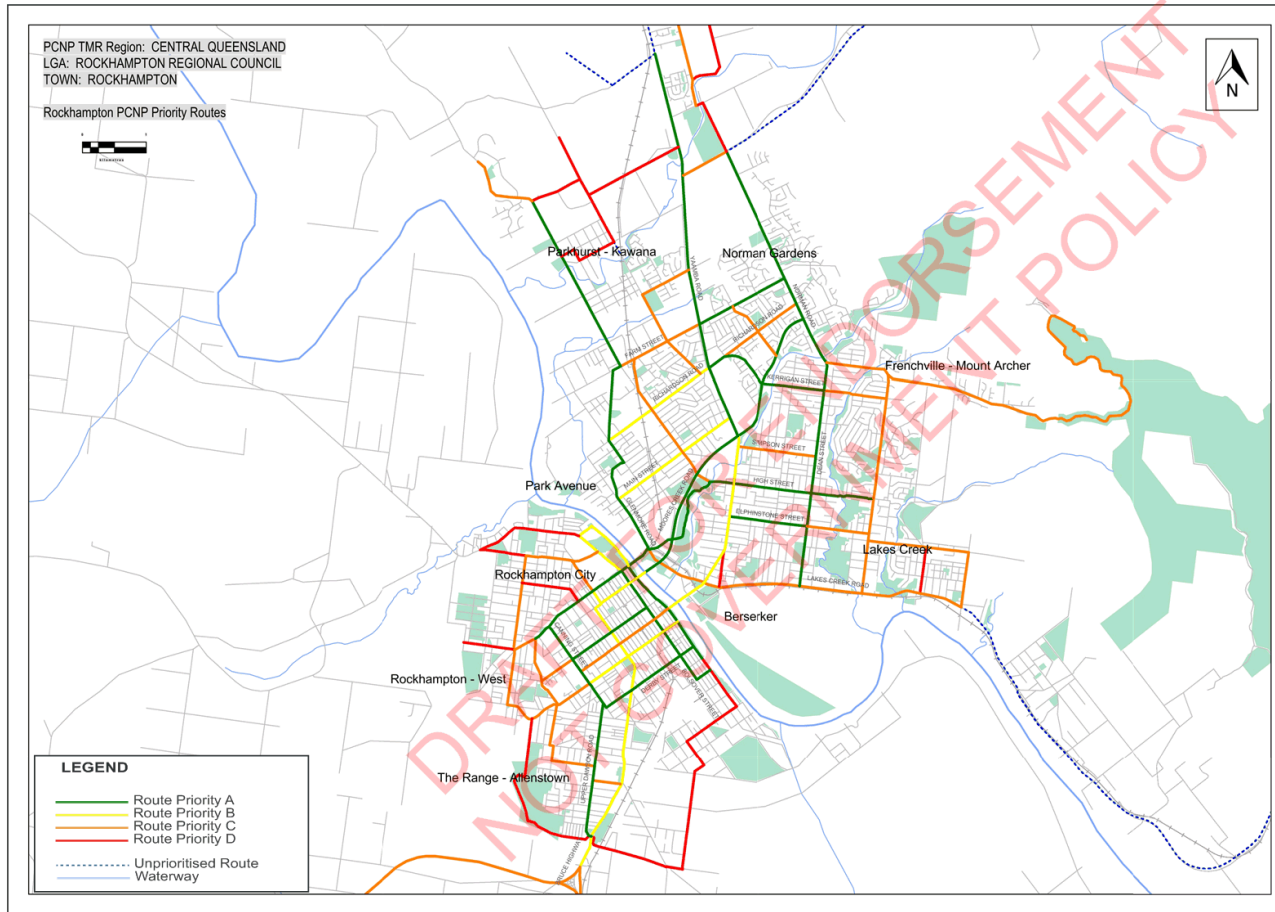
Central Queensland Principal Cycle Network

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# Rockhampton Regional Council – Rockhampton



## Priority Route Map 19

Central Queensland Principal Cycle Network

The routes shown are indicative and exist to guide further planning that will determine the precise routes and design of cycle facilities.

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**11.2 CYCLE NETWORK LOCAL GOVERNMENT GRANTS PROGRAM**

<b>File No:</b>	<b>5732</b>
<b>Attachments:</b>	<b>Nil</b>
<b>Authorising Officer:</b>	<b>Robert Holmes - General Manager Regional Services</b>
<b>Author:</b>	<b>Angus Russell - Coordinator Strategic Infrastructure</b>

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**SUMMARY**

*The Department of Transport and Main Roads have recently called for funding submissions under the Cycle Network Local Government Grants Program. Council Officers are proposing to submit several projects under this program.*

**OFFICER'S RECOMMENDATION**

THAT Council:

1. Endorse the submission of the following projects for the Cycle Network Local Government Grants Program.
  - a. Moores Creek Road upgrade of on-road cycle facilities from Norman Road to Yaamba Road;
  - b. Norman Road upgrade of on-road cycle facilities from Yeppoon Road to Moores Creek Road; and,
  - c. Construct an underpass at Kerrigan Street between Moores Creek Road and Moores Creek.
2. Agree to fund 50% of the project cost should a funding submission be successful.

**COMMENTARY**

The Queensland Government is seeking project applications for the 2016-17 Cycle Network Local Government Grants Program. Applications close on 29 January 2016 with successful projects anticipated to be announced in July 2016.

Local governments that have formally endorsed their region's Principal Cycle Network Plan are eligible to apply for a 50% grant for the design and/or construction of cycling infrastructure that contributes to the delivery of their regional cycle network.

Council endorsed the *Central Queensland Principal Cycle Network Plan* in June 2014.

Since June 2015, Council Officers have been working with the Department of Transport and Main Roads (TMR) and their consultants on three priority routes / areas. TMR's consultants were asked to look at gaps or deficiencies and make some recommendations in relation to the three priority routes or areas nominated by Council Officers.

The three areas that were nominated form the spine of the cycle network in Rockhampton are:

- Norman Road and Moores Creek Road through to the Fitzroy River crossings (Route 1);
- North Street into Canning Street and into and along Upper Dawson Road (Route 2); and
- Cycle access on the three Fitzroy River crossings and the interconnectivity between them (Route 3).

These priority routes are also now identified in and supported by a *Central Queensland Cycle Options Analysis Planning Report* (December 2015).

Council successfully submitted the following two projects to the previous round of the Program:

- Upper Dawson Road between Nathan Street and Blackall Street – continue the shared path on the western side of Upper Dawson Road at a total estimated cost of \$382,000 with 50% funding from the Program; and,
- North Street between Canning Street and West Street – narrowing of the raised centre median to enable an on-road cycle lane to be established in both directions along North Street. The total estimated cost is \$1,240,000 with 50% funding from the Program.

Detail design on these projects is currently being completed and they are expected to be completed by 30 June 2016.

The following projects are now proposed to be submitted to the current round of the Program:

- Moores Creek Road upgrade of on-road cycle facilities from Norman Road to Yaamba Road. Works will include approximately 650 m<sup>2</sup> of green surface paint, 140 m of off-road bicycle path, pavement symbols and signage at an estimated total cost of \$178,400.
- Norman Road upgrade of on-road cycle facilities from Yeppoon Road to Moores Creek Road. Works will include approximately 2400 m of line marking, 1200 m<sup>2</sup> of green surface paint, pavement symbols and signage at an estimated total cost of \$146,200.
- Construct an underpass at Kerrigan Street between Moores Creek Road and Moores Creek. The total estimated cost of these works is \$600,000.

## BACKGROUND

The Queensland Government recently announced the state-wide expansion of the Cycle Network Local Government Grants Program. The objective of the program is to work with local governments to deliver best practice, high quality and safe cycling infrastructure and facilities on principal cycle networks across Queensland. TMR have indicated that approximately \$2 Million is available in 2015/16 and a further \$15.2 Million is available in 2016/17.

Projects eligible for this funding include the detailed design and/or construction of:

- on-road bike lanes
- off-road bikeways/veloways
- off-road shared paths
- bridges and underpasses
- bicycle crossing provisions
- mid-trip and end-of-trip facilities
- directional and route signage

All project applications are assessed and prioritised against the following 6 selection criteria:

- Connectivity – identifies the number and diversity of trip attractors that will be made accessible by the project, providing connectivity for the local and regional community.
- Demand – measures the population surrounding the project to determine the anticipated demand and potential benefit of the project.
- Network Enhancement – measures the contribution of the project to the principal cycle network and evaluates the positive physical impact of the project in terms of addressing barriers in the network.
- Safety – measures the safety and usability of a project by assessing the technical aspects of the project proposal, including design treatments for cyclists and crime prevention.
- Cost Effectiveness – assesses the cost effectiveness of a project by measuring the benefits of the project against the project cost.

- Strategic Importance – evaluates the project against current strategic priorities of both the department and council to ensure infrastructure is delivered where it will have the most positive impact on the principal cycle network.

Further details of the Program and guidelines can be seen on the Department's web site at <http://www.tmr.qld.gov.au/Travel-and-transport/Cycling/Cycling-infrastructure-grants.aspx>.

### **PREVIOUS DECISIONS**

On 4 June 2014, Council resolved that the Rockhampton sub-region section of the *Central Queensland Principal Cycle Network Plan* be endorsed.

On 8 September 2015, Council resolved to submit the Upper Dawson Road (Nathan Street to Blackall Street) and North Street (Canning Street to West Street) projects to the 2015/16 round of the Cycle Network Local Government Grants Program, and agreed to fund 50% of the project costs should the funding submissions be successful.

### **BUDGET IMPLICATIONS**

Indicative estimates indicate the Moores Creek Road project will cost in the order of \$178,400. Council will need to allocate \$89,200 in the 2016/17 budget to fund its 50% share of this project should the application be successful.

Indicative estimates indicate the Norman Road project will cost in the order of \$146,200. Council will need to allocate \$73,100 in the 2016/17 budget to fund its 50% share of this project should the application be successful.

The combined impact of these two smaller projects on Council's Budget would be \$162,300.

Indicative estimates indicate the Kerrigan Street underpass project will cost in the order of \$600,000. Council will need to allocate \$300,000 in the 2016/17 budget to fund its 50% share of this project should the application be successful.

If all three project funding applications were successful, the cumulative impact on Council's Budget would be \$462,300.

### **LEGAL IMPLICATIONS**

Council will be required to enter into funding agreements with the State Government if funding submissions are successful.

### **CORPORATE/OPERATIONAL PLAN**

The endorsement of the CQPCNP and the delivery of projects on the network support Strategy 3 within the Community Plan: "A community that enjoys a range of strategically placed and integrated pedestrian and cycle paths".

### **CONCLUSION**

With the endorsement of the *Central Queensland Principal Cycle Network Plan* in June 2014, Council is now in a position to submit applications to the Cycle Network Local Government Grants Program. Three priority routes have been identified and projects have been identified on these routes that meet the funding program guidelines. If all project submissions are successful, Council will need to allocate additional capital funds to meet their 50% funding obligations.

**11.3 HEAVY VEHICLE SAFETY AND PRODUCTIVITY PROGRAMME ROUND 5**

**File No:** 2744  
**Attachments:** Nil  
**Authorising Officer:** Robert Holmes - General Manager Regional Services  
**Author:** Angus Russell - Coordinator Strategic Infrastructure

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**SUMMARY**

*The report seeks endorsement of a project to be submitted to Round 5 of the Australian Government's Heavy Vehicle Safety and Productivity Programme.*

**OFFICER'S RECOMMENDATION**

THAT Council, under the Heavy Vehicle Safety and Productivity Programme,:

- a) apply for funding for the upgrade of Macquarie Street Gracemere; and,
- b) agree to fund 50% of the project cost should the funding submission be successful.

**COMMENTARY**

The Australian Government is seeking project applications for Round 5 of the Heavy Vehicle Safety and Productivity Programme (HVSPP). Applications close on 10 February 2016. Construction must commence by June 2017 and be completed by 30 June 2019.

The HVSPP will contribute a maximum of 50% of the total project cost and proponents must confirm this commitment in their proposal and provide evidence of matching funding within 60 days following the announcement of successful projects.

Construction must have not begun on the site of the project prior to receiving confirmation from the Department that the project may commence; however planning and design work can be undertaken.

It is proposed that an application be made to the HVSPP for the upgrade of Macquarie Street at Gracemere. Council's 2016/17 Budget identifies forward budgets of \$500,000 in 2016/17 and \$500,000 in 2017/18 for upgrading of Macquarie Street. On this basis, an application for \$1 million from the HVSPP would allow the scope of the project to be significantly extended.

The proposed scope of the project, with a total value of \$2 million, would include:

- Upgrade of the Somerset Road and Macquarie Street intersection to an asphalt seal. This intersection is impacted by the turning of heavy vehicles and an asphalt seal is a more appropriate standard and will increase the life of the intersection;
- Widening of Macquarie Street between Somerset Road and Foster Street. This will include widening the road to 13 metres, installation of kerb and channel on the western side of the road and associated drainage works; and,
- Widening of Macquarie Street between Foster Street and Douglas Street. This will include widening the road to 13 metres, installation of kerb and channel on both sides of the road and associated drainage works.
- Upgrade of the Macquarie Street and Douglas Street intersection to the same standard as the recently completed Foster Street intersection to better accommodate heavy vehicle movements.

Council is also currently seeking funding under the NDRRA Betterment program for the upgrade of the Macquarie Street crossing of Gracemere Creek (RRC78.15).

This project is estimated to cost \$1.65 million with Council proposing to contribute \$350,000, nominally from the same forward budgets for Macquarie Street. The result of this application is not yet known. Should both applications be successful, Council may need to allocate an additional \$350,000 to Macquarie Street.

## **BACKGROUND**

The HVSP is an Australian Government initiative to improve productivity and safety outcomes of heavy vehicle operations across Australia, through funding infrastructure projects.

The specific HVSP objectives are to:

- Increase productivity of heavy vehicles by enhancing the capacity of existing roads and improving connections to freight networks; and
- Improve the safety environment for heavy vehicles.

State, Territory and Local Governments are eligible to apply. The programme will contribute a maximum of 50 per cent of the total project cost.

Proponents are encouraged to discuss priorities with local communities, relevant industry stakeholders, Regional Development Australia committees and state road agencies early in the process.

Projects will be selected as part of a competitive, merit based process. Further details of the programme criteria can be found on the Department of Infrastructure and Regional Development web site at <http://investment.infrastructure.gov.au/funding/heavyvehicles/>.

## **PREVIOUS DECISIONS**

Council has for many years sought to support the development of the Gracemere Industrial Area. This proposed funding application is consistent with that intent and direction.

## **BUDGET IMPLICATIONS**

Council's 2016/17 Budget identifies forward budgets of \$500,000 in 2016/17 and \$500,000 in 2017/18 for upgrading of Macquarie Street. It is proposed that those funds be applied to match the funding sought from HVSP, should the application be successful.

If both NDRRA Betterment and HVSP are successful, Council would need to reallocate a further \$350,000 to Macquarie Street over two financial years.

## **LEGAL IMPLICATIONS**

Council will be required to enter into a funding agreement with the Australian Government if the HVSP funding application is successful.

## **CORPORATE/OPERATIONAL PLAN**

The upgrade of Macquarie Street to an industrial standard is consistent with the Corporate Plan's goals of providing "safe, secure and reliable infrastructure serving current and future needs of the community" and "growing a strong, resilient and diversified economy".

## **CONCLUSION**

The proposed funding application under the HVSP for the upgrade of Macquarie Street provides an opportunity to leverage Council's forward capital budgets and to significantly increase the extent of work that would have otherwise been achieved without external funding.

**11.4 FEDERAL GOVERNMENT FUNDING APPLICATION - SAFER STREETS PROGRAM**

**File No:** 7322  
**Attachments:** Nil  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Ross Cheesman - General Manager Corporate Services

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**SUMMARY**

*General Manager Corporates Services seeking Council endorsement to submit an application for funding under the Federal Government's Safer Streets Program.*

**OFFICER'S RECOMMENDATION**

THAT Council submit an application for funding under Safer Streets Program for the Riverbank/CBD Precinct.

**COMMENTARY**

Round 2 of the Federal Governments Safer Streets Program is now open with applications closing on the 17<sup>th</sup> February. This round is broken into three sections of which Council is eligible to apply. This is called Stream 1 - Crime Prevention Through Environmental Design Initiatives. The guidelines state that Organisations may only submit one funding application.

The purpose of this report is to seek formal Council endorsement to submit an application under this program for the CBD/Riverbank precinct. In conjunction with the Acting General Manager Community Services it is believed that this is a priority area and in addition there is enough assessable information to be able to meet the application requirements and timeframes. As a further point to support the recommendation of this site is a recent suggestion from the Queensland Police for cameras/security for the Pilbeam Theatre Carpark. Police support for the project is one of the criteria assessed.

The details of the program can be found at:

<https://www.ag.gov.au/CrimeAndCorruption/CrimePrevention/Pages/ProceedsofCrimeAct.aspx>

**CONCLUSION**

In summary while there is no detail to present to Council on what a final submission would contain, it is recommended that Council endorse this project under the federal governments Safer Streets Program. If endorsed a formal application will be completed.

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**11.5 CYCLONE MARCIA RESTORATION, PILBEAM DRIVE, COMMENCEMENT OF WORKS**

**File No:** 11543  
**Attachments:** Nil  
**Authorising Officer:** Robert Holmes - General Manager Regional Services  
**Author:** David Bremert - Manager Civil Operations

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**SUMMARY**

*This report outlines the current status of the restoration of Pilbeam Drive.*

**OFFICER'S RECOMMENDATION**

THAT the report on Cyclone Marcia Restoration, Pilbeam Drive be received and funding arrangements endorsed.

**BACKGROUND**

Pilbeam Drive is almost 5km in length and serves as an access to the Mount Archer summit for both locals and tourists, as well as for residents who live at the summit. The roadway also provides a route for services, including overhead power, water supply and vital telecommunications facilities.

The road suffered significant damage from the Tropical Cyclone Marcia event in February 2015.

There have been 146 defects recorded including slips, scoured table drains, blocked culverts, pavement damage and debris build-up. The defects include a total of 26 landslips ranging in severity from minor soils slumps to significant road failures. The two most significant sites at Chainages CH830m and CH3813m require significant remediation.

A funding submission has been approved under the Natural Disaster Relief and Recovery Arrangements (NDRRA) for the Restoration Of Essential Public Assets (REPA) to the value of \$4.8million.

Tenders were called for the project and EarthTech has been awarded the contract.

EarthTech have informed Council of its program for the works, as follows:

- construction commences 22 January 2016;
- Pilbeam Drive closed, except for local residents, from 8 February 2016; and
- Pilbeam Drive reopens and work completed 30 August 2016.

The proposed working hours are 6 days a week (7am to 5pm), which includes descaling of the embankments, drilling into the rock face and various construction activities along the 4km section of road. These activities will pose a safety risk to the travelling public due to falling rocks and construction activities.

For the above reasons, it is proposed that the road is closed to traffic other than local residents. A boom gate is proposed to be installed at the creek crossing at the bottom of Pilbeam Drive near Frenchville Road. Residents from Mount Archer will be given 'swipe cards' to open the boom gate to allow for access. Local residents will be restricted from 9:30am to 2:30pm.

Discussions have occurred with the emergency services to inform them of the change and provide a contact number in case they need to use the road.

Meetings have been planned for discussions with the residents of Mount Archer on 27 January 2016 and local residents near the site compound on 28 January 2016.

Information of the road closure has been sent out to local walking, cycling and general users of Mount Archer Park to inform them of the closure.

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**BUDGET IMPLICATIONS**

Council has allocated \$135,000 for the Betterment works as part of its contribution. However, additional funds will need to be allowed to cover any further works that are required, which may include the stabilising of up-slopes.

For this purpose, it is proposed that funds will be available from NDRRA contributions over the early budget estimates adopted for that funding.

**RISK ASSESSMENT**

The following matters have been identified as potential risks for the project

- There is an ongoing risk of falling debris and reduced road width during construction. This is especially relevant as EarthTech will be removing material from 30m above the road which might cause more material to become loose.
- Whilst QRA will pay for the actual construction cost for REPA work, there is a risk that significant variation work over the approved budget will be questioned. That is especially relevant with the up-slopes of slips which are only covered for debris removal but not stabilisation. If additional work is required then this will, in all likelihood, need to be funded by Council.
- Council will bear the cost for any budget overruns in relation to Betterment works.
- Since work is commencing in February, weather could cause further delays to the reopening of the road.

**CONCLUSION**

This report has been presented to advise the Council of the commencement of the restoration works on Pilbeam Drive. Of importance is that due to the safety of the public, during the restoration works that the general public will be restricted from using Pilbeam Drive. Another important issue to note in respect of this project is the risk of additional issues arising during the restoration works and these needing to be funded by Council and that has been identified from NDRRA contributions over earlier budgeted forecasts.



**11.6 NATIONAL STRONGER REGIONS FUND ROUND THREE**

**File No:** 7322  
**Attachments:** Nil  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Robert Holmes - General Manager Regional Services

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**SUMMARY**

*The report provides information on Round Three of the National Stronger Regions Fund programme.*

**OFFICER'S RECOMMENDATION**

1. THAT the eligibility requirements and criteria for Round Two of the National Stronger Regions Fund programme be noted; and
2. THAT a submission be prepared for the identified projects, with those being the Gracemere Sewage Treatment Plant Augmentation, including the completion of the effluent pipeline, and Cedric Archer Reserve/Touch of Paradise, Gracemere Sport and Recreation Precinct project.

**COMMENTARY**

Round Three of the National Stronger Regions Fund programme has now opened and applications are required to be submitted by 15 March 2016. Council's application to Round Two for the Rockhampton Riverfront Streetscaping and Parkland Extension project was successful with the Council receiving \$7M in funding support for that project. This report provides background information on the current programme with a suggested two (2) projects that could be submitted.

**BACKGROUND**

The National Stronger Regions Fund (NSRF) Round Three has opened and applications close on 15 March 2016. Announcement of successful projects is expected in July 2016 and projects need to be completed by 31 December 2019.

Grants of between \$20,000 and \$10 million are available but must be matched with cash contributions on at least dollar-for-dollar basis with all partner funding needing to be confirmed. Similar to Round Two, it is anticipated that applicants can submit two applications in Round Three; however, this will be confirmed at a briefing to be attended in the week beginning 18 January and an update will be provided to the meeting.

NSRF funding will be provided for capital projects which involve the construction of new infrastructure, or the upgrade or an extension of existing infrastructure. The replacement of existing infrastructure will only be eligible where there is a demonstrated significant increase in productivity.

The project must deliver an economic benefit to the region beyond the period of construction. Projects should support disadvantaged regions or areas of disadvantage within a region.

Similar to Round Two, \$25 million will be quarantined in Round Three for those projects seeking funding of \$1 million or less and assessed as being value for money.

Previous clarification on the possible use of Council's workforce and internal plant hire for construction has indicated that this would only be considered as an in-kind contribution and as such could not be used as matching cash funding.

Given the timing of announcement of successful projects and the time it takes to get funding agreements in place, works on NSRF Round Two projects would be unlikely to commence until around the start of the 2<sup>nd</sup> quarter of the 2016/17 financial year.

The selection criteria for the NSRF include:

- the extent to which the project contributes to economic growth in the region;
- the extent to which the project supports or addresses disadvantage in the region;
- the extent to which the project increases investment and builds partnerships in the region; and,
- the extent to which the project and proponent are viable and sustainable.

RDA Committees can assist applicants in identifying and developing projects and are not involved in the appraisal or prioritisation of projects.

Following an appraisal of the eligible applications, the Department provides advice to the Ministerial Panel on the individual and relative merits of each application and whether, based on its analysis, funding the project would be a proper use of public resources. Copies of the application, supporting documents, outcomes of the Department's appraisal and any other information which the Department considers relevant will also be provided.

The Ministerial Panel will consider the advice of the Department and supporting information, and make decisions on projects to be funded in consultation with the National Infrastructure Committee of Cabinet.

In addition to the application, supporting material and outcomes of the Department's appraisal, the Ministerial Panel and the National Infrastructure Committee may take other factors into account when making decisions on projects to be funded, including, but not limited to:

- the broader regional reach of the programme;
- the broader regional reach of the project;
- other similar existing or planned infrastructure in the region to ensure that there is genuine demand and/or no duplication of facilities or services;
- other infrastructure or planned infrastructure projects in the region, and the extent to which the proposed project supports or builds on those projects and the services that they offer;
- the likelihood of the project proceeding without NSRF funding; and
- the Australian Government's priorities.

The Ministerial Panel may require additional conditions and management strategies be attached to the grant funding based on its own knowledge, the outcomes of the assessment and the risk analysis. It may also offer a different amount of grant funding to that requested by the Applicant.

## **SUGGESTED PROJECTS**

### **Gracemere Sewerage Treatment Plant Augmentation**

This project will see the upgrade and augmentation of the Gracemere Sewage Treatment Plant (GSTP) from its current capacity of approximately 8,000 equivalent persons (EP) to 20,000 EP. This project will ensure there is sufficient capacity at the GSTP to meet the future needs of this rapidly growing community. The expansion of the existing Gracemere Recycled Water Scheme to be completed as part of this project will ensure that the recycled water produced by the GSTP can be fully utilised as a valuable resource for the community whilst enabling the GSTP to operate in an environmentally sustainable manner as the population increases.

The main outputs that will be delivered on completion of this project are: the construction of a new secondary biological treatment bioreactor that contains high energy efficiency fine bubble diffused aeration and an associated anoxic zone to achieve nitrogen removal; the construction of a new secondary sedimentation tank to augment the existing infrastructure; the installation of new electrical and control equipment for the upgrade treatment processes; construction of a new amenities building with small laboratory for routine testing activities.

The existing oxidation ditch will be retained and used for sludge thickening and sludge digestion. The construction of a new section of recycled water main will help to expand the Gracemere Recycled Water Scheme to help ensure long term sustainable land disposal of the treated effluent produced by the GSTP.

Breakdown of project scope and the timeframe and cost for completion of individual project components:

Component	Short Description	Start	End	Cost (\$million)
Design/Project Management	Design review and external project management costs	01/07/16	30/06/17	\$0.15
Bioreactors	Construction of new concrete bioreactor tanks	01/07/16	30/06/17	\$2.50
Sedi-tank	Construction of a new secondary sedimentation tank, pipework and pumping infrastructure	01/07/16	30/06/17	\$2.20
Aeration	Construction, installation of all new aeration equipment for bioreactors	01/03/17	15/12/17	\$0.45
Sludge Recycle	Installation of internal sludge recycle pumps and pipework	01/03/17	29/09/17	\$0.20
Electrical & Commissioning	Construction and commissioning of new electrical switchboard and control system and plant processes	01/03/17	15/12/17	\$0.50
Amenities Building	Construction of a new amenities	01/07/16	15/12/17	\$0.15
Recycled Water Main	Construction of a new recycled water main to expand recycled water scheme	01/09/17	30/04/18	\$1.00
<b>Total</b>				<b>\$7.15</b>

### **Cedric Archer Reserve / Touch of Paradise, Gracemere Sport and Recreation Precinct**

The Cedric Archer Reserve / Touch of Paradise was identified in the Regional Open Space Plan commissioned in October 2010 as a recreation precinct that the Gracemere community enjoys and values.

Following the development of two rugby league football fields in the Reserve, Council has developed a masterplan to guide the further (re)development of the Reserve. The purpose of the (re)development project will be to improve the parkland and facilities. This will provide the end users of the Reserve the opportunity to enjoy social interaction, ceremonies/events, recreation, leisure, sporting activity, exercise, rest and relaxation in a safe, accessible, sustainable and pleasing environment.

Key Objectives in the redevelopment will be:

- Provide valuable and beneficial planning for the proposed current redevelopment and strategic planning for the parks continued use and future potential.
- To provide equal access to good quality parkland and facilities that reinstates a sense of place and purpose for the Gracemere community.
- Reduce council's maintenance costs and service regimes.

The project is being managed and delivered in stages, as summarised:

Stages 1 and 3 are completed, Stage 2, 4 and 5 are underway

Financial year	Stage	Funding
2013/15	1. Construction of the New District Playground	\$ 375,000
2015/16	2. Construction of a New Skate Park	\$ 325,000
2015/16	3. Reticulation of Power / BBQ re-commission	\$ 70,000
2016/17	4. Touch of Paradise / Upper Lake Redevelopment	\$ 425,000
2015/16	5. New Amenities and Picnic Shelters	\$ 265,000
2016/17	6. Touch of Paradise Redevelopment	\$ 860,000
Future stages	Wet play area	\$1,800,000
Still to be funded	Expanded playground	\$ 300,000
	Additional car-parking	\$ 750,000
	<b>Total estimated cost</b>	<b>\$5,170,000</b>

Funding through Council's capital budget has been allocated as follows:

Financial Year	Budget Allocation
2013/14	\$150,000
2014/15	\$352,000
2015/16	\$700,000
2016/17	\$1,150,000
<b>TOTAL</b>	<b>\$2,352,000.00</b>

## BUDGET IMPLICATIONS

The NSRF requires at least dollar for dollar cash contributions toward the project and, as a consequence, will have a direct impact on Council's budget. Projects are likely to commence construction in the 2016/17 financial year, so project allocations will need to be made in that year and subsequent years depending on the stages of the projects and the success of the applications.

## CONCLUSION

This report provided information on Round Three of the National Stronger Regions Fund programme outlining the eligibility requirements and criteria for the programme.

It is recommended that applications be prepared for the Gracemere Sewage Treatment Plant Augmentation, including the completion of the effluent pipeline, and Cedric Archer Reserve/Touch of Paradise, Gracemere Sport and Recreation Precinct project. These projects have been recommended due to their 'shovel ready' status and the information available for the completion of the applications.

**11.7 MULTI-YEAR FUNDING AGREEMENTS**

**File No:** 7822  
**Attachments:** Nil  
**Authorising Officer:** Evan Pardon - Chief Executive Officer  
**Author:** Cheryl Haughton - Acting General Manager Community Services

**SUMMARY**

*General Manager Community Services seeking Council approval to enter into multi-year funding agreements for recurrent iconic or significant events.*

**OFFICER'S RECOMMENDATION**

THAT the Multi-Year Funding Agreements as outlined in the report be approved.

**COMMENTARY**

Council contributes annually to various community and sporting groups within the regional jurisdiction through its Community Grants and Sponsorship programs. This funding is made available through advertised funding rounds and specific applications under emergent circumstances. However, several applications are for recurrent events that have a regional uniqueness, enhanced cultural significance, and economic impact so as to be described as "Iconic Regional Events".

Council has recognised several events as falling into this category and made provision for annual funding for them. It is now recommended that these events be made subject to multi-year funding agreements to achieve the following outcomes:

1. Ensure an annual funding allocation is made towards the event;
2. Provide certainty in funding allocation to facilitate the forward planning associated with the event;
3. Facilitate the sustainability of the event over the longer term.

The suggested events, funding level, and duration of the proposed multi-year funding agreements are detailed in the table below:

<b>Event</b>	<b>Agreement period</b>	<b>Annual Funding Amount (including all in-kind)</b>
Rockhampton Eisteddfod	2016 - 2019	\$20,000
Mount Archer "Challenge the Mountain" Run	2016 - 2019	\$20,000
Rockhampton "Rocky Swap"	2016 - 2019	\$20,000
Central City Traders "Christmas Fair"	2016 - 2019	\$20,000
Mount Morgan "Golden Mount Festival"	2016 - 2019	\$20,000
CQ Dance Festival	2016 - 2019	\$15,000
CQ All Schools "Battle of the Bands"	2016 - 2019	\$5,000
Rockhampton "River Run"	2016 - 2019	\$10,000
Lifeline "Bookfest"	2016 - 2019	\$7,000

**BUDGET IMPLICATIONS**

The implementation of the multi-year funding agreements will facilitate the annual budgeting towards the Community Grants Program. The annual budget impact of the proposed Multi-year agreements is \$137,000

**POLICY IMPLICATIONS**

Major Sponsorship Policy - Policy Statement:

Council will allocate funds within its annual budget for the provision of major corporate sponsorship to organisations undertaking events that provide significant economic and community development outcomes for the Region through:

- Increased community participation in the Region;
- Activation of civic spaces;
- Promotion of the Region as a destination; and
- A tangible benefit to Council e.g. enhanced corporate image or revenue potential.

Council may commit to providing corporate sponsorship on a recurrent basis for regional events deemed to be of significant community benefit. These will be subject to a multi-year sponsorship agreement.

**CONCLUSION**

The events detailed occur on a recurrent basis and meet the criteria set for major sponsorship:

- Increased community participation in the Region;
- Activation of civic spaces;
- Promotion of the Region as a destination; and
- A tangible benefit to Council e.g. enhanced corporate image or revenue potential.

It is recommended that they be afforded multi-year funding agreement status.

**11.8 REVIEWED FITZROY RIVER ROWING COURSE INSTALLATION AND REMOVAL POLICY AND PROCEDURE**

<b>File No:</b>	<b>2562</b>
<b>Attachments:</b>	<b>1. Fitzroy River Rowing Course Installation and Removal Policy</b>
<b>Authorising Officer:</b>	<b>Margaret Barrett - Manager Parks Catherine Hayes - Acting General Manager Community Services</b>
<b>Author:</b>	<b>Sophia Czarkowski - Sports and Education Supervisor</b>

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**SUMMARY**

*The policy and procedure for the Fitzroy River Rowing Course Installation and Removal has been reviewed and amended as detailed in the report.*

**OFFICER'S RECOMMENDATION**

THAT Council

1. Approve the amendments to the Fitzroy River Rowing Course Installation and Removal Policy; and
2. Rescind the Fitzroy River Rowing Course Install and Removal Procedure.

**COMMENTARY**

Council approval is sought for the proposed amendments to the Fitzroy River Rowing Course Installation and Removal policy and procedure. The policy and procedure applies to the 2000m buoyed rowing course that is installed each year in the Fitzroy River upstream of the barrage. The purpose of the documents is to outline the licensing arrangements and ensure sound risk management practices are adhered to during the installation and removal of the course.

**BACKGROUND**

The revision of the policy and procedure resulted in amalgamation of the two (2) documents into a single policy, being Fitzroy River Rowing Course Installation and Removal Policy. The amalgamation has enabled simplification of the documents to improve usability and implementation.

The policy enables an incorporated not for profit organisation the ability hold the Licence Agreement for a period of three (3) years, previously one (1) year. This amendment reduces workload for both the Licencee and Council Officers. Under the amended policy the installation date for the rowing course will be set as 1 May each year unless otherwise notified in writing. The set installation date will assist with the allocation of Council resources and ensure security of installation for the Club.

**CONCLUSION**

The amendments to the Fitzroy River Rowing Course Installation and Removal policy and procedure will benefit Council and users through more streamlined processes.

# **REVIEWED FITZROY RIVER ROWING COURSE INSTALLATION AND REMOVAL POLICY AND PROCEDURE**

## **Fitzroy River Rowing Course Installation and Removal Policy**

**Meeting Date: 27 January 2016**

**Attachment No: 1**





## FITZROY RIVER ROWING COURSE INSTALLATION AND REMOVAL POLICY (COMMUNITY POLICY)

### 1 Scope:

This policy applies to the 2000m buoyed rowing course on the Fitzroy River upstream of the barrage near the city of Rockhampton.

### 2 Purpose:

To outline the licensing arrangements and ensure sound risk management practices are adhered to during the installation and removal of the 2000m buoyed rowing course on the Fitzroy River.

### 3 Related Documents:

#### Primary

Nil

#### Secondary

2000m Buoyed Rowing Course Operations Manual  
Australian Government's Critical Infrastructure Resilience Strategy  
Corporate Risk Register  
Enterprise Risk Management Policy  
Enterprise Risk Management Framework  
Fitzroy River Rowing Course Installation Application Form  
Fitzroy River Rowing Course Installation Checklist  
Licence for Use of Rowing Course

### 4 Definitions:

To assist in interpretation, the following definitions apply:

Barrage	Council's Fitzroy River Barrage structure, gates and associated gate control system.
Council	Rockhampton Regional Council
GM	General Manager
FRW	Fitzroy River Water
Installation Date	1 May each year or as requested by the Users.
Rowing Course	The 2000m buoyed rowing course consisting of lane cabling, buoys, and land based anchor blocks.

### 5 Policy Statement:

Council recognises the economic and social benefits the rowing course may bring to the Region.

#### Corporate Improvement and Strategy use only

**Adopted/Approved:** Draft

**Version:**

**Reviewed Date:**

**Department:** Community Services

**Section:** Parks

**Page No.:** Page 1 of 2

**5.1 Risk Management**

The Rockhampton Barrage has been categorised as critical infrastructure by the Queensland Government for the value of its stored water. Council, as owner, is required to provide assurance to the State Government that it has appropriately considered the protection of this asset and that its operational safety is not compromised.

Council will minimise the risks to the barrage and rowing course assets through risk mitigation methods that include, but are not restricted to, reduced install periods and layouts.

**5.2 Licence Agreement**

An incorporated not-for-profit organisation may apply to Council to enter into a licence agreement. The applicant will be responsible for paying any prescribed licence fees.

The Licence for Use of Rowing Course will be executed for a maximum period of three years.

**5.3 Application to Install Rowing Course**

The licensee must notify Council annually of any/all rowing related events or training to be held for that (calendar) year, in preparation for the installation of the rowing course.

A Fitzroy River Rowing Course Installation Application form, including mandatory supporting information, must be submitted to Council no later than two months before the installation date or as identified in the written application.

**5.4 Installation and Removal of Rowing Course**

Upon receiving the application, Council will undertake necessary assessments and make arrangements for the installation and follow-up monitoring of river conditions, including water quality. If water quality deteriorates to an unsafe level, or water movements in the catchment will have a detrimental effect on the rowing course (or barrage), Council will remove the course.

The licensee will be informed of the outcome of the application and any changes in river condition that necessitate removal of the rowing course.

**6 Review Timelines:**

This policy will be reviewed when any of the following occur:

- 6.1** The related information is amended or replaced; or
- 6.2** Other circumstances as determined from time to time by the Council.

**7 Responsibilities:**

Sponsor	Chief Executive Officer
Business Owner	General Manager Community Services
Policy Owner	Manager Parks
Policy Quality Control	Corporate Improvement and Strategy

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

**Corporate Improvement and Strategy use only**

**Adopted/Approved:** Draft  
**Version:**  
**Reviewed Date:**

**Department:** Community Services  
**Section:** Parks  
**Page No.:** Page 2 of 2

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**11.9 FEDERAL OPPOSITION'S CENTRAL AND NORTH QUEENSLAND TASKFORCE**

<b>File No:</b>	<b>4932</b>
<b>Attachments:</b>	<b>1. Rockhampton Regional Council Submission 2. Terms of Reference</b>
<b>Authorising Officer:</b>	<b>Russell Claus - Executive Manager Regional Development Evan Pardon - Chief Executive Officer</b>
<b>Author:</b>	<b>Rick Palmer - Manager Economic Development</b>

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**SUMMARY**

*The Federal Opposition has formed a Central and North Queensland Taskforce, and to better understand the issues affecting this area, has requested that Council identify priority projects required to advance the Rockhampton Region.*

**OFFICER'S RECOMMENDATION**

THAT Council send the submission as attached to the report identifying important issues to the Central and North Queensland Taskforce.

**COMMENTARY**

The Central and North Queensland Taskforce was recently formed by the Federal Opposition to enhance its understanding of the regions' key priorities and identify which strategies may be developed by an incoming Labor Government for implementation. A copy of the Taskforce's terms of reference, *Advancing our Regions*, is attached to this report.

The taskforce is focusing on sustainable development in the following areas:

- **Strong and Healthy Communities** – building on investments in quality government and community services including early childhood and aged care, services which support vulnerable and disadvantaged people and address Indigenous disadvantage as well as affordable and accessible health care services which are equally distributed across the region;
- **Education and Industry Skills** – increasing secondary school attainment rates across the region and expanding the skills base through quality industry training, TAFE and tertiary education to ensure the next generation have the skills to drive the new knowledge-based economy, with a focus on science, mathematics, engineering and higher-order technical skills to help build a smart and mobile workforce;
- **Economic Development and Jobs** – growing key regional industries including more targeted investments in regional tourism, positioning ourselves as a tropical sports hub for high performance training, advancing defence and aviation industries, identifying Indigenous business opportunities, encouraging high-value agriculture and boutique food production, sustainable natural resource management and promoting renewable energy products;
- **Renewable Energy** – identify opportunities to take advantage of the fact that Central and North Queensland is blessed with some of the greatest renewable energy assets in the world; and
- **Cost of Living** – with many families struggling to afford the essentials and Malcolm Turnbull's plans to slug families with increased GST identify ways to reduce the cost of living.

The Taskforce is seeking input by the end of January 2016.

The Taskforce chair Senator Jan McLucas also intends to conduct a series of consultations across Central and North Queensland which will include shadow ministers, where appropriate.

### **Important Issues**

The submission addressing the State Infrastructure Plan, adopted by Council on 24 November 2015, has been used as the base for the submission to the Central and North Queensland Taskforce. Additional items have been added to address the Taskforce's key focus areas. A copy of the proposed submission is attached to this report.

The top priority projects are outlined in blue at the start of the project list. A number of the top priority projects are focused primarily on the development of hard infrastructure, whereas much of the Taskforce's attention appears to be directed at the development of social infrastructure, so additional items have been added to address this interest and to balance the representation of projects per the identified criteria.

Kershaw Gardens Redevelopment and Mount Archer Activation have also been added.

None of these were included in the list of priority projects for the State Infrastructure Plan, but are important planks in developing the Rockhampton Region as a strong and healthy community.

### **BACKGROUND**

The Federal Opposition has recently formed a Central and North Queensland Taskforce to bring forward a set of recommendations for the regions which can be weighed against their broader fiscal strategy.

**FEDERAL OPPOSITION'S CENTRAL  
AND NORTH QUEENSLAND  
TASKFORCE**

**Rockhampton Regional Council  
Submission**

**Meeting Date: 27 January 2016**

**Attachment No: 1**

## Central and North Queensland Taskforce

### Submission by Rockhampton Regional Council

27 January 2016

The following submission is made by Rockhampton Regional Council in response to the formation of the Federal Opposition's Central and North Queensland Taskforce in December 2015.

Council acknowledges the intent of the Central and North Queensland Taskforce to better understand the Region's key priorities and develop strategies which an incoming Labour Government will implement to enable sustainable development in the following areas:

- a) Strong and healthy communities;
- b) Education and industry skills;
- c) Economic development and jobs;
- d) Renewable energy; and
- e) Cost of living.

### About Rockhampton Regional Council

Rockhampton Regional Council (RRC) has an annual budget of \$225 million, including \$88.8 million of capital works, and employs 850 equivalent full time staff. The total value of Council's assets was \$1,956 million at 30 June 2014. Roads and drainage (46%) and water and sewerage (28%) are Council's largest asset classes followed by land and buildings (14%). These three asset classes account for some 88% of Council's assets by value.

Council owns and operates the Rockhampton Airport and the Fitzroy River Barrage and maintains some 840 kilometres of sealed roads and 1,138 kilometres of unsealed roads. It also operates and maintains significant water and sewage treatment facilities and reticulation networks with a gross value of almost \$850 million. In addition to this RRC provides facilities and services such as Landfills, Botanic Gardens, Rockhampton Zoo, Theatres, Libraries, year round swimming pool facilities and so on. The provision of these regional community facilities are at RRC's cost and are expected and enjoyed by its residents as well as those from neighbouring local authorities.

RRC has been impacted by several natural disasters over the past five years including floods, severe rain events and most recently Tropical Cyclone Marcia. Whilst the cyclone recovery is not yet complete it is expected that the net financial impact to Council for these events will exceed \$25m.

In addition to this, the de-amalgamation of Livingstone Shire Council on 1 January 2013 placed a further financial strain on the organisation. It has taken strict discipline to manage the financial position as a result.

To maintain long-term financial sustainability no additional debt is anticipated to be added over the course of Council's 10 year financial strategy.

### RRC Strategic Priorities

The following pages list RRC's priorities. This list also demonstrates the diversity and magnitude of the challenges faced by Council. The priority list includes desired timing and level of maturity of each of the priority projects. RRC's objective in presenting these priorities is to see important projects:

- Brought forward;
- Introduced into the Federal and State budgets and forward estimates;
- Promoted onto national policies and priority lists; and,
- Integrated into a longer term pipeline of projects for further development and to inform future budget processes.

The following items are extracts from Council's priority listing and represents Council's highest priorities at this point in time which are printed in blue.

- **Fitzroy Weirs** – bring forward construction (0-3 years) to capitalise on Federal funding opportunities (NWIDF and NAIF) and to support economic and regional development objectives.
- **Rockhampton Northern Access Stage 1** – bring forward construction (0-3 years) to address capacity constraints and freight movements into and out of the Parkhurst Industrial Area
- **Rockhampton Ring Road** – bring forward corridor designation and acquisition and start funding negotiations for commencement of Stage 4 in 5-10 years to address existing bridges congestion
- **Rockhampton Type 1 Road Train Access** – road network upgrades through Rockhampton to provide viable Type 1 route to abattoirs at Lakes Creek and Nerimbera
- **Rockhampton Base Hospital Car Park** – bring forward design and construction (0-3 years) to address parking and access issues that have been raised by the community
- **Rockhampton Kershaw Gardens Redevelopment** – Redevelopment of Kershaw Gardens in accordance with Master Plan
- **Rockhampton Mount Archer Activation** – Activation of Mount Archer as an iconic community asset maximising community involvement while promoting employment and lifestyle opportunities
- **Rockhampton Inner City Revitalisation** – State planning and catalyst project development to address inner city decline and promote economic and regional development
- **Rockhampton Regional Industrial Estate (GIA)** – plan and commence development (0-4 years) to address future demand and historical under investment in suitable industrial land product
- **Rockhampton Airport Defence Precinct** – establishment of a defence aviation precinct at the airport to support military exercises and logistics
- **CQU Knowledge Precinct** – capitalise on HQ location of largest regional university in the country to enhance educational offerings and localised benefit, especially local industry such as beef
- **Smart Cities Initiatives** – ensure Rockhampton region remains technologically competitive with Capital cities by facilitating development of locally based 21st Century businesses and retention of creative talent
- **Rockhampton Regional Sports Infrastructure** – develop Rockhampton as the Winter AIS to build on the region's existing sporting excellence and to attract additional talent to the region
- **Rockhampton Art Gallery Expansion** – expand or construct new facility to achieve well documented economic and social benefits provided by art. Existing facility (50y.o.) is inadequate for contemporary needs (display, education, functions, etc.)
- **Accommodation for homeless indigenous youth** – develop new facility (none existing) to address substantial need identified by local indigenous assistance agencies and to provide critical intervention services to mitigate lifelong social disenfranchisement and disengagement.
- **Accommodation for indigenous aged** – provide facility (none existing) to service increasing population of aging indigenous with specialised cultural considerations
- **Improve the education profile of the Rockhampton Region** – develop program to counter Rockhampton's significantly lower high school graduation rate and therefore address poorer quality work force, higher unemployment and increased social issues
- **Solar power generation** – develop Rockhampton Region as a model for the rest of the world in a post fossil fuels economy by taking advantage of Rockhampton's abundance of sunny days for locally sustainable power generation

- **Affordable student housing** – Address increasing deficit of safe affordable student accommodation caused by increasing numbers of homeless and disenfranchised students who need a safe place and by tackling disruption to students boarding in Rockhampton from western regions affected by downturns in the agricultural/mining sectors. Consistent educational access is critical to success for students with no other option.



## Rockhampton Regional Council Priority Projects

Project	Description	Estimated Cost	Project Status	Challenges	Objectives Met	Taskforce Alignment	Desired Timing	Other Comments
Lower Fitzroy River Infrastructure Project (Fitzroy Weirs)	Construct new water infrastructure on the Lower Fitzroy River to support urban and industrial growth, urban water supply security and as a catalyst for intensive agriculture development	\$260M (Rookwood Weir)	LFRIIP EIS current (possible mid 2016 approval)	Productivity and the domestic economy (agricultural, industrial and urban water use).	Supports growth and productivity and the local, regional and State economy.	Economic development and jobs	Completed within 3 years (bringing forward in SIP)	Fitzroy Weirs identified in both Federal and State planning documents and supported by earlier Fitzroy Industry and Infrastructure Project (FIIS) and current Growing CQ initiative. Possible funding through the \$500M Federal National Water Infrastructure Development Fund (50% federal funding)
Rockhampton Northern Access Stage 1	Four laning of Yaamba Road (Bruce Highway) from Yeppoon Road to either Rachel drive or Sterling Drive	\$121M	Preliminary Design	Population and demand growth (existing LOS deficiency). Declining freight productivity. Impacts on liveability and local economy.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets (part of Bruce Highway)	Economic development and jobs	Commenced by 2017	Also identified in the National Partnership Agreement – Qld Project Lists 80% Federal Funded
Rockhampton Ring Road (Corridor Preservation and FRF&RPS Stage 4 Design & Construction)	New 9 km link from Yeppoon Road to Ridgeland Road including new Fitzroy River bridge to address congestion on existing bridges and traffic growth. Preservation of the corridor for subsequent stages.	\$700M (Stage 4)	Corridor Gazettal	Population and demand growth (LOS deficiency and congestion on existing bridges). Declining freight productivity. Impacts on liveability and local economy.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets (part of Bruce Highway)	Economic development and jobs	Funded within 5 years & completed by 2025	Also identified in the National Partnership Agreement – Qld Project Lists 80% Federal Funded for corridor planning and preservation
Rockhampton Type 1 Road Train Route	Road network upgrades through Rockhampton to provide viable Type 1 route to abattoirs at Lakes Creek and Nerimbera	\$25M	Concept	Freight productivity.	Supports productivity and supports the local economy and agricultural sector.	Economic development and jobs	Within 3 years	Possible project for the \$100M Federal Northern Australia Beef Roads Programme (80% federal Funding)
Rockhampton Base Hospital Car Park	Construct a multi-level car park at the Rockhampton Base Hospital	\$10M	Concept and Preliminary Planning?	Existing deficiency. Productivity, population change and growth, consumer expectations and regional liveability.	Improves liveability and access to services as well as supporting the local economy.	Strong and healthy community	Within 3 years	Helipad is now complete. RBH have undertaken parking survey. Hospital parking impacts significantly on surrounding residential streets and creates major safety issues for hospital visitors and staff.
Rockhampton Kershaw Gardens Redevelopment	Redevelopment of Kershaw Gardens in accordance with Master Plan	\$6.5M	Master Plan and Early Construction	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community; economic development and jobs	0-4 Years and 5-15 Years Opportunity	Key community infrastructure to support both local and regional demand.
Rockhampton Mount Archer Activation	Activation of Mount Archer as an iconic community asset maximising community involvement while promoting employment and lifestyle opportunities.	\$4M (excluding Pilbeam Drive upgrade)	Concept and Master Plan	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community; economic development and jobs	2-5 Years	Pilbeam Drive approx \$4.7M NDRRA and Betterment Funding - excludes any major upgrades to improve road, pedestrian and cycle access.
Rockhampton Inner-City Revitalisation	Short, medium and long term initiatives and investment to facilitate revitalisation of the Rockhampton CBD and inner city area	\$50M-\$500M	Master Planning Commenced	Productivity, population change and growth, consumer expectations, domestic economy and regional liveability	Supports and leads economic development and liveability.	Economic development and jobs; strong and healthy community; education and industry jobs	0-4 Years and 5-15 Years Opportunity	Long term improvements to enhance attractiveness of inner city for commercial and residential growth and development. All cities are now refocusing on their centres to address shifts in the market amongst younger and baby boomer generations. Rockhampton has enormous potential to capitalise on this interest.
Rockhampton Regional Industrial Estate (GIA)	Tactical withdrawal of EDQ from the Parkhurst Industrial Area and strategic investment and development in the Gracemere Industrial Area.	\$10M	Concept and Preliminary Planning (RRC)	Productivity, population growth and domestic economy.	Supports and leads economic development improving regional prosperity. Addresses decades of under-investment.	Economic development and jobs	0-4 Years	EDQ to exit Parkhurst Industrial Estate and acquire and develop industrial land in the Gracemere Industrial Area.
Rockhampton Airport Defence Aviation Precinct	Establishment of a defence aviation precinct at the airport to support military exercises and logistics	\$10M-\$20M	Concept and Preliminary Planning (RRC)	Productivity, population growth and domestic economy.	Supports and leads economic development improving regional prosperity.	Economic development and jobs	0-4 Years	Capitalises on existing airport and Shoalwater Bay Military Training Area assets - ADF, Joint/Combined and RSAF
CQU Knowledge Precinct	Continuing development of the CQ University into a world class knowledge education facility and knowledge precinct supporting regional industries, new industries and the community	TBC	Concept	Domestic economy, changing technology, population change and growth, consumer expectation and regional liveability.	Improves regional attractiveness, liveability and access to services as well as supporting the local economy and industry diversification in response to changing technology.	Education and industry skills; economic development and jobs	5-15 Years Opportunity	Build on the momentum created from establishing CQU as a dual sector institution, research and development capabilities and the opportunities associated with the CQU Priority Development Area. Enhance research function in support of local industry strengths including agriculture, beef and fisheries.

Project	Description	Estimated Cost	Project Status	Challenges	Objectives Met	Taskforce Alignment	Desired Timing	Other Comments
Smart Cities Initiatives	Smart hub, co-working spaces, NBN upgrades FTTP vs FTTN, smart parking, smart traffic...	TBC	Strategy Developed by Glentworth	Domestic economy, changing technology, population change and growth, consumer expectation and regional liveability.	Improves liveability and access to services as well as supporting the local economy and industry diversification in response to changing technology.	Education and industry skills; economic development and jobs	0-4 Years and 5-15 Years Opportunity	Investment in technology to position Rockhampton to capitalise on 21 <sup>st</sup> Century industry and technology related opportunities. Addresses inequity/deficit with other regional cities with FTTP already installed. Retain and attract talent in this field.
Rockhampton Regional Sports Infrastructure	Creation of regional sporting hub servicing Netball, Hockey, rowing, league, swimming, emphasising indigenous participation. Create winter training facilities to support AIS.	\$20M+	Concept	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community; economic development and jobs	2-5 Years	Multi-sports where possible. Offers opportunity to build on Rockhampton's strong sporting history and create a winter alternative for the AIS.
Rockhampton Art Gallery Expansion	Expansion of existing Art Gallery to accommodate collection and exhibition needs	\$20M	Business plan developed	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community; economic development and jobs	2-5 Years	Key community infrastructure to support both local and regional demand. Essential resource currently without adequate space to accommodate local educational needs.
Accommodation for homeless indigenous youth	Provision of accommodation for up to 70 homeless indigenous youth	\$7M	Concept	Population change and growth, domestic economy and liveability	Improves liveability and provides equality of opportunity	Strong and healthy community; economic development and jobs; cost of living	0-4 Years	Significant need, particularly as 7% of the Rockhampton Region is indigenous (significantly higher than State average). Need for at least 70 beds identified. Combine with existing assistance programs. Rockhampton also attracts numerous visitors from Wooralinda.
Accommodation for indigenous aged	Provision of accommodation for indigenous aged	\$5M	Concept	Population change and growth, domestic economy and liveability	Improves liveability and provides equality of opportunity	Strong and healthy community; economic development and jobs; cost of living	0-4 Years	Significant need, particularly as 7% of the Rockhampton region is indigenous. Insufficient housing options for aged indigenous that are sensitive to cultural needs
Improve the education profile of the Rockhampton Region	Education profile of the Rockhampton Region community is comparatively low and needs to be raised to allow higher tech business to operate within the Region	\$10M	Concept	Productivity, population growth and domestic economy.	Supports and leads economic development improving regional prosperity.	Education and industry skills; economic development and jobs	0-4 Years	Work with CQU to increase the percentages of the Rockhampton Region with higher education qualifications. Lower educational attainment significantly hampers Region's attractiveness for employers.
Solar power generation	Use the extensive power distribution infrastructure within the Rockhampton Region to permit the generation of solar power	\$25M	Concept	Population change and growth and natural environment.	Contributes to regional sustainability and supports growth and productivity.	Renewable energy; economic development and jobs; cost of living	0-4 Years and 5-15 Years Opportunity	Abundant solar opportunities. Region could become a model for use of solar. Rapid shift in awareness of climate change and need for rapid response positions Rockhampton to lead the way in illustrating how to transition to renewable.
Affordable student housing	Establishment of a affordable housing for secondary students	\$10M-\$20M	Concept	Productivity, population growth and domestic economy.	Supports and leads economic development improving regional prosperity.	Education and industry skills; economic development and jobs; cost of living	0-4 Years	Rockhampton Region's strong secondary school sector supports a much wider region but is frequently impacted by drought and other external factors, disrupting enrolment continuity because of boarding costs. Also increasing numbers of homeless students in the general population.
CQU PDA Intersection	Construction of a new intersection on Yaamba Road (Bruce Highway) to access the CQ University PDA	\$8.5M	Detail Design	Population and demand growth.	Supports growth and productivity, enhances liveability and the local economy (part of Bruce Highway). Catalytic project for the CQU PDA.	Economic development and jobs; strong and healthy communities	As detailed in the SIP	Development of the PDA may have a significant effect on Rockhampton and the local property market
Capricorn Highway Upgrades	Four laning of Capricorn Highway from Yeppen Roundabout to Gracemere, additional passing lanes and flood immunity improvements to the west (key east-west link in Queensland).	\$100M	Concept and Preliminary Design	Population and demand growth (existing LOS deficiency). Declining freight productivity. Impacts on liveability and local economy.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets (part of Bruce Highway)	Economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	Identified in the Northern Australia Infrastructure Audit and possible project for the \$600M Federal Northern Australia Roads Programme (80% federal Funding)
Upgrade Gavial-Gracemere Road	Upgrading of Gavial-Gracemere Road (Lawrie Street) through Gracemere including intersection upgrades and pedestrian facilities	\$50M	Concept	Population and demand growth (existing LOS deficiency). Impacts on liveability and local economy.	Supports growth & productivity, enhances liveability, local economy & connects communities to markets.	Economic development and jobs	Within 5 years	Responds to existing congestion issues and pedestrian safety issues and projected growth in Gracemere

Project	Description	Estimated Cost	Project Status	Challenges	Objectives Met	Taskforce Alignment	Desired Timing	Other Comments
Enhanced TIDS	Enhance and increase the value of the Transport Infrastructure Development Program (TIDS) specifically to fund local road upgrades that reduce pressure on and/or defer works on the State controlled road network	\$500M pa	Policy and Program	Population and demand growth. Declining freight productivity. Impacts on liveability and local economy.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets. Directly supports getting the most out of existing assets.	Economic development and jobs; strong and healthy communities	Both 1-4 years and 5-15 Years Opportunity	Targets more efficient use of both State and local road networks. Example projects include upgrades or Alexandra Street and Norman Road in Rockhampton (parallel networks to the Bruce Highway)
Norman Road Upgrade and Extension	Staged upgrade Norman Road to 4 lanes from River Rose Drive to Yeppoon Road and extend Norman Road north of Yeppoon Road to Boundary Road	\$15M	Concept	Population and demand growth.	Supports growth and productivity, enhances liveability and the local economy and connects communities. Supports getting the most out of existing State assets.	Economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	Major arterial road that runs parallel to the Bruce Highway. Its continuing upgrade would benefit the Bruce Highway.
Alexandra Street Upgrade and Extension	Staged upgrade Alexandra Street to 4 lanes from Farm Street to Wade Street and extend Alexandra Street north of Birkbeck Drive to Edenbrook Drive	\$15M	Concept	Population and demand growth.	Supports growth and productivity, enhances liveability and the local economy and connects communities. Supports getting the most out of existing State assets.	Economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	Major arterial road that runs parallel to the Bruce Highway. Its continuing upgrade would benefit the Bruce Highway.
Fitzroy River Boat Ramps	Enhancing access for recreational fishing including boat ramp upgrades, associated parking and fishing platforms on the Fitzroy River in Rockhampton	\$20M	Concept – Strategy being developed by RRC	Regional liveability. Natural Environment. Domestic Economy. Population Change and Growth.	Improves prosperity and liveability and contributes to sustainability.	Strong and healthy communities; education and industry skills	Within 3 years	Partial response to closure of commercial fisheries in the Fitzroy River at Rockhampton. Some links to Riverfront Redevelopment Project and Inner City Revitalisation.
North Coast Rail Line – Rockhampton Intermodal Hub	Address shortcomings of existing intermodal facilities at Rockhampton through a potential new logistics hub at Gracemere	\$500M	Concept	Declining rail freight productivity. Impacts on liveability and local economy.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets.	Economic development and jobs	5-15 Year Opportunity - SIP flags NCL 10 Year Action Plan	RRC would seek involvement in planning and notes that funding may be available from the Federal Government via the National Partnership Agreement. See also CQ Intermodal Logistics Hub: Pre-feasibility Study report (2012)
North Coast Rail Line – Level Crossings	Upgrading and grade separation of rail level crossings in Rockhampton that represent both physical and cost barriers to development and safety issues	\$100M	Concept	Population and demand growth.	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets.	Strong and healthy communities; economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	These issues would be addressed over a long timeframe with Parkhurst (William Palfrey Road/Olive Street) being the short term priority for Council.
Riverslea Fitzroy River Crossing	Construct a new bridge and approaches at Riverslea to improve flood immunity, as part of early works for Rookwood Weir and to support agriculture	\$15M	Preliminary design (LFRIP EIS current)	Productivity and the domestic economy (agricultural industry).	Supports growth and productivity, enhances liveability and the local economy and connects communities and markets. Also improves resilience by improving flood immunity.	Economic development and jobs; strong and healthy communities	1-4 years in line with bringing forward Fitzroy Weir projects	Fitzroy Weirs identified in both Federal and State planning documents and supported by earlier Fitzroy Industry and Infrastructure Project and current Growing CQ initiative. Possible funding through the Federal Bridges Renewal Programme (Round 3 \$100M?)
RRC Water Supply Strategy	Develop a supply strategy that provides integrated measures to enhance water supply security, including new storage infrastructure, demand and drought management, operational enhancements and leakage/loss management	\$2M (Excluding Fitzroy Weirs)	Draft Strategy	Population and demand growth. Productivity and domestic economy (urban and industrial water use).	Supports growth and productivity, enhances liveability and the local economy.	Strong and healthy community; economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	DEWS Regional Water Supply Security Analysis (RWSSA) completed. Options identified for operational and improvements and action plan (to be endorsed by Council in Dec 2015)
Glenmore Water Treatment Plant (WTP) Augmentation	Augmentation of the Glenmore WTP filters capacity from approximately 120 ML/day to 140 ML/day	\$2M	Concept	Population and growth demand and domestic economy (urban and industrial demand).	Supports growth and prosperity, enhances liveability and the local economy.	Strong and healthy community; economic development and jobs	3-5 Years	Glenmore WTP is approaching capacity to meet maximum day demand from Rockhampton and Gracemere and needs to be augmented to cater for growth and development.
Mount Morgan Sewerage Extension	Staged extension of reticulated sewerage into un-served urban areas and associated sewerage treatment plant upgrade	\$20M	Preliminary Planning to Design & Construction	Meeting basic urban LOS and consumer expectations. Public health and natural environment implications of failing on-site systems.	Improves liveability, sustainability and resilience.	Strong and healthy community; economic development and jobs	Both 1-4 years and 5-15 Years Opportunity	Ongoing program to extend services to un-served urban areas motivated by public health, environmental and amenity issues. Likely to be seeking State and Federal funding assistance.
Mount Morgan Water Pipeline	Construct a treated water supply pipeline from Gracemere to Mount Morgan as a contingent water supply	\$15M	Preliminary Planning	Meeting basic urban LOS and consumer expectations. Drought management and climate change.	Improves liveability, sustainability and resilience.	Strong and healthy community; economic development and jobs	5-15 Years Opportunity	A contingent water supply to provide supply security. Likely to be seeking Federal funding assistance. DEWS RWSSA to be undertaken over the next 6-12 months.

Project	Description	Estimated Cost	Project Status	Challenges	Objectives Met	Taskforce Alignment	Desired Timing	Other Comments
Gracemere Sewage Treatment Plant Augmentation	Augment the capacity of the Gracemere Sewage Treatment Plant (Stage 1 inlet works upgrade underway)	\$5M	Preliminary Planning & Detail Design	Population and growth demand and domestic economy (urban and industrial demand).	Supports growth and prosperity, enhances liveability and the local economy.	Strong and healthy community	Within 3 years	Plant rapidly approaching capacity and upgrade will be to cater for growth and development. Likely to be seeking State and Federal funding assistance.
South Rockhampton Sewage Treatment Plant Upgrade	Augment the capacity of the South Rockhampton Sewage Treatment Plant	\$40M	Preliminary Planning	Population and growth demand and domestic economy (urban and industrial demand).	Supports growth and prosperity, enhances liveability and the local economy.	Strong and healthy community	5-15 Years Opportunity (2026-2030)	Plant approaching capacity and upgrades will be required to increase capacity to cater for growth and development. Likely to be seeking State and Federal funding assistance.
North Rockhampton Sewage Treatment Plant Upgrade	Augment the capacity of the North Rockhampton Sewage Treatment Plant	\$50M	Preliminary Planning	Population and growth demand and domestic economy (urban and industrial demand).	Supports growth and prosperity, enhances liveability and the local economy.	Strong and healthy community; economic development and jobs	3-5 Years Opportunity (2019-2025)	Plant currently approaching capacity and upgrades will be required to increase capacity to cater for growth and meet regulatory requirements (passing ERA63 size threshold >50,000 EP). Likely to be seeking State and Federal funding assistance.
Water Reservoirs at Rockhampton, Gracemere and Kabra	Construct new and augmented reservoir capacity at Gracemere and Kabra and renew components and replace existing reservoirs at Altelstane (South Rockhampton)	\$15M	Concept and Preliminary Planning	Population and growth demand and domestic economy (urban and industrial demand).	Supports growth and prosperity, enhances liveability and the local economy.	Strong and healthy community; economic development and jobs	5-15 Years Opportunity	Water network capacity upgrades will be required to cater for growth and development. Likely to be seeking State and Federal funding assistance.
QAS South Rockhampton	Address staff parking issues with QAS and QRFS (and Ergon as GoC) by providing off street car parking	\$5M	Unaddressed	Existing deficiency in planning of State infrastructure and services.	Improves productivity and liveability.	Strong and healthy community	Within 3 years	Possible in conjunction with Council as part of an overall CBD parking strategy.
New High School and Additional Primary Capacity at Gracemere	Construct new school capacity at Gracemere to accommodate existing population and cater for projected population growth	\$50M	Schools Planning Commission	Population change and growth, consumer expectations and regional liveability.	Improves liveability and access to services as well as supporting the local economy.	Education and industry skills; economic development and jobs	0-4 Years and 5-15 Years Opportunity	As per Queensland Schools Planning Commission recommendations.
Additional High School and Primary Capacity in North Rockhampton	Additional school capacity in North Rockhampton to cater for projected population growth	\$50M?	Schools Planning Commission	Population change and growth, consumer expectations and regional liveability.	Improves liveability and access to services as well as supporting the local economy.	Education and industry skills; economic development and jobs	0-4 Years and 5-15 Years Opportunity	As per Queensland Schools Planning Commission recommendations. See also School Based Traffic Issues below that will be exacerbated by additional capacity at existing school sites.
Schools Based Traffic Issues	Plan and implement actions to mitigate the impacts of schools on local traffic and government roads in Rockhampton and Gracemere	\$20M	Unaddressed	Existing deficiency. Productivity, population change and growth, consumer expectations and regional liveability.	Improves liveability and access to services as well as supporting the local economy.	Education and industry skills; strong and healthy communities	Within 3 years	State to take responsibility for existing and future schools generated traffic impacts on local roads in consultation with Council, including Frenchville, Glenmore, North Rockhampton and Parkhurst schools.
Rockhampton Riverfront Redevelopment	Redevelopment of the Rockhampton Riverfront following TC Marcia in 2015	\$20M+	Design & Stage 1 Construction	Productivity, climate change, natural environment, domestic economy and regional liveability.	Improves liveability and supports the domestic economy and improve disaster reliance.	Strong and healthy community; economic development and jobs	Current Project	Key community infrastructure to support both local and regional demand. Necessary to reactivate moribund CBD and fully utilise substantial heritage precinct and existing infrastructure investment
Rockhampton Kershaw Gardens TC Marcia Remediation	Post TC Marcia remediation of Kershaw Gardens to meet public safety standards	\$7M	Remediation Works Commenced	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy and improve disaster reliance.	Strong and healthy community	Within 2 years	Key community infrastructure to support both local and regional demand.
Rockhampton Zoo Repair and Redevelopment	Redevelopment of Rockhampton Zoo	\$5M	Master Plan and Early Construction?	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community	0-4 Years and 5-15 Years Opportunity	Key community infrastructure to support both local and regional demand.
Gracemere Cedric Archer Park Development	Staged development of Cedric Archer Park as sports and recreational hub centred on Gracemere	\$5M	Master Plan, Stage 1 Complete	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community	0-4 Years	Key community infrastructure to support rapid population growth in Gracemere.
Mount Morgan Library and Community Centre	Construction of new library and community centre	\$3.2M	Preliminary design	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community	2-5 Years	Key community infrastructure to support both local demand.

Project	Description	Estimated Cost	Project Status	Challenges	Objectives Met	Taskforce Alignment	Desired Timing	Other Comments
NRL Stadium and Convention Centre	Stadium potentially subject to securing NRL team license, however convention facilities could be considered independently.	\$150M	Concept	Population change and growth, consumer expectations, domestic economy and regional liveability.	Improves liveability and supports the domestic economy.	Strong and healthy community; economic development and jobs	0-4 Years and 5-15 Years Opportunity	Key community infrastructure to support both local and regional demand.
South Rockhampton Flood Levee (SRFL)	Flood mitigation works. Net present value to be \$28.0 million and benefit cost ratio to be 1.5 at a discount rate of 6% per annum (2014 SRFL Planning and Design Project)	\$60M	Design	Productivity, climate change, natural environment and regional liveability.	Improves liveability and supports the domestic economy by improving flood reliance.	Strong and healthy community; economic development and jobs	0-4 Years	Links to and offsets the need for FRF&RPS raising of Lower Dawson Road and Gladstone Road to achieve 1% AEP flood immunity
North Rockhampton Flood Mitigation - Staged	Stage 1 implemented with State funding support. Subsequent stages will further improve flood resilience.	\$11M	Stage 1 largely complete Stage 2 – Preliminary Design	Productivity, climate change, natural environment and regional liveability.	Improves liveability and supports the domestic economy by improving flood reliance.	Strong and healthy community; economic development and jobs	0-4 Years	Water Street - \$500K Pumps and Pipes – circa \$5M Sewerage Works – circa \$5M
Rockhampton Local Creek Flood Mitigation	Flood mitigation measures to reduce flash flooding impacts on the Rockhampton community and Council infrastructure, including potential buy-backs...	\$10M	Concept	Productivity, climate change, natural environment and regional liveability.	Improves liveability and supports the domestic economy by improving flood reliance.	Strong and healthy community; economic development and jobs	0-4 Years and 5-15 Years Opportunity	First round of flood modelling complete, risk assessment required and subsequent options assessment and selection for planning, design and delivery (may be both structure and non-structural measures). Impacted by watercourse designation and associated regulation
Rockhampton Airport Flood Levee	Possible 2% AEP flood immunity levee with temporary barrier across cross strip	\$25M	Concept	Productivity, climate change, natural environment and regional liveability.	Improves liveability and supports the domestic economy by improving flood reliance.	Strong and healthy community; economic development and jobs	5-15 Years Opportunity	Protect critical transport infrastructure and minimise operational disruption.
Other Stormwater Flooding Mitigation	Addressing localised overland flow and stormwater drainage issues that impact on resident and Council infrastructure	\$30M	Ongoing Concept through to Design and Delivery	Productivity, climate change, natural environment and regional liveability.	Improves liveability and supports the domestic economy by improving flood reliance.	Strong and healthy community; economic development and jobs	0-4 Years and 5-15 Years Opportunity	Council has committed approx \$3M pa to address issues from 2008, 2011, 2013 and 2015 flooding.
Riverbank Stabilisation	Stabilisation of Fitzroy River banks including Wharf Street, Huish Drive and the Pink Lily breakout/control.	\$30M	Concept	Climate change, natural environment and liveability.	Improves resilience to flooding and reduces risk to infrastructure.	Strong and healthy community; economic development and jobs	5-15 Years Opportunity	Identified as an issue in 2011 (unsuccessful NDRRA submission) and in SRFL planning and design
CQ University PDA	Commence development of the CQU PDA and associated infrastructure	\$140M	EOI for Development			Economic development and jobs	0-4 Years and 5-15 Years Opportunity	EOI for development being released in November 2015
Rockhampton CBD - EDQ Catalytic "Value" Housing Project	Potential catalytic development of a Council owner site to demonstrate viability of higher density, lower cost residential units away from the riverfront	\$10M+	Concept	Population change and growth, domestic economy and liveability	Improves liveability and supports the domestic economy by providing construction jobs and a "demonstration" project..	Economic development and jobs; strong and healthy community	0-4 Years	Potential to bring a new residential unit product to Rockhampton and support inner city revitalisation. Efficient use of existing infrastructure assets.
Rockhampton CBD PDA	Potential establishment of a Priority Development Area over parts of the Rockhampton CBD to facilitate redevelopment	\$1M	Concept	Population change and growth, domestic economy and liveability	Improves liveability and supports the domestic economy by supporting CBD development outcomes.	Economic development and jobs; education and industry skills	0-4 Years	Potential to support a new development in Rockhampton and support inner city revitalisation. Efficient use of existing infrastructure assets.
Rockhampton CBD Car Parking	Multi-level car park and/or at grade car parks at appropriate locations in the CBD to support inner city revitalisation	\$5M-\$10M	Concept	Productivity, population change and growth, consumer expectations, domestic economy and liveability	Improves liveability and supports the domestic economy by supporting CBD development outcomes.	Economic development and jobs; strong and healthy community	5-15 Years Opportunity	Supports commercial development and redevelopment in the CBD and ultimately supports inner city revitalisation.
Rockhampton Landfill Life Extension	Staged extension of the life of the Rockhampton landfill by 20 years	\$25M	Concept and Preliminary Planning (RRC)	Population change and growth and natural environment.	Contributes to regional sustainability and supports growth and productivity.	Strong and healthy community; renewable energy	0-4 Years and 5-15 Years Opportunity	Landfill capacity upgrades (additional 4 cells). Likely to be seeking State and federal funding assistance.

# **FEDERAL OPPOSITION'S CENTRAL AND NORTH QUEENSLAND TASKFORCE**

## **Terms of Reference**

**Meeting Date: 27 January 2016**

**Attachment No: 2**

7626243 - 23/12/2015

## Advancing our Regions

### *Australian Labor's Central and North Queensland Taskforce*

On 4 December 2015, the leader of the Federal Opposition, Bill Shorten announced the establishment of the Central and North Queensland Taskforce. The role of the Central and North Queensland Taskforce is to develop a clear and coherent strategy that will grow skilled and well-paid jobs in a knowledge-based economy, and enable the sustainable development of our special part of Queensland into the future.

Central and North Queensland has many opportunities but also faces specific challenges. Despite the current Federal Government's grand announcements for Northern Australia, they have failed to address many of the social infrastructure needs of regional towns and cities right across Central and North Queensland.

Indigenous Australians continue to face higher levels of disadvantage, particularly those people living in rural and remote communities where economic opportunities are limited and living standards are often significantly lower than for those living in regional towns and cities.

Our communities generally have seen the costs of living increase, child care and health costs up and higher insurance premiums. Recent job losses in the mining sector, public sector workforce cuts and a continued youth unemployment crisis right across regional Queensland are yet to be adequately addressed by the Federal Government.

That is why Federal Labor wants as many people and organisations as possible to be part of the Central and North Queensland Taskforce consultation and help us develop a realistic and robust plan to make it easier for everyone to live, work and do business in regional parts of Queensland.

The Central and North Queensland Taskforce will focus on four key areas:

1. **Strong and healthy communities** – building on investments in quality government and community services including early childhood and aged care, services which support vulnerable and disadvantaged people and address Indigenous disadvantage, as well as affordable and accessible health care services which are equitably distributed across the region.
2. **Education and industry skills** – increasing secondary education attainment rates across the region and expanding the skills base through quality industry training, TAFE and tertiary education to ensure the next generation have the skills to drive the new knowledge-based economy, with a focus on science, mathematics, engineering and higher-order technical skills to help build a smart and mobile workforce.

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3. **Economic development and jobs** – growing key regional industries including more targeted investments in regional tourism, positioning ourselves as a tropical sports hub for high performance training, advancing defence and aviation industries, identifying Indigenous business opportunities, encouraging high-value agriculture and boutique food production, sustainable natural resource management and promoting renewable energy projects.
4. **Renewable energy** – identify opportunities to take advantage of the fact that Central and North Queensland is blessed with some of the greatest renewable energy assets in the world.
5. **Cost of Living** – with many families struggling to afford the essentials and Malcolm Turnbull's plans to slug families with an increased GST identify ways to reduce the cost of living.

We are inviting you to address one, some or all of these areas in your submission to the Taskforce. We want your brightest ideas on how you believe Governments – at a Local, State and Federal level – can best address these issues. Your submissions can be a few sentences or a few pages.

This is our opportunity to build on our regional competitiveness by identifying durable and sustainable policy solutions which enhance the traditional strengths of our people, our natural assets and our physical infrastructure.

Submissions close 31 January 2016. If you have any questions or would like to make a submission to the Taskforce, please email taskforce chair Senator Jan McLucas [Senator.McLucas@aph.gov.au](mailto:Senator.McLucas@aph.gov.au) or phone 1300 301 959.



**11.10 COMMERCIAL WASTE CHARGE ON COUNCIL'S RATE NOTICE AND REFUND PROPOSED**

**File No:** 7816  
**Attachments:** Nil  
**Authorising Officer:** Ross Cheesman - General Manager Corporate Services  
**Author:** Alicia Cutler - Manager Finance

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**SUMMARY**

*In August 2015, with no retrospective implications, the Australian Taxation Office (ATO) provided a ruling that there should be no GST on Kerbside Collection Charges for commercial properties. This report outlines the action proposed as a result of this ruling.*

**OFFICER'S RECOMMENDATION**

THAT the report be received and the amended fees and charges as detailed in the report be adopted.

**COMMENTARY**

The New Tax Ruling CR2015/67 became effective on 26 August 2015 and provides that all waste collection charges, domestic and non-domestic are not taxable. Previously these charges were captured due to the fact that they were in a competitive market, however the new ruling now drops the phrase 'competitive market'. It should be noted that waste disposal sites, garbage tips and transfer station charges are still considered taxable supplies, so there is no change for these.

The commercial collection charge for General Waste of \$343.90/annum was set as part of the 15/16 Budget process and incorporates \$31.26 GST. Similarly, the Recycling Charge of \$226.90 incorporates GST of \$20.63. As the ruling does not apply retrospectively and the rates notices for the first half of the year have been billed, paid and most likely claimed, it is recommended that no action be taken for the first half of the 15/16 Financial Year. For the next rate notice which is scheduled to issue on the 3rd February, a refund/credit will be proposed to essentially remove the GST from this charge. The reference to GST on the charge will also be removed.

As each commercial property varies in their number of services, the individual impact on the rate bill will vary.

As a result of this ruling there are also some minor changes to fees and charges required that refer to missed kerbside collection services and the like. The below table highlights the changes required:

Item no.	Item name	Charge Basis per Unit (Optional)	2015-2016 (inc GST)	Amended 2015-2016 (ex GST)
104	Cleansing Services Charge - Rockhampton Region Designated Waste Collection Area			
105	New wheelie bin	bin	\$90.00	\$82.00
106	Missed collection (returned to service)	service	\$11.00	\$10.00
107	One off collection (i.e. carnivals, special events) including bin delivery, recovery and cleansing.			
108	Note: Council requires 48 hours notice to provide this service.			
109	Less than six bins	transaction	\$45.00	\$41.00
110	Seven - ten bins	transaction	\$64.00	\$58.00
111	More than ten bins	transaction		
112	Plus bin servicing fee	bin	\$11.00	\$10.00
113	Administration charge for late payment	transaction	\$29.00	\$26.00

Please note that there has been some minor rounding adjustments in the calculation of the amended fees.

**11.11 FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL**

**File No:** 8151  
**Attachments:** 1. Final Management Report for Rockhampton Regional Council 2014-2015  
**Authorising Officer:** Ross Cheesman - General Manager Corporate Services  
**Author:** Alicia Cutler - Manager Finance

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**SUMMARY**

*Following the certification of the Financial Statements for the period ended 30 June 2015, the Final Management Report was received from Deloitte (as delegate of the Auditor-General of Queensland). As required by the Local Government Regulation 2012, this is now presented to the next available meeting of Council.*

**OFFICER'S RECOMMENDATION**

THAT the Final Management Report for Rockhampton Regional Council be received.

**COMMENTARY**

An Audit Committee meeting was held on 24 November 2015, where the draft matters that are disclosed in this Final Management Letter were discussed. Since then, the letter has been finalised and an additional audit point of Controlled Entities has been added (see point 1.8).

It is a requirement under s213 of the *Local Government Regulation 2012* that this report be provided to the next ordinary meeting of Council.

Generally, all the matters listed and their action plans are in hand and will progress during the first half of 2016.

It has been suggested that the Audit Committee should be more involved in the process of Asset Revaluations and as a result an Audit Committee (by telephone) will be scheduled for late February, early March where progress reports will be provided.

Deloitte will also shortly provide their audit plan for the 2015/16 financial figures, which can be reviewed at this meeting.

# **FINAL MANAGEMENT REPORT FOR ROCKHAMPTON REGIONAL COUNCIL**

## **Final Management Report for Rockhampton Regional Council 2014-2015**

**Meeting Date: 27 January 2016**

**Attachment No: 1**



22 December 2015

Cr Margaret Strelow  
Mayor  
Rockhampton Regional Council  
PO Box 1860  
Rockhampton, QLD 4700

Dear Cr Strelow

**Final Management Report for Rockhampton Regional Council**

The 2014-15 audit for Rockhampton Regional Council has been completed.

QAO issued an unmodified audit opinion on Council's financial statements. An unmodified opinion was also issued on the current year financial sustainability statement. However, an emphasis of matter was included in that auditor's report to highlight the use of the special purpose basis of accounting.

The purpose of this letter is to provide the Council with details of significant audit matters and other important information relating to the audited financial statements.

The Closing Report was presented to the Audit and Business Improvement Committee (ABIC) on 24 November 2015 and provided the status of the audit as at 16 November 2015. Since the presentation of the closing report there have been no significant matters that have come to our attention.

Appendix A provides Council with the detail of management letter points raised with management during the final audit. Appendix B provides Council with an update on management letter points open from the Interim Management Letter presented to the ABIC on 19 June 2015.

Each year QAO reports the results of all financial audits and significant issues to Parliament. If QAO intend to include any significant matters for Rockhampton Regional Council in a report to Parliament, you and the chief executive officer will be given an opportunity to comment and those comments will be reflected in the report.

We would like to thank you and your staff for the assistance provided to us during the audit.

If you would like to discuss these issues or any matters regarding the audit process, please contact me on (07) 3308 7258.

Yours sincerely

Stephen Stavrou  
Partner  
(As delegate of the Auditor-General of Queensland)

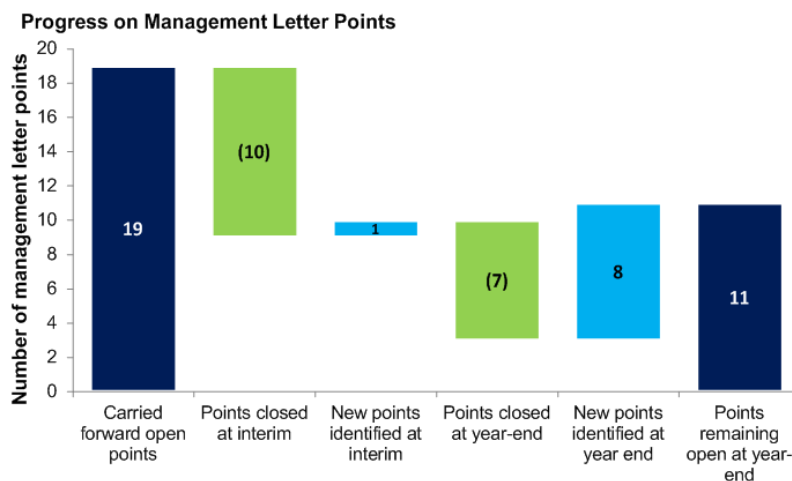
cc. Mr Evan Pardon  
Chief Executive Officer

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## Executive Summary

### Progress on Findings

Our strategy places high priority on management addressing and resolving matters raised as part of the external audit process. We have substantially completed our audit procedures for the year ended 30 June 2015 including our assessment of the outstanding audit issues.



A summary of the issues raised during the final audit by category, and any prior period items which remain unresolved at year-end is included below for your information:

Ref No	Issue	Area	Status	Management response
<b>New issues identified in the final audit visit</b>				
1.1	Road and drainage revaluation – governance and process	Property, Plant and Equipment	Unresolved	Refer to 1.1 in Appendix A
1.2	Road and drainage revaluation – review of valuation results	Property, Plant and Equipment	Unresolved	Refer to 1.2 in Appendix A
1.3	Treatment of assets with residual value	Property, Plant and Equipment	Unresolved	Refer to 1.3 in Appendix A
1.4	Valuation of infrastructure assets	Property, Plant and Equipment	Unresolved	Refer to 1.4 in Appendix A
1.5	Identification of related parties	Financial reporting	Unresolved	Refer to 1.5 in Appendix A
1.6	Parks remediation provision and consideration of accounting estimates	Provisions	Unresolved	Refer to 1.6 in Appendix A

Rockhampton Regional Council  
2014-15 Final Management Report

Ref No	Issue	Area	Status	Management response
1.7	Long service leave provision assumptions	Provisions	Unresolved	Refer to 1.7 in Appendix A
1.8	Identification of controlled entities	Corporate governance	Unresolved	Refer to 1.8 in Appendix A
<b>Prior period points remaining open as at year-end</b>				
2.1	Maintenance of fixed asset register	Property Plant and Equipment	Unresolved	Refer to 2.1 within Appendix B
2.2	IT - Patch testing and management	IT General	Unresolved	Refer to 2.2 within Appendix B
2.3	IT - Password Management	IT General	Unresolved	Refer to 2.3 within Appendix B

The following matters raised in prior period management letters, which were unresolved as per the interim management letter, have now been adequately resolved and closed:

Issue	Area	Status
Elimination of internal revenue and expenses	Expenditure and Revenue	Closed
Capitalisation of overheads	Expenditure	Closed
Accruals process	Accounts Payable	Closed
Recording contributed assets	Property, Plant and Equipment	Closed
Infrastructure asset disposals	Property, Plant and Equipment	Closed
General reserves	Reserves	Closed
Identification of segregation of duties conflicts	IT General	Closed

### Ratings definitions and remedial action plan

The rating of audit issues in this report reflects our assessment of both the likelihood and consequence of each identified issue in terms of its impacts on:

- the reliability, accuracy and timeliness of financial reporting
- the effectiveness and efficiency of operations, including probity, propriety and compliance with applicable laws.

Without anticipating the Auditor-General's final decision on what may be referenced in an Auditor-General's Report to Parliament, each of the issues included in this report has been assessed and categorised against the following risk categories:

Category	Client impact	Prioritisation of remedial action
Material deficiency	A significant deficiency that will lead to a material misstatement of the financial report and will result in qualification if not corrected.	Requires immediate management action.
Significant deficiency	A deficiency or combination of deficiencies that may lead to a material misstatement of the financial report.	Requires prompt management action to resolve within 2 months.
Deficiency	The control is not working or non-existent and, therefore, will not prevent, detect or correct misstatements in the financial report.	Requires a management action plan in this reporting period.
Other matter	Matters relevant to those charged with governance not related to deficiencies in internal control.	Implementation at management's discretion.



## Appendix A

This attached Appendix outlines the observation, implication, recommendation, management comments and action plans for each audit finding.

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Significant deficiency	Property, Plant and Equipment	<p><b>1.1 Road and drainage revaluation – governance and process</b></p> <p>In the current year, Council has performed the first part of the rolling revaluation of the Roads and Drainage asset class. Council engaged external valuation experts (Pavement Management Services) to assist in performing the revaluations.</p> <p>The roads revaluation yielded a number of issues, which were identified late in the year. These included:</p> <ul style="list-style-type: none"> <li>Inconsistencies in the formation rates being utilised (provided by Roads Alliance valuation project);</li> <li>Kerb and channel data integrity issues; and</li> <li>Standardisation of road widths.</li> </ul> <p>This has impacted the timing of the finalisation of the revaluation, completion of the financial statements and the audit, and has required Council to obtain a ministerial extension to 30 November 2015.</p> <p>Further, Council appeared to encounter several issues, late in the year, regarding the quality and accuracy of the assessments and valuation performed.</p>	<p>The issues identified resulted in significant differences which could have resulted in the financial statements being materially misstated as at 30 June 2015.</p> <p>There is a risk that revaluations are not performed in a timely manner and that material differences may not be identified and adjusted in the financial statements.</p>	<p>We recommend that management implement processes to ensure that revaluations are performed earlier in the year, at an interim date. This will allow for any identified issues to be resolved and adjustments posted in a timely manner.</p> <p>The timing of external valuations should allow the ABIC to consider the results of the revaluation prior to being recorded.</p> <p>Management should also ensure that the work is performed by persons with appropriate competence and suitable qualifications to perform the required revaluations.</p> <p>As recommended in prior years, the scoping of significant asset valuations should be presented to and approved by the ABIC.</p> <p>We also noted that all future valuations must take account of the AASB's decision on residual values (refer point 1.3).</p>	<p><b>Comment:</b> Agreed that earlier revaluation dates be pursued. 15/16 dates as per below and 16/17 will aim to finalise revaluations towards end of March of each year.</p> <p>With regards to work being performed by persons with appropriate competence and suitable qualifications, Council will always aim to ensure that this requirement is met.</p> <p><b>Action Plan:</b> <u>Revaluation dates 2015/16</u></p> <p>Roads Year 2 (Footpaths, Furniture &amp; Medians): Valuation report finalised by 30 April and processed by 31 May 2016.</p> <p>Bridges: Valuation report finalised by 15 May and processed by 31 May 2016.</p> <p>Airport: Valuation report finalised by 30 April and processed by 31 May 2016.</p> <p>Council will consider the methods for assessing the carrying value of each asset class in the intervening years, in consultation with external audit, ensuring that the outcomes are mutually acceptable for both parties. This is anticipated to be available by 31 March of each year.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Property, Plant and Equipment	<p><b>1.2 Roads and drainage revaluation – review of valuation results</b></p> <p>Our audit work on the road revaluations identified the following issues:</p> <p>1) The unit rates used for Kerb and Channel assets were incorrect as a result of a miscommunication between Council and the external valuers. This resulted in an unadjusted difference of \$4.1m.</p> <p>2) The residual value percentage applied to sealed roads for one of the stereotypes was incorrect resulting in an unadjusted difference of \$0.6m.</p> <p>3) There was limited documented evidence to validate the application rates determined by Council in the residual value calculations and inconsistencies in the rates used. This resulted in an unadjusted difference of \$9.2m.</p> <p>For various reasons (including time constraints), the roads and drainage revaluation results and supporting workpapers were unable to be sufficiently reviewed by Council, prior to adjustments being recorded and provided to audit, which contributed to the issues identified above.</p>	<p>If valuation results are not appropriately reviewed by Council prior to adjustments being posted it could result in the financial statements being misstated and depreciation in future periods being incorrectly calculated.</p>	<p>We recommend that management implement a stringent and timely review process to ensure that external valuation results are adequately reviewed prior to the revaluation adjustments being posted.</p> <p>In addition, all inputs used in the calculations that are provided to the valuers should have sufficient support and analysis by Council.</p>	<p><b>Comment:</b> As per 1.1 comments are noted for future advancement. There were many adjustments required to ensure that the LGAQ supplied unit rates accurately reflected the local environment and conditions in which the valued assets exist. RRC being one of the first local authorities to embrace this initiative had to resolve many unexpected and unplanned issues. Whilst acknowledging the observations and the above comments, the materiality convention has also been taken into consideration.</p> <p><b>Action Plan:</b> Each valuation project will be properly planned, milestones nominated and managed. A review function will be a standard action with revaluations going forward, while support information will be appropriately documented for easy access and support.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Property, Plant and Equipment	<p><b>1.3 Treatment of assets with residual value</b></p> <p>In May 2015, the Australian Accounting Standards Board (AASB) concluded that a residual value should only be recognised when the entity expects to receive consideration from an asset at the end of its useful life. It notes that cost-saving from reusing in-situ material would indicate that the asset has not met the end of its useful life.</p> <p>The following asset classes for Council currently have significant residual values associated with them:</p> <ul style="list-style-type: none"> <li>• Site Improvements - \$6.0m</li> <li>• Road and Drainage network - \$308.2m</li> <li>• Water infrastructure - \$9.5m</li> <li>• Sewerage infrastructure - \$5.2m</li> <li>• Airport assets - \$22.3m</li> </ul> <p>In the current year we note that this change was not reflected in the fixed asset register. This is primarily due to the AASB announcement on change in residual value definition being close to Council's year-end and that such a change would require significant investment of time to do a full review of all assets and its components. We note this is consistent across the sector.</p>	<p>For the purpose of this year's reporting, Council has estimated the likely depreciation impact to be \$0.8m.</p> <p>Going forward, it is important to maintain an accurate listing of assets by correctly identifying the components with different useful lives and ensuring the residual portion only relates to assets that the Council expects to receive consideration for at the end of the useful life.</p> <p>This will ensure that Council's practices comply with the requirements of the Australian Accounting Standards.</p>	<p>We recommend Council undertake a comprehensive review of all infrastructure assets currently recorded in the fixed asset register with a residual value. Each asset should be appropriately componentised and the long-lived components of each asset should be separately recorded and depreciated in the fixed asset register.</p> <p>We also recommend that management consider the AASB's decision when capitalising assets going forward. Management should ensure that residual values are only recognised when Council expect to receive consideration at the end of the useful life.</p> <p>Further, we encourage management to consider the impact of the AASB's decision when preparing the scope and instructions for the next comprehensive valuations of infrastructure assets to ensure that the change is appropriately reflected in the valuations.</p>	<p><b>Comment:</b> As noted in the observation, the timing of AASB's decision to implement a new approach to residual values was going to be a challenge for the 2014-15 year.</p> <p>This decision of the AASB will be considered as recommended when capitalising assets in the future as well as any future comprehensive valuations.</p> <p>With regards to the RAVP project, the LGAQ decided to extend the RAVP project to include an investigation on a "best way forward" for the implementation of the decision,</p> <p><b>Action Plan:</b> Council is monitoring and participating in the planning and actions of LGAQ in this regard, as their intention is to establish an approach which will be usable for all Queensland councils. Their working group intends to gain pace during December and January with the recommended approach to be finalised during February 2016.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Property, Plant and Equipment	<p><b>1.4 Valuation of infrastructure assets</b> Council accounts for its Infrastructure assets on a revaluation basis (at fair value) as set out in Note 1 (c) to the Financial Statements.</p> <p>At least once every 5 years, each class of Infrastructure assets is valued by an external, qualified valuer. In the intervening years, Council uses mostly internal resources to assess the appropriateness of the carrying values; the results of which are considered in combination with the ABS Indexes for Queensland, and other measures deemed suitable.</p> <p>Council generally considers an index movement of over 5% to represent a prima-facie material movement requiring potential adjustment or further analysis.</p> <p>Council's initial year-end position suggested that internal resources consideration was only done for those assets that had an ABS index movement of greater than 5%. This is not consistent with Council's accounting policy.</p>	Not considering internal resources and external indices, for each category, in assessing the carrying value of infrastructure assets may result in the carrying value being materially misstated in the intervening years between comprehensive valuations.	Consistent with Council's accounting policy, we recommend that in intervening years, Council should consider internal resources to assess the appropriateness of the carrying values along with relevant external indices that may be deemed suitable. This policy should be consistently applied to all asset classes that are held at fair value, not just those where indices indicate a greater than 5% movement.	<p><b>Comment and Action Plan:</b> Council will consider and reconsider the methods for assessing the carrying value of each asset class in the intervening years, in order to meet requirements of Australian Accounting Standards.</p> <p>Both indices and internal cost will be considered, where appropriate, for this purpose. This process is anticipated to be finalised by 31 May 2016 for the 2015/16 financial year.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Related Parties	<p><b>1.5 Identification of related parties</b></p> <p>We noted that Council does not currently maintain a complete list of related parties. There is no formal process in place which allows Council to identify significant transactions and arrangements with related parties.</p> <p>Further, as AASB 124 <i>Related Parties</i> (AASB 124) becomes effective for Council from 1 July 2016, it is essential for Council to have the appropriate processes in place to be adequately prepared and facilitate a smooth transition.</p>	<p>Without the appropriate processes in place, there is a risk that not all significant related party transactions are identified and therefore, not subsequently disclosed.</p> <p>In addition, inadequate process around identification and tracking of related party transactions could result in Council being under scrutiny where conflicts of interest arise, or transactions not being entered into at arm's length, which were not identified by Council.</p>	<p>We recommend that Council implement a process to identify related party transactions.</p> <p>A complete list of the related parties should be maintained by Council and any new or existing suppliers should be compared to this list to ensure that any transactions entered into are at arm's length.</p> <p>In addition, Council should implement a process to easily extract any transactions with related parties, in order for these to be appropriately disclosed in the financial statements when AASB 124 becomes effective.</p>	<p><b>Comment and Action Plan:</b> Noted and preparations have commenced. These preparations will be reconsidered based on the various discussions with the auditors as well as internal discussions to ensure that an appropriate system of identification and reporting of Related Parties are in place by 30 June 2016.</p> <p>This process will also include some testing and reporting regarding the 2015/16 financial year.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Provisions	<p><b>1.6 Parks remediation provision and consideration of accounting estimates</b></p> <p>Significant cyclone activity across the Rockhampton region during February 2015 resulted in parts of the region being declared a disaster zone. The majority of the damage caused by the cyclone included Kershaw Gardens, vegetation and minor damage to infrastructure and other assets.</p> <p>The Kershaw Gardens were established on a previous landfill site which was closed in the early 1980's. Due to the severity of the Cyclone, the landfill cap was breached.</p> <p>Whilst we acknowledge that there may be uncertainty in relation to the exact costs required to satisfy Council's obligation to rehabilitate the site, we noted that there were significant iterations of Council's position in relation to the accounting implications of this. This resulted in additional time being spent by both Council and external audit on the consideration of the various options and consideration of the accounting standards.</p>	<p>Due to their nature, significant areas of judgement and estimates, such as the Kershaw Gardens remediation provision, require appropriate consideration of accounting standards and rigour to be exercised by Council as part of this process. The application of inappropriate estimates can result in the misstatement of financial information (as reported to the public) and usually results in additional costs being incurred by Council, often in subsequent periods, in correcting errors and working through issues.</p>	<p>Whilst we have seen a considerable improvement over the last four years, we recommend that formalised procedures around the review of key management estimates and accounting for complex areas be implemented, especially for transactions that occur outside the ordinary course of business.</p> <p>The procedures should include appropriate and timely review and consideration of estimates which includes:</p> <ul style="list-style-type: none"> <li>• Consideration of accounting standards</li> <li>• Consultation with other areas of the business (i.e. management/ the environmental team) to allow for qualitative considerations to be overlaid on accounting outcomes</li> </ul>	<p><b>Comment and Action Plan:</b> The observations and recommendations from the auditors are noted. Given the numerous discussions and consideration of this subject there is a qualitative understanding of this aspect within Council which should serve well for the future.</p> <p>Timely costing of the damage and reconstruction cost of weather events for year-end purposes may remain a challenge going forward. This will especially be true where events occur close to year-end or where unique circumstances prevail, as was the case here dealing with a breached historic landfill. Once again, the knowledge gained by Council from this experience should ensure that this audit point can be closed off effectively during 2015/16, and future events will be dealt with appropriately.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Provisions	<p><b>1.7 Long service leave provision assumptions</b></p> <p>AASB 119 <i>Employee Benefits</i> requires Long Service Leave ("LSL") provisions to be calculated and appropriately discounted based on when Council expect the leave to be taken. We noted that the provision balance for employees who had completed 9 years or greater of service was not appropriately discounted to reflect the timing of when the leave was expected to be utilised.</p> <p>We acknowledge that the difference in the current year is unlikely to be material, however this should be appropriately considered by Council in future years to minimise any differences.</p>	As more employees become eligible to take LSL, if the appropriate assumptions regarding timing of leave taken are not appropriately applied to provision calculations, there is a risk that the LSL provision balance may be misstated.	We recommend that management perform an assessment based on historical data to determine the expected timing that employees will take their LSL, and discount the provision calculation accordingly.	<p><b>Comment and Action Plan:</b></p> <p>An analysis of historical data will be performed to establish the typical patterns of long service leave taken. Long service leave for employees with nine years or greater service will then be discounted using assumptions gathered from this data and implemented for the 2015/16 financial year.</p> <p>Modelling in this regard has been completed and will be presented to the auditors during the Interim Audit to ensure compliance for 2015/16.</p>

Risk category	Account Balance / Area	Observation	Implication	Recommendation	Management Comments and Action Plan
Deficiency	Corporate governance	<p><b>1.8 Identification of controlled entities</b></p> <p>To assist in achieving its strategic goals and objectives, Council's operations are structured through various divisions and business units. In some instances, Council sets up special purposed vehicles e.g. Trusts, to pursue its objectives.</p> <p>In the current year management became aware of an existing entity, Central Queensland Performing Arts Foundation (CQPAF), which promotes the performing arts for the community. CQPAF was established by means of a Deed on 3 November 2011.</p> <p>Based on the Deed, it would appear that CQPAF is a controlled entity of Council as Council has the ability and power to remove and appoint Trustees that oversee the operations of CQPAF.</p> <p>As a controlled entity of Council, Council should have oversight of its operations and activities including compliance with the relevant laws and regulations.</p> <p>The following matters have been noted:</p> <ul style="list-style-type: none"> <li>No documented assessment of whether this entity is a controlled entity of Council</li> <li>No disclosure in Council's financial statements for this entity</li> <li>Non-compliance with the Deed in regards to keeping proper accounts, books and records and the requirement for these to be audited</li> </ul>	<p>If Council does not have appropriate or robust processes in place to identify controlled entities, there is a risk that:</p> <ul style="list-style-type: none"> <li>There is no appropriate oversight of the activities of the controlled entity and any associated risks to Council</li> <li>Where controlled entities are material and require consolidation, Council's financial statements may be misstated</li> </ul>	<p>We recommend management ensure that there is regular communication between the various divisions and direct enquiry is made of any entities which may be considered controlled entities of Council.</p> <p>Where such entities are identified:</p> <ul style="list-style-type: none"> <li>Management should ensure that there is appropriate oversight by Council of the entity's operations</li> <li>Consideration should be given to the impact on Council's financial statements and the financial reporting requirements of that entity</li> </ul>	<p><b>Comment and Action Plan:</b></p> <p>Council agrees that it should have adequate communication and controls in place to be aware of any and all entities that falls under the jurisdiction of Council. The incident of the CQPAF has already raised the profile of this point at appropriate levels within Council to create the necessary awareness to assist with desired outcomes in this regard.</p> <p>With regards to the question whether the CQPAF is in fact a controlled entity of Council, the current position is that Council is considering the wording of Local Government Bulletin 17/13, the wording of the Auditor-General Act 2009 as well as wording of AASB 10 in this regard.</p> <p>The initial interpretation of Council is that the relationship between the CQPAF and RRC does not meet all the requirements for being a controlled entity. A detailed reply in this regard will be forwarded when finalised.</p>



## Appendix B

This attached Appendix outlines an update on the management letter points that remain unresolved from the interim management letter.

Risk	Account Area	Original observation and Recommendation	Management Comments and Action Plan	Final Update
Deficiency	Property, Plant and Equipment	<p><b>2.1 Maintenance of fixed asset register</b></p> <p>The reconciliation process between Geographical Information System (GIS) and the fixed asset register (Conquest) has previously resulted in identification of a significant amount of unrecorded assets.</p> <p>We recommend that finance and asset management representatives should continually reassess Council's policies and processes in relation to all asset classes included within property, plant and equipment.</p> <p>Council is committed to improving the integrity of the asset information are currently managing this through focusing on high risk areas, with the plan to assess the entire asset class within the next three years.</p> <p>The following has been undertaken by Council in the current period:</p> <ul style="list-style-type: none"> <li>• Revisions have been made to several fixed asset policies in the current year</li> <li>• Management have also implemented several asset management plans with additional plans to be finalised by year-end</li> <li>• GIS and Conquest reporting lines have been restructured to be under the same co-ordinator and reporting to the finance team.</li> <li>• The As Designed – As Constructed (ADAC) system is being implemented in the current period, which will allow both systems to be updated with the same dataset to prevent differences.</li> <li>• The ongoing rolling revaluations of the various asset classes (roads/ pathways in the current year, stormwater planned for 16/17) will assist with the identification of any unreconciled items.</li> <li>• Council are implementing a detailed review of the information held in GIS and Conquest for each asset class, and where linkages can be made. This is planned to be performed across the asset classes over the next 3 years.</li> </ul>	<p>Progress is being made on an ongoing basis.</p> <p>Due date: 30 June 2017</p>	<p>Over the last five years , Council have recorded prior year restatements:</p> <p>2010: \$50.9m 2012: \$80.5m 2014: \$3.3m</p> <p>We note that there were additional prior year adjustments (net \$7.5m) identified in the current year.</p> <p>We acknowledge that management are committed to the rectification of this item, and that the value of issues identified has decreased compared to previous years.</p>

Risk	Account Area	Original observation and Recommendation	Management Comments and Action Plan	Final Update
Deficiency	IT General	<p><b>2.2 IT- Patch testing and management</b></p> <p>Regularly updating Windows servers supporting the Finance One and Aurion applications is essential in maintaining appropriate levels of security and availability for these applications. Whilst there is a process to test updates being applied to these servers, there is no process to document the outcomes of testing performed. This documentation would evidence any issues resulting in testing and would contribute to assessing the risk of applying the updates to the live IT environment.</p> <p>In addition, the servers supporting the IT network (Windows Active Directory (AD) Domain Controllers) is currently running Windows Server 2003. This operating system will reach end of life in July 2015. We acknowledge that management have established a work-package program to identify, document and upgrade the servers supporting the IT network to Windows Server 2008 /2012.</p> <p>We recommend management:</p> <ol style="list-style-type: none"> <li>1. Enhance its current Windows update process to document the testing performed on patches prior to the updates being applied to critical servers.</li> <li>2. Continue with the planned work-package to upgrade the Windows Server 2003 software (such as with Windows AD) to Windows 2008/2012 including the latest patches for that operating system. In the interim, continue to document and monitor mitigating controls for remaining servers running Windows Server 2003 that cannot be upgraded prior to July 2015.</li> </ol>	<ol style="list-style-type: none"> <li>1. Update process will be amended to include patch test results on the Change Control entry.</li> <li>2. There is an established plan in place (as reported to ISSG) to upgrade the Domain Controllers from Windows 2003 to 2012. Other servers will be upgraded as required – many of them (Citrix, ECM, etc.) are already being upgraded in the next couple of months. Remaining servers will be upgraded as necessary. IT is aware of the risks and will document identified servers and maintain appropriate server and perimeter controls to mitigate issues. Note that server upgrade completion should not be a required outcome to consider this item complete.</li> </ol>	<p>We acknowledge management have actively taken steps to address the issues identified.</p> <p>New RRC Domain Controllers have been commissioned and older Domain Controllers are expected to be decommissioned by November 2015.</p> <p>We expect this finding to be closed in next year's audit.</p>

Risk	Account Area	Original observation and Recommendation	Management Comments and Action Plan	Final Update
Deficiency	IT General	<p><b>2.3 IT- Password Management</b></p> <p>Rockhampton Regional Council utilises a password safe for central storage of key system passwords in line with better practice. The master password for this password safe should be restricted and not known to all users. However, the master password for the password safe is known by the users of the password safe (vs. each user having an individual account) and this reduces accountability. Also, this password has not been changed in the financial year and there is no policy that requires a change in password.</p> <p>Unauthorised access to Council's IT environment may occur resulting in inappropriate modification to production data and systems holding financial information.</p> <p>We recommend that Council provide individual users access to the password safe with individual logins that restrict access based on job role. Periodically change the master password on the password safe and ensure this is changed when employees familiar with the password leave the organisation.</p>	<p>Technology Infrastructure Passwords have been moved to Pleasant Password Server as Password Manager data structure was not suitable. Pleasant Password Server meets the requirement of the recommendation.</p> <p>A further review of password management software will be undertaken to consolidate to one system across all of IT Services.</p>	<p>We acknowledge that management have actively taken steps to address the issues identified. A consolidated password system is mandatory for all ITS teams at RRC.</p> <p>We expect this finding to be closed in next year's audit.</p>

## Appendix C

### REVALUATION TIMEFRAMES FOR 2015-16

Steps	Due Date			
	Roads		Bridges	Airport
	Footpaths	Road Furniture & Medians		
<b>EXTERNAL VALUATION</b>				
Tender Document Issued				26/10/2015
Tender Document Close				09/11/2015
Tender Awarded				21/11/2015
Assets Reconciled between data sets				
Assets Provided to Valuer				Draft 18/12/2015, Final 15/01/2016 Depends when lighting are completed huge work in progress amount
Draft Methodology from Valuer				15/01/2016
Onsite Inspections				Jan / Feb 2016
Draft Report Received				26/02/2016
RRC Review				late Feb / early March 2016
Run Depreciation and provide to Valuer				31/03/2016
Final Report Received				31/03/2016
Valuation Processed - conquest				
Valuation processed - Finance 1				
Analysis & Summary of valuation				

Steps	Due Date			
	Roads		Bridges	Airport
	Footpaths	Road Furniture & Medians		
Valuer				
Date of Valuation	31/03/2015	28/02/2016	28/02/2016	31/03/2016

INTERNAL VALUATION	Due Date			
Assets Reconciled between data sets	Nov 2015 & end Jan 2016	24/12/2015	24/12/2015	
Tenders for condition assessment required?	No - internal	No-internal	N/A	
Inspections / condition assessments complete	All footpaths have been condition assessed, high use paths are in their 2nd cycle. Data match and clean-up progressing through internal & external resources	All signs, railing has been condition assessed and bought on in GIS, they still have to be created in Conquest	2/11/2015 - 15/12/2015 Condition assessments done by Stirling Consulting Engineers	
Unit rates determined / approved	31/01/2016	15/02/2016	01/02/2016	
Valuation report prepared	28/02/2016	28/02/2016	13/03/2016 (use same unit rates as LSC and regional roads group supplied by Forcecor)	
Run Depreciation to date of valuation	13/03/2016	13/03/2016	20/03/2016	
Process Valuation - conquest	31/03/2016	31/03/2016	15/04/2016	
Process Valuation - finance 1	15/04/2016	15/04/2016	30/04/2016	
Valuation report approved & incorporating Summary & analysis	30/04/2016	30/04/2016	15/05/2016	

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## 12 STRATEGIC REPORTS

### 12.1 SUMMARY BUDGET MANAGEMENT REPORT FOR THE PERIOD ENDED 31 DECEMBER 2015

<b>File No:</b>	<b>8148</b>
<b>Attachments:</b>	<b>1. Income Statement - December 2015</b> <b>2. Key Indicator Graphs - December 2015</b>
<b>Authorising Officer:</b>	<b>Ross Cheesman - General Manager Corporate Services</b>
<b>Author:</b>	<b>Alicia Cutler - Manager Finance</b>

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#### SUMMARY

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

#### OFFICER'S RECOMMENDATION

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

#### COMMENTARY

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

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

Council should note in reading this report that normally after the completion of the first six months of the financial year, operational results should be approximately 50.0% of budget. The year to date percentages quoted within this report are based on the October Revised Budget adopted by Council on 8 December 2015.

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

Total Operating Revenue is reported at 57%. Key components of this result are:

- Fees and Charges are marginally ahead of budget at 51%. Building and development fees are behind budget year to date, however this deficit is offset by favourable results in other areas of Council's operations.
- Private and Recoverable Works revenue is behind budget at 39%. This is offset by a commensurate decrease in Private Works operating expenses.
- Grants, Subsidies and Contributions are well ahead of budget at 131%. This is due to a number of contributing factors including; the receipt of half of the annual Financial Assistance Grant payment in July, the receipt of State Government subsidy for creek clearing and the recent receipt of NDRRA grants towards the partial recovery of operating costs incurred in relation to Cyclone Marcia. Grants and subsidies will be reviewed during the December Revised Budget process, with potential for improved budget outcomes.
- Interest Revenue is ahead of budget at 66%. Interest Revenue historically remains ahead of budget for the first six months of the financial year and then moves closer to budget during the second half of the financial year, however there are good indications for budget improvement. The improved outcomes for Interest Revenue will assist to offset an expected increase in Interest Expense.
- Other Income is ahead of budget at 70%. Council has recently received proceeds of insurance claims in relation to Cyclone Marcia.

- Other revenue items are all in proximity to budget year to date.

Total Operating Expenditure is at 52% of budget with committals, or 47% of budget without committals. Key components of this result are:

- Employee costs are below budget at 46%. This is partly due to the circumstance that transactions for employee benefit accruals are only done comprehensively at financial year-end. In terms of Certified Agreement bargaining, a wages increase of 1.75% effective from 13 July 2015, will be processed after 16 April 2016, thereby bringing actual employee costs closer to budget.
- Contractors and Consultants expenditure is ahead of budget at 68%. This is solely due to committed expenditure, as actual expenditure is only 45% of budget.
- Asset Operational Expenditure is ahead of budget at 56%. Again, committals are driving up the year to date percentage as the actual result is 49% of budget.
- Administrative Expenses are ahead of budget at 59%. Committals for some annual contracts are influencing the year to date percentage as the actual result is 44% of budget.
- Finance Costs are marginally ahead of budget at 51% with this variance attributable to Interest Expense. Any budget amendment required to Interest Expense will be offset by the improvement to Interest Revenue.
- Other Expenses are reported as ahead of budget at 65%. This is mostly due to Council having paid annual memberships such as LGAQ.
- Other expenditure items are in proximity to budget year to date.

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

Total Capital Income is at 57% of budget. Council has recently received capital grants for the Riverbank Redevelopment and Kershaw Gardens restoration.

Total Capital Expenditure is at 52% of budget with committals, or 32% of budget without committals.

Total Investments are approximately \$97.8M as at 31 December 2015.

Total Loans are \$148.7M as at 31 December 2015.

## **CONCLUSION**

Operational Revenue is ahead of budget at 57% mainly due to the approval and receipt of NDRRA grants towards the partial recovery of operating costs incurred in relation to Cyclone Marcia. Operational Expenditure is in proximity to budget at 47%, excluding committals.

Capital Revenue is also ahead of budget at 57% partly due to the receipt of grants for the Riverbank Redevelopment and Kershaw Gardens restoration. Capital Expenditure excluding committed expenditure is at 32% of budget. It is anticipated that Capital Expenditure will continue to gain momentum with the ongoing implementation of the capital works program for 2015/16.

The December 2015 budget revision has recently commenced. The budget revision will provide the opportunity to consider and appropriately address the variances detailed in this report.

**SUMMARY BUDGET MANAGEMENT  
REPORT FOR THE PERIOD ENDED  
31 DECEMBER 2015**

**Income Statement - December 2015**

**Meeting Date: 27 January 2016**

**Attachment No: 1**





**Income Statement**  
**For Period July 2015 to December 2015**  
**50% of Year Gone**

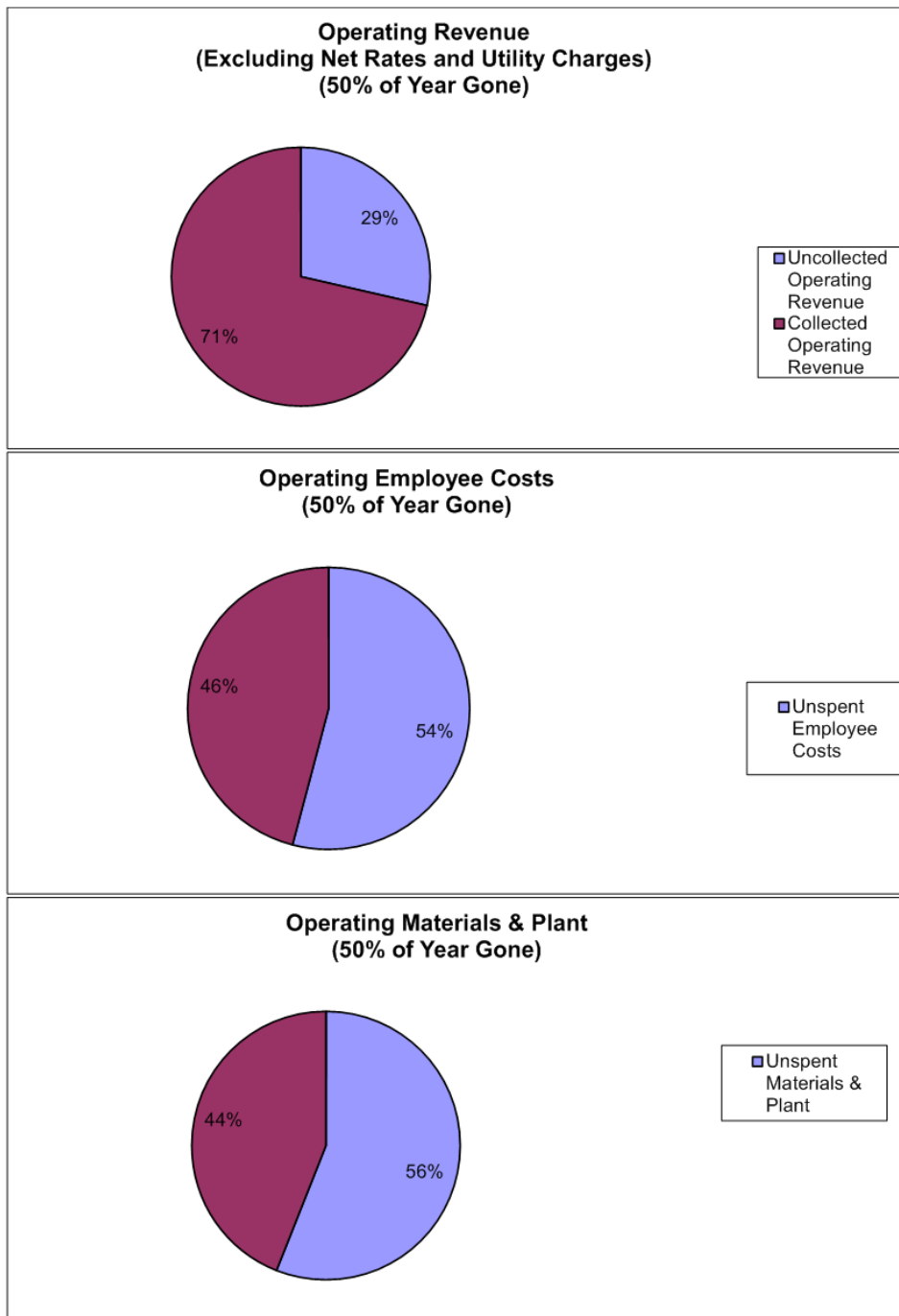
	Adopted Budget	Revised Budget	YTD Actual	Commitments	YTD Actuals (inc commitments)	% of Revised Budget
	\$	\$	\$	\$	\$	
<b>OPERATING</b>						01 06
<b>Revenues</b>						
Net rates and utility charges	(127,976,985)	(127,976,985)	(64,134,481)	0	(64,134,481)	50% A
Fees and Charges	(26,435,224)	(26,435,224)	(13,406,800)	34,430	(13,372,370)	51% A
Private and recoverable works	(7,475,280)	(7,475,280)	(2,887,970)	0	(2,887,970)	39% A
Rent/Lease Revenue	(2,940,659)	(2,940,659)	(1,427,464)	0	(1,427,464)	49% A
Grants Subsidies & Contributions	(12,994,007)	(14,834,007)	(19,403,225)	0	(19,403,225)	131% A
Interest revenue	(2,136,031)	(2,136,031)	(1,415,497)	0	(1,415,497)	66% A
Other Income	(6,263,674)	(6,263,674)	(4,370,090)	0	(4,370,090)	70% A
<b>Total Revenues</b>	<b>(186,221,860)</b>	<b>(188,061,860)</b>	<b>(107,045,527)</b>	<b>34,430</b>	<b>(107,011,097)</b>	<b>57% A</b>
<b>Expenses</b>						
Employee Costs	72,845,534	72,845,535	33,414,549	191,208	33,605,757	46% A
Contractors & Consultants	15,894,785	17,300,785	7,737,986	4,007,509	11,745,495	68% A
Materials & Plant	11,812,191	11,812,191	5,196,122	944,890	6,141,013	52% A
Asset Operational	18,362,005	18,362,005	9,011,185	1,319,719	10,330,903	56% A
Administrative Expenses	11,856,429	11,856,429	5,230,924	1,773,348	7,004,272	59% A
Depreciation	45,569,453	45,569,453	22,784,727	0	22,784,727	50% A
Finance costs	8,854,931	8,854,931	4,539,637	0	4,539,637	51% A
Other Expenses	1,249,087	1,249,087	806,442	673	807,114	65% A
<b>Total Expenses</b>	<b>186,444,415</b>	<b>187,850,415</b>	<b>88,721,570</b>	<b>8,237,347</b>	<b>96,958,917</b>	<b>52% A</b>
<b>Transfer / Overhead Allocation</b>						
Transfer/Overhead Allocation	(7,751,277)	(7,751,277)	(3,996,376)	0	(3,996,376)	52% A
<b>Total Transfer / Overhead Allocation</b>	<b>(7,751,277)</b>	<b>(7,751,277)</b>	<b>(3,996,376)</b>	<b>0</b>	<b>(3,996,376)</b>	<b>52% A</b>
<b>TOTAL OPERATING POSITION (SURPLUS)/DEFICIT</b>	<b>(7,528,723)</b>	<b>(7,962,723)</b>	<b>(22,320,333)</b>	<b>8,271,777</b>	<b>(14,048,556)</b>	<b>176% A</b>
<b>CAPITAL</b>	<b>Adopted Budget</b>	<b>Revised Budget (inc Carry Forward)</b>	<b>YTD Actual</b>	<b>Commitments</b>	<b>YTD Actuals (inc commitments)</b>	<b>% of Revised Budget</b>
<b>Total Developers Contributions Received</b>	(3,783,250)	(3,818,250)	(1,121,486)	0	(1,121,486)	29%
<b>Total Capital Grants and Subsidies Received</b>	(15,419,307)	(18,080,394)	(11,296,411)	0	(11,296,411)	62%
<b>Total Proceeds from Sale of Assets</b>	0	0	(7,925)	0	(7,925)	
<b>Total Capital Income</b>	<b>(19,202,557)</b>	<b>(21,898,644)</b>	<b>(12,425,822)</b>	<b>0</b>	<b>(12,425,822)</b>	<b>57%</b>
<b>Total Capital Expenditure</b>	<b>69,974,704</b>	<b>89,270,094</b>	<b>28,697,293</b>	<b>17,620,121</b>	<b>46,317,414</b>	<b>52%</b>
<b>Net Capital Position</b>	<b>50,772,147</b>	<b>67,371,450</b>	<b>16,271,471</b>	<b>17,620,121</b>	<b>33,891,592</b>	<b>50%</b>
<b>TOTAL INVESTMENTS</b>			97,826,298			
<b>TOTAL BORROWINGS</b>			148,692,374			

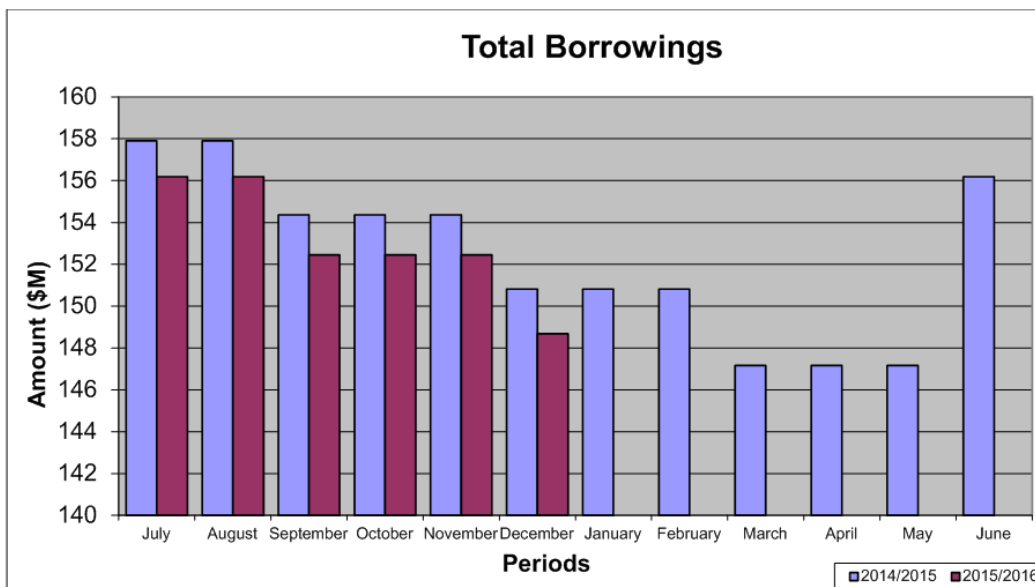
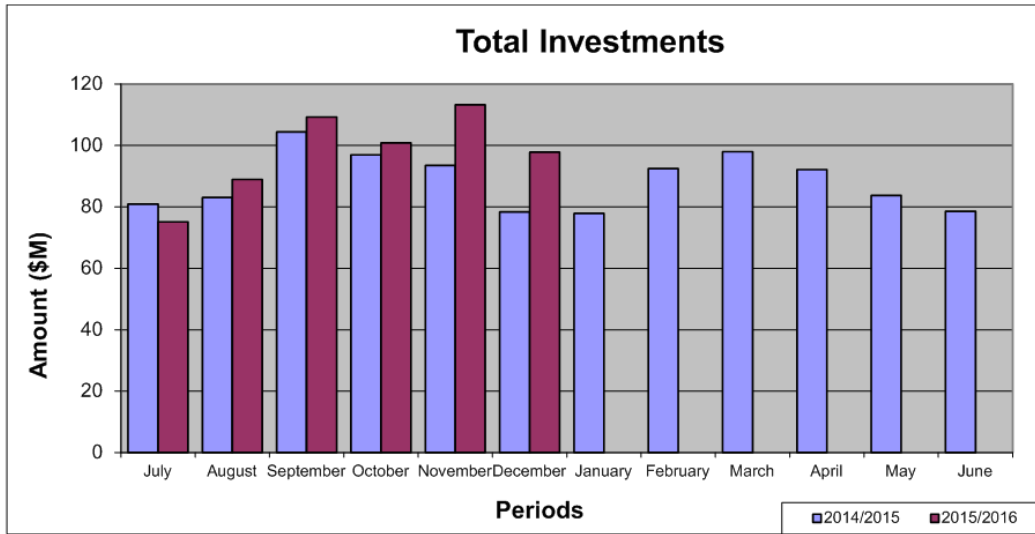
**SUMMARY BUDGET MANAGEMENT  
REPORT FOR THE PERIOD ENDED  
31 DECEMBER 2015**

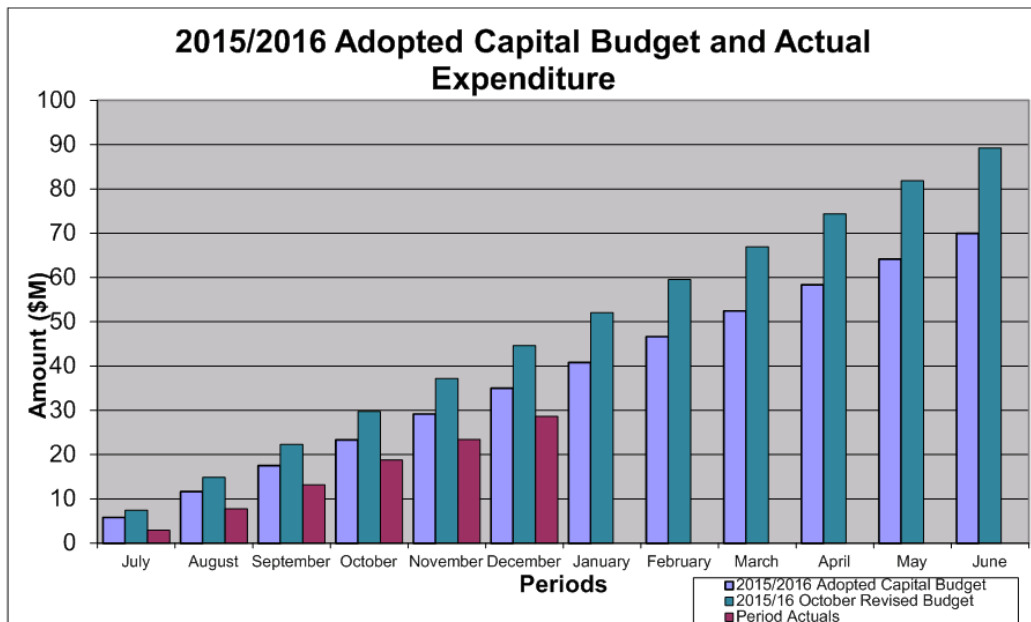
**Key Indicator Graphs - December 2015**

**Meeting Date: 27 January 2016**

**Attachment No: 2**







## 13 NOTICES OF MOTION

### 13.1 NOTICE OF MOTION - COUNCILLOR STEPHEN SCHWARTEN - POSSIBLE CO-LOCATION OF NEW COUNCIL ANIMAL REFUGE FACILITY

**File No:** 8246  
**Attachments:** 1. Notice of Motion - Councillor Swarten  
**Responsible Officer:** Evan Pardon - Chief Executive Officer

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#### SUMMARY

*Councillor Stephen Swarten has indicated his intention to move a Notice of Motion at the next Ordinary Council meeting regarding the possible co-location of the new Rockhampton Regional Council Animal Refuge Facility.*

#### COUNCILLOR'S RECOMMENDATION

THAT:

1. Council officers investigate the possibility of locating the much needed new Council animal refuge facility (pound) at Capricornia Correctional Centre conjointly with the Queensland Department of Corrective Services and bring a preliminary report to the February Ordinary Meeting of Council. Matters to be investigated include whether or not the Department would be interested in such a joint facility and the possible benefits this would potentially deliver to Council and to the citizenry of Rockhampton Region. Also to be included are any perceived disadvantages that such a proposal may present;
2. That the Hon Bill Byrne MP (Member for Rockhampton and Minister for Police, Fire and Emergency Services and Minister for Corrective Services) be consulted as a high priority regarding this matter; and
3. That the preliminary report contains an estimate of how long it would take to fully investigate the proposal and to prepare an in-depth report to Council for its consideration, which would include likely costings associated with such a facility.

#### BACKGROUND

Councillor Stephen Swarten has presented the Chief Executive Officer with a Notice of Motion with the following recommendation:

“That Council officers investigate the possibility of locating the much needed new Council animal refuge facility (pound) at Capricornia Correctional Centre conjointly with the Queensland Department of Corrective Services and bring a preliminary report to the February Ordinary Meeting of Council. Matters to be investigated include whether or not the Department would be interested in such a joint facility and the possible benefits this would potentially deliver to Council and to the citizenry of Rockhampton region. Also to be included are any perceived disadvantages that such a proposal may present.

That the Hon Bill Byrne MP (Member for Rockhampton and Minister for Police, Fire and Emergency Services and Minister for Corrective Services) be consulted as a high priority regarding this matter.

That the preliminary report contains an estimate of how long it would take to fully investigate the proposal and to prepare an in-depth report to Council for its consideration, which would include likely costings associated with such a facility.”

**NOTICE OF MOTION –  
COUNCILLOR STEPHEN SCHWARTEN  
POSSIBLE CO-LOCATION OF NEW  
COUNCIL ANIMAL REFUGE FACILITY**

**Notice of Motion –  
Councillor Swarten**

**Meeting Date: 27 January 2016**

**Attachment No: 1**



15 January 2016

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

**NOTICE OF MOTION – POSSIBLE CO-LOCATION OF NEW COUNCIL ANIMAL  
REFUGE FACILITY (POUND) AT CAPRICORNIA CORRECTIONAL CENTRE**

Dear Evan

I, Councillor Stephen Schwarten, Member for Division 7, Rockhampton Regional Council do hereby give written notice I will move the following motion as an item of General Business at the Ordinary Council Meeting of 27 January 2016:

That Council officers investigate the possibility of locating the much needed new Council animal refuge facility (pound) at Capricornia Correctional Centre conjointly with the Queensland Department of Corrective Services and bring a preliminary report to the February Ordinary Meeting of Council. Matters to be investigated include whether or not the Department would be interested in such a joint facility; and the possible benefits this would potentially deliver to Council and to the citizenry of Rockhampton Region. Also to be included are any perceived disadvantages that such a proposal may present.

That the Hon. Bill Byrne MP (Member for Rockhampton, and Minister for Police, Fire and Emergency Services and Minister for Corrective Services) be consulted as a matter of high priority regarding this matter.

That the preliminary report contains an estimate of how long it would take to fully investigate the proposal and to prepare an in-depth report to Council for its consideration, which would include likely costings associated with such as facility.

Yours faithfully

Stephen Schwarten  
Councillor for Division 7





**14 QUESTIONS ON NOTICE**

Nil

## **15 URGENT BUSINESS/QUESTIONS**

*Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting.*

## 16 CLOSED SESSION

In accordance with the provisions of section 275 of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

### RECOMMENDATION

THAT the meeting be closed to the public to discuss the following items, which are considered confidential in accordance with section 275 of the *Local Government Regulation 2012*, for the reasons indicated.

#### 17.1 Capricorn Enterprise 2015-16 Funding Agreement

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

#### 17.2 Cessation of Legal Action

This report is considered confidential in accordance with section 275(1)(f), of the *Local Government Regulation 2012*, as it contains information relating to starting or defending legal proceedings involving the local government.

#### 17.3 Strategic Property Acquisition

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

#### 17.4 Proposed Acquisition of State Government Owned Land

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

## 17 CONFIDENTIAL REPORTS

### 17.1 CAPRICORN ENTERPRISE 2015-16 FUNDING AGREEMENT

**File No:** 9288

**Attachments:** 1. Capricorn Enterprise Funding Agreement

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

**Author:** Rick Palmer - Manager Economic Development

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

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#### **SUMMARY**

*This report seeks ratification of a funding agreement between Council and Capricorn Enterprise for the 2015-16 financial year.*

**17.2 CESSATION OF LEGAL ACTION****File No:** 11098**Attachments:** 1. **Solicitor Advice Confirming Magistrate Determination.****Authorising Officer:** **Evan Pardon - Chief Executive Officer****Author:** **Michael Rowe - General Manager Community Services**

This report is considered confidential in accordance with section 275(1)(f), of the *Local Government Regulation 2012*, as it contains information relating to starting or defending legal proceedings involving the local government.

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**SUMMARY**

*The Chief Executive Officer seeking Council endorsement for cessation of legal action.*

**17.3 STRATEGIC PROPERTY ACQUISITION**

**File No:** 2021

**Attachments:**

1. Council Report - 8 December 2015
2. Contract
3. RRC Building Assessment Report

**Authorising Officer:** Ross Cheesman - General Manager Corporate Services

**Author:** Kellie Anderson - Coordinator Property and Insurance

**Previous Items:** Strategic Property Acquisition - Ordinary Council - 08 Dec 2015 9.00 am

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

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**SUMMARY**

*Coordinator Property & Insurance reporting on the finalisation of negotiations for a strategic property acquisition, seeking Council's final approval of the contract.*

**17.4 PROPOSED ACQUISITION OF STATE GOVERNMENT OWNED LAND****File No:** 2021**Attachments:**

1. NRM Preliminary Assessments
2. Map of Relevant Properties

**Authorising Officer:** Ross Cheesman - General Manager Corporate Services**Author:** Kellie Anderson - Coordinator Property and Insurance

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by it.

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**SUMMARY**

*Coordinator Property & Insurance reporting on the proposed acquisition of State Government owned land.*

**18 CLOSURE OF MEETING**