



South Burnett

Regional Council

Agenda

of the

General Meeting

Held in the Warren Truss Chamber 45 Glendon Street Kingaroy

on Wednesday, 18 May 2016

Commencing at 9.00 am

Chief Executive Officer: Gary Wall

Our Vision

"Individual communities building a strong and vibrant region."

Our Values

- | | | |
|----------|---------------------------|-------------------------------------------------------------------------------------------------------|
| A | Accountability: | <i>We accept responsibility for our actions and decisions in managing the regions resources.</i> |
| C | Community: | <i>Building partnerships and delivering quality customer service.</i> |
| H | Harmony: | <i>Our people working cooperatively to achieve common goals in a supportive and safe environment.</i> |
| I | Innovation: | <i>Encouraging an innovative and resourceful workplace.</i> |
| E | Ethical Behaviour: | <i>We behave fairly with open, honest and accountable behaviour and consistent decision-making.</i> |
| V | Vision: | <i>This is the driving force behind our actions and responsibilities.</i> |
| E | Excellence: | <i>Striving to deliver excellent environmental, social and economic outcomes.</i> |



SOUTH BURNETT REGIONAL COUNCIL AGENDA

Wednesday, 18 May 2016

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1. Leave Of Absence

Nil.

2. (a) Prayers

A representative of the Kingaroy District Ministers Association, Pastor Steve Nixon, offered prayers for Council and for the conduct of the Council meeting.

(b) Receipt of Petitions

- 2b.1 PET - 1605347 - Forwarding Signed Petition by various residents addressing three (3) issues in the Ellesmere Area regarding the conditions of Parker Road Ellesmere and no signage for school buses**

Document Information

IR No 1605347

Author Executive Assistant

**Endorsed
By Chief Executive Officer**

Date 10 May 2016

Précis

Forwarding Signed Petition by various residents addressing three (3) issues in the Ellesmere Area regarding the conditions of Parker Road Ellesmere and no signage for school buses

Summary

A petition has been received from residents addressing three (3) issues in the Ellesmere Area regarding the conditions of Parker Road Ellesmere and no signage for school buses

Officer's Recommendation

That the petition be received and referred to staff for consideration and report to Council.

Financial and Resource Implications

N/A

Link to Corporate/Operational Plan

N/A

Communication/Consultation (Internal/External)

N/A

Legal Implications (Statutory Basis, Legal Risks)

N/A

Policy/Local Law/Delegation Implications

N/A

Asset Management Implications

N/A

- 2b.2 PET - 1596631 - Forwarding petition requesting Council consider when planning for the next swimming season to keep the pools open all year with a one month closure in July to allow for any maintenance in regards to the Murgon & Wondai heated swimming Pool**

Document Information

IR No 1596631

Author Executive Assistant

**Endorsed
By Chief Executive Officer**

Date 10 May 2016

Précis

Forwarding petition requesting Council to consider when planning for the next swimming season to keep the pools open all year with a one month closure in July to allow for any maintenance in regards to the Murgon & Wondai heated swimming Pool

Summary

A petition has been received requesting Council to consider when planning for the next swimming season to keep the pools open all year with a one month closure in July to allow for any maintenance in regards to the Murgon & Wondai heated swimming Pool

Officer's Recommendation

That the petition be received and referred to staff for consideration and report to Council.

Financial and Resource Implications

N/A

Link to Corporate/Operational Plan

N/A

Communication/Consultation (Internal/External)

N/A

Legal Implications (Statutory Basis, Legal Risks)

N/A

Policy/Local Law/Delegation Implications

N/A

Asset Management Implications

N/A

3. Confirmation of Minutes of Previous Meeting

3.1 South Burnett Regional Council Minutes

Précis

Confirmation of Minutes of meeting of the South Burnett Regional Council held in the Warren Truss Chamber, 45 Glendon Street Kingaroy.

Officer's Recommendation

That the minutes of the previous meeting held on Wednesday 20 April 2016 as recorded be confirmed.

CONSIDERATION OF BUSINESS SECTIONS INCLUDING BUSINESS ARISING OUT OF MINUTES OF PREVIOUS MEETINGS

See Business Function Headings

4. Portfolio - Economic Development, Governance and Communications

4.1 Economic Development, Governance and Communications Portfolio Report

Document Information

IR No 1607297

Author Mayor, South Burnett Regional Council

Date 16 May 2016

Précis

Economic Development, Governance and Communications Portfolio Report

Summary

Mayor Campbell presented his Economic Development, Governance and Communications Portfolio Report to Council.

Officer's Recommendation

That Mayor Campbell's Economic Development, Governance and Communications Portfolio Report to Council be received.

4.2 Governance (G)

Officer's Report

4.2.1 G - 1604406 - Adoption of Council's Fraud and Corruption Prevention Management Policy

Document Information

IR No 1604406

Author Manager Social & Corporate Performance

Endorsed By General Manager Corporate Services

Date 4 May 2016

Précis

Adoption of Council's Fraud and Corruption Prevention Management Policy

Summary

In June 2015, the Auditor General tabled the report 'Fraud Management in Local Government' which included the recommendation that:

All councils assess themselves against the findings of the report and where needed develop, revise or update their:

- Policies and procedures for fraud and corruption management;
- Fraud and corruption control plans;
- Fraud risk assessments;
- Data analysis capabilities for fraud detection.

The Fraud & Corruption Prevention Management Policy clearly states South Burnett Regional Council's commitment to progress and maintain a structured integrated fraud & corruption prevention management framework supporting the development, implementation and regular review of:

- Fraud and corruption prevention and detection strategies, and
- Response and reporting strategies.

Officer's Recommendation

That the Fraud and Corruption Prevention Management Policy be adopted.



Fraud and Corruption Prevention Management Policy

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1. POLICY STATEMENT

South Burnett Regional Council (Council) is committed to acting in the best interest of the community and upholding the principles of honesty, integrity and transparency. Council operates as an organisation in which ethical conduct is expected, encouraged and supported with no tolerance for corrupt conduct, fraudulent activities or maladministration. Risk management principles and matching fraud and corruption prevention measures are applied across all areas of Council operations to protect the assets and resources of Council.

2. SCOPE

This Policy applies to any instances or suspected instances of fraud and corruption involving Council employees, Councillors, contractors, consultants, volunteers, vendors or any other party with a business relationship with the Council.

3. POLICY OBJECTIVES

This Policy clearly states Council's commitment to progress and maintain a structured integrated fraud and corruption prevention management framework supporting the development, implementation and regular review of:

- Fraud and corruption prevention and detection strategies, and
- Response and reporting strategies.

The Policy objectives are to:

- Protect Council's assets, resources, credibility and reputation;
- Ensure sound governance principles and encourage an ethical culture at Council;
- Ensure Council employees and Councillors are aware of their obligations and responsibilities regarding ethical conduct and the reporting of instances or suspected instances of fraudulent or corrupt activity;
- Ensure all investigations of alleged fraud and corruption adhere to the principles of procedural fairness and natural justice; and
- Ensure the review and continuous improvement of the Fraud and Corruption Prevention Management framework.

4. BACKGROUND AND/OR PRINCIPLES

Council has established an environment in which fraud and corruption is not tolerated and demonstrates a commitment to the rigorous management of fraud and corruption risk through appropriate procedures for reporting and investigation.

The principles of this Policy are to:

- Prevent any incidence of fraud and corruption;
- Minimise opportunities for fraud and corruption through effective internal controls, awareness and appropriate supervision;
- Encourage ethical conduct and dealings at all levels of Council;
- Ensure compliance with legal and statutory obligations; and
- Prevent any financial or reputational damage to Council.

5. GENERAL INFORMATION

Councillors and the Council Senior Executive Team are responsible for ensuring there are appropriate practices, measures and systems in place to realise fraud and corruption prevention and management.

Management communicate, implement, monitor and review Council's Fraud and Corruption Prevention Management framework.

All Council employees and Councillors must act with integrity in accordance with Council's Employee Code of Conduct and the Councillor Code of Conduct respectively, and all have a responsibility and obligation to report suspected or known incidents of fraud or corruption.

Council will take action against anyone who takes reprisal action against a Council employee or Councillor who reports suspected or known incidents, consistent with the provisions of the Public Interest Disclosure Act 2010 and Section 4(e) of Council's Public Interest Disclosure Policy.

Allegations of fraud against an employee or Councillor can potentially be made by a party with the intention of causing harm, damage or disruption. Vexatious, misleading or false reporting wastes Council time and resources in investigating the matter. This can also cause the person who is subject to the allegation a significant amount of emotional trauma and stress. Vexatious, misleading or false reporting of any allegation of fraud has serious consequences to the person bringing about such an allegation.

6. DEFINITIONS

The following definitions (drawn in part from AS 8001-2008 Fraud and Corruption Control; the Crime and Corruption Act 2001; the Public Interest Disclosure Act 2010) are provided to assist in the use of a common terminology.

Agency – A corporation, government agency, not-for-profit organisation or other body engaged in business activity or transacting with other agencies in a business-like setting.

Corrupt conduct – *Section 15 of the Crime and Corruption Act 2001* defines corrupt conduct as conduct of a person, regardless of whether the person holds or held an appointment, that—

- a) adversely affects, or could adversely affect, directly or indirectly, the performance of functions or the exercise of powers of—
 - a unit of public administration (UPA); or
 - an individual person holding an appointment in a UPA.
- b) results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned above in a way that—

- is not honest or is not impartial;
 - involves a breach of the trust placed in a person holding an appointment, either knowingly or recklessly;
 - involves a misuse of information or material acquired in or in connection with the performance of functions or the exercise of powers of a person holding an appointment.
- c) is engaged in for the purpose of providing a benefit to the person or another person or causing a detriment to another person
- d) would, if proved, be—
- a criminal offence; or
 - a disciplinary breach providing reasonable grounds for terminating the person's services, if the person is or were a holder of an appointment.

Conduct includes:

- neglect, failure and inaction;
- conspiracy to engage in conduct;
- attempt to engage in conduct.

Examples of corrupt conduct

The *Crime and Corruption Act 2001* provides examples of conduct that could be corrupt conduct, including:

- abuse of public office;
 - bribery, including bribery relating to an election;
 - extortion;
 - obtaining or offering a secret commission;
 - fraud, stealing or forgery;
 - perverting the course of justice;
 - an offence relating to an electoral donation;
 - loss of revenue of the state;
 - sedition;
 - homicide, serious assault or assault occasioning bodily harm or grievous bodily harm
 - obtaining a financial benefit from procuring prostitution or from unlawful prostitution engaged in by another person;
 - illegal drug trafficking;
 - illegal gambling.
- e) Corruption – is defined in a practical way through AS8001-2008 as dishonest activity in which a employee, contractor or agent acts contrary to the interests of Council and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity.
- f) Fraud – is defined in AS8001-2008 as dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to Council and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position. Fraud can also be seen as a major subset of corruption and is a deliberate, intentional and premeditated dishonest act or omission acted out with the purpose of deceiving to gain advantage from a position of trust and authority. It includes acts such as theft, making false statements/representation, evasion, manipulation of information, criminal deception and misuse of Council resources, property or time.

- g) Maladministration – is defined in the Public Interest Disclosure Act 2010 as an administrative action that:
- a) was taken contrary to law or;
 - b) was unreasonable, unjust, oppressive, or improperly discriminatory or;
 - c) was in accordance with a rule of law or a provision of an Act or a practice that is or may be unreasonable, unjust, oppressive or improperly discriminatory in the particular circumstances; or
 - d) was taken –
 - (i) for an improper purpose; or
 - (ii) on irrelevant grounds; or
 - (iii) having regard to irrelevant considerations; or
 - e) was an action for which reasons should have been given, but were not given; or
 - f) was based wholly or partly on a mistake of law or fact; or
 - g) was wrong.

Risk Management – The term applied to a logical and systematic method of identifying, analysing, assessing, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable organisations to minimise potential losses and maximise positive outcomes.

The following actions are examples of fraud in the context of Council:

- a) evasion of payments owing to Council;
- b) false invoicing;
- c) obtaining by deceit, benefits to which the recipient is not entitled such as improper reimbursement of expenses or travel allowances;
- d) charging for goods or services not delivered or only part delivered;
- e) false timesheet claims or misrepresenting time and work commitments;
- f) theft of Council property or resources;
- g) theft, misuse or wrongful use of information for financial or other gain;
- h) abuse of position or discretion such as accepting bribes to facilitate an outcome;
- i) false accounting;
- j) credit card fraud;
- k) abuse of Council facilities for personal use;
- l) making false statements or altering signatures or other information and materials such as to mislead or misrepresent a position or hide wrongdoing.

7. LEGISLATIVE REFERENCE

- *Crime & Corruption Act 2001*
- *Integrity Act 2009*
- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Public Interest Disclosure Act 2010*
- *Public Sector Ethics Act 1994*

8. RELATED POLICIES/PROCEDURES

8.1. Internal Documents

- Asset Management Policy
- Councillor Code of Conduct
- Community Assistance Policy
- Debt Policy
- Employee Code of Conduct
- Fraud and Corruption Prevention Management Plan
- General Complaints Process Policy
- Investment Policy
- Public Interest Disclosure Policy
- Procurement Policy 2016

8.2. External Documents

- The Australian Standard for Fraud is *AS8001 – 2008 Fraud and Corruption Control*
- Local Government Fraud Prevention and Management Guidelines

9. NEXT REVIEW

June 2018

Gary Wall
CHIEF EXECUTIVE OFFICER

Date

Financial and Resource Implications

No direct financial or resource implications arise from this report.

Link to Corporate/Operational Plan

Corporate Plan: EXC4.1 A governance framework that delivers good organisational management.

Communication/Consultation (Internal/External)

Internal consultation was undertaken with the Fraud and Corruption Prevention Management Steering Group, Senior Management Team and Elected Members.

Legal Implications (Statutory Basis, Legal Risks)

The *LGR2012* section 307 provides a regulatory requirement for the recording and notifying loss of local government assets.

Policy/Local Law/Delegation Implications

No direct policy/local law/delegation implications arise from this report.

Asset Management Implications

No direct asset management implications arise from this report.

4.2.2 G - 1606228 - Change of General Meeting Date

Document Information

IR No 1606228

Author Chief Executive Officer

Date 6 May 2016

Précis

Change of General Meeting date

Summary

As a result of the recent change to Council's Meeting dates to the 3rd Wednesday of each month the December meeting will now fall on 21 December 2016. Due to the proximity to Christmas it is suggested that the Council's General Meeting date be changed.

Officer's Recommendation

That Council's General Meeting scheduled for Wednesday 21 December 2016 be changed to Wednesday 14 December 2016.

Financial and Resource Implications

N/A

Link to Corporate/Operational Plan

EXC4 - Develop a governance framework that delivers sound organisational management.

Communication/Consultation (Internal/External)

Ordinary meetings are open (unless otherwise resolved to be closed) and members of the public are welcome to attend to observe proceedings. Public notice of the dates, times and location of the ordinary meetings of Council are published in the local newspaper and on Council's website at www.southburnett.qld.gov.au and displayed at Council's Customer Service Centres.

Legal Implications (Statutory Basis, Legal Risks)

Public notice of the meetings is required pursuant to Section 277(1) of the *Local Government Regulations 2012*.

Policy/Local Law/Delegation Implications

No direct policy/local law/delegation implications arise from this report.

Asset Management Implications

No direct asset management implications arise from this report.

5. Portfolio - Roads & Drainage

5.1 Roads & Drainage Portfolio Report

Document Information

IR No 1607234

Author Cr Gavin Jones

Date 16 May 2016

Précis

Roads & Drainage Portfolio Report

Summary

Cr Jones presented his Roads & Drainage Portfolio Report to Council.

Officer's Recommendation

That Cr Jones's Roads & Drainage Portfolio Report to Council be received.

6. Portfolio - Community & Health Services & The Arts

6.1 Community and Health Services and the Arts Portfolio Report

Document Information

IR No 1607309

Author Cr Danita Potter

Date 16 May 2016

Précis

Community and Health Services and the Arts Portfolio Report

Summary

Cr Potter presented her Community and Health Services and the Arts Portfolio Report to Council.

Officer's Recommendation

That Cr Potter's Community and Health Services and the Arts Portfolio Report to Council be received.

7. Portfolio - Planning & Property

7.1 Planning and Property Portfolio Report

Document Information

IR No 1607249

Author Cr Terry Fleischfresser

Date 16 May 2016

Précis

Planning and Property Portfolio Report

Summary

Cr Fleischfresser presented his Planning and Property Portfolio Report to Council.

Officer's Recommendation

That Cr Fleischfresser's Planning and Property Portfolio Report to Council be received.

8. Portfolio - Water, Waste Water, Waste Management, Sport & Recreation

8.1 Water, Waste Water, Waste Management, Sport & Recreation Portfolio Report

Document Information

IR No 1607192

Author Cr Roz Frohloff

Date 16 May 2016

Précis

Water, Waste Water, Waste Management, Sport & Recreation Portfolio Report

Summary

Cr Frohloff presented her Water, Waste Water, Waste Management, Sport & Recreation Portfolio Report

Officer's Recommendation

That Cr Frohloff's Water, Waste Water, Waste Management, Sport & Recreation Portfolio Report to Council be received.

9. Portfolio - Natural Resource Management, Parks and Indigenous Affairs

9.1 Natural Resource Management, Parks and Indigenous Affairs Portfolio Report

Document Information

IR No 1607280

Author Cr Kathy Duff

Date 16 May 2016

Précis

Natural Resource Management, Parks and Indigenous Affairs Portfolio Report

Summary

Cr Duff presented her Natural Resource Management, Parks and Indigenous Affairs Portfolio Report to Council.

Officer's Recommendation

That Cr Duff's Natural Resource Management, Parks and Indigenous Affairs Portfolio Report to Council be received.

10. Portfolio - Finance, ICT & Human Resources

10.1 Finance, ICT and Human Resources Portfolio Report

Document Information

IR No 1607275

Author Cr Ros Heit

Date 16 May 2016

Précis

Finance, ICT and Human Resources Portfolio Report

Summary

Cr Heit presented her Finance, ICT and Human Resources Portfolio Report to Council.

Officer's Recommendation

That Cr Heit's Finance, ICT and Human Resources Portfolio Report to Council be received.

10.2 Finance (F)

Officer's Reports

10.2.1 F - 1606010 - Monthly Financial Statements

Document Information

IR No 1606010

Author Finance Officer (Financial Reporting)

**Endorsed
By** General Manager Finance

Date 6 May 2016

Précis

Report on the Financial Position of South Burnett Regional Council as at 30 April 2016.

Summary

The following information provides a snapshot of Council's Financial Position as at 30 April 2016.

Officer's Recommendation

That the Monthly Financial Report as at 30 April 2016 be received and noted.

Key Financial Ratios

SOUTH BURNETT REGIONAL COUNCIL

FINANCIAL SCORECARD



Statement of Comprehensive Income

Statement of Comprehensive Income
As at 30 April 2016
83% of Year Complete

| | 2016 | Amended Budget | Variance |
|----------------------------------------------|-------------------|-------------------|----------|
| | \$ | \$ | % |
| Income | | | |
| Revenue | | | |
| Recurrent Revenue | | | |
| Rates, levies and charges | 42,805,833 | 42,387,005 | 101% |
| Fees and charges | 3,617,388 | 4,445,499 | 81% |
| Rental Income | 423,103 | 492,885 | 86% |
| Interest received | 1,148,263 | 1,561,565 | 74% |
| Sales revenue | 3,531,720 | 4,229,430 | 84% |
| Other Income | 391,709 | 457,434 | 86% |
| Grants, Subsidies, Contributions & Donations | 7,719,871 | 9,258,200 | 83% |
| | <u>59,637,888</u> | <u>62,832,018</u> | |
| Capital Revenue | | | |
| Grants, Subsidies, Contributions & Donations | 8,208,870 | 9,021,453 | 91% |
| Total Revenue | <u>67,846,758</u> | <u>71,853,471</u> | |
| Total Income | <u>67,846,758</u> | <u>71,853,471</u> | |
| Expenses | | | |
| Recurrent Expenses | | | |
| Employee benefits | 21,173,984 | 25,293,928 | 84% |
| Materials and services | 14,287,724 | 21,235,844 | 67% |
| Finance costs | 1,714,432 | 2,113,150 | 81% |
| Depreciation and amortisation | 11,110,070 | 13,215,467 | 84% |
| | <u>48,286,210</u> | <u>61,858,389</u> | |
| Capital Expenses | | | |
| | (223,678) | (750,000) | 30% |
| Total Expense | <u>48,062,532</u> | <u>61,108,389</u> | |
| Net Result | <u>19,784,226</u> | <u>10,745,082</u> | |

Statement of Financial Position

Statement of Financial Position
As at 30 April 2016

| | 2016 \$ | Original Budget \$ |
|--------------------------------------|--------------------|-----------------------|
| Current Assets | | |
| Cash and Cash Equivalents | 29,804,308 | 18,776,575 |
| Trade and Other Receivables | 17,028,281 | 6,348,249 |
| Inventories | 1,105,907 | 1,046,188 |
| Investments | - | - |
| Total Current Assets | 47,938,496 | 26,171,012 |
| Non-Current Assets | | |
| Trade and other receivables | 1,500 | - |
| Property, Plant and Equipment | 871,079,631 | 909,874,578 |
| Intangible Assets | 8,709,580 | 7,643,981 |
| Total Non-Current Assets | 879,790,711 | 917,518,559 |
| TOTAL ASSETS | 927,729,208 | 943,689,571 |
| Current Liabilities | | |
| Trade and other payables | 3,786,305 | 4,454,835 |
| Borrowings | 2,213,721 | 4,192,710 |
| Provisions | 3,332,810 | 3,264,734 |
| Total Current Liabilities | 9,332,836 | 11,912,279 |
| Non-Current Liabilities | | |
| Borrowings | 40,010,463 | 47,222,598 |
| Provisions | 11,612,607 | 10,616,231 |
| Total Non-Current Liabilities | 51,623,070 | 57,838,829 |
| TOTAL LIABILITIES | 60,955,906 | 69,751,108 |
| NET COMMUNITY ASSETS | 866,773,302 | 873,938,463 |
| Community Equity | | |
| Asset Revaluation Surplus | 430,783,167 | 432,824,725 |
| Retained Surplus/(Deficiency) | 435,990,135 | 441,113,738 |
| TOTAL COMMUNITY EQUITY | 866,773,302 | 873,938,463 |

Financial and Resource Implications

N/A

Link to Corporate/Operational Plan

EXC1 - Effective financial management.

Communication/Consultation (Internal/External)

N/A

Legal Implications (Statutory Basis, Legal Risks)

N/A

Policy/Local Law/Delegation Implications

N/A

Asset Management Implications

N/A

10.2.2 F - 1607320 - Six Monthly Rate Notices for the 2016/2017 Financial Year

Document Information

IR No 1607320

Author General Manager Finance

Date 10 May 2016

Précis

To introduce six monthly rate notices to commence in the Financial Year ending 30 June 2017.

Summary

Section 107 (1) of the *Local Government Regulation 2012* provides Council the opportunity to determine the issue of and period covered by a rate notice.

Council has been discussing the possibility of introducing six monthly rate billing cycles. The efficiency advantages of issuing six monthly rate notices include:

- Financial savings of approximately \$168,000 due to larger cash flows each six months rather than the current quarterly cash flow along with reduced costs (Estimates are, Interest received from investments \$120,000, reduced Agency fees \$13,700 and reduced Postage & Printing \$34,300),
- Existing rate staff could better focus on the collection of outstanding rates and charges which also improves cash flows,
- Reduced customer contact at the various service centres to two rate periods rather than four.

A consideration of the introduction of six monthly notices is the impact on ratepayers. That is the first rate notice would be higher, given it would be for six months rather than the current quarter.

Council has options to mitigate this impact:

- Allowing for a longer discount period for the first six monthly account – 60 days rather than 30 days and,
- Extending the time for charging interest on overdue rates for the first six monthly account – 90 days from the issue date of the rate notice rather than 60 days from the issue date of the rate notice.
- Early communication with the community on this issue.

The half yearly or six monthly rate notices would be generally issued in August and February of the relevant financial year and would include water consumption charges for the previous six months.

Officer's Recommendation

That in accordance with Section 107 of the *Local Government Regulation 2012* Council issue six monthly rating notices in the 2016 – 2017 Financial Year subject to:

- Offering a 60 day discount period for the first six monthly rate notice reverting to a 30 day discount period after that.
-

- Extending the time of charging interest on overdue rates for the first six monthly rate notice to 90 days from the issue date of the rate notice reverting to 60 days from the issue date of the rate after that.
- Implementing a communication strategy on the matter.

Financial and Resource Implications

To reflect ongoing efficiency initiatives of increased revenue and cost savings.

Link to Corporate/Operational Plan

EXC1 *Effective financial management*: Optimise Councils revenue based, on realistic and equitable policies and practices.

Communication/Consultation (Internal/External)

The policy has been prepared following consultation and discussion at a Portfolio Meeting.

Legal Implications (Statutory Basis, Legal Risks)

Section 107 of the *Local Government Regulation 2012* provides the opportunity for Council to determine the frequency of issuing rates notices. The following extract from the *Local Government Regulation 2012* has been included for Council's information:

“107 Issue of and period covered by rate notice

(1) A rate notice may only be issued:

(a) for utility charges, for a period of at least 1 month, that the local government considers appropriate; and

(b) for other rates or charges, for the whole or part of a financial year as the local government considers appropriate.

(2) However, the rate notice for the rates mentioned in subsection (1)(b) must be issued for the same period for all ratepayers.

(3) If a person who is liable to pay rates or charges for a period pays the rates or charges before the local government gives the person a rate notice for the period, the local government is not required to give the person a rate notice for the period.

(4) However, the local government must, at least once each year, issue a rate notice for each parcel of rateable land for a period of no longer than a financial year.”

Policy/Local Law/Delegation Implications

To be reflected in the Revenue Statement which will be considered with the Budget for the Financial Year 2016 – 2017.

Asset Management Implications

Provides the funding for capital and operating and maintenance of Council's asset portfolio.

10.2.3 F - 1607336 - Revenue Policy for the Financial Year Ending 30 June 2017

Document Information

IR No 1607336

Author General Manager Finance

Date 10 May 2016

Précis

Revenue Policy for the Financial Year ending 30 June 2017.

Summary

Section 193 of the *Local Government Regulation 2012* requires a Local Government to adopt a Revenue Policy for each financial year. The Revenue Policy must include:

- Details of the principles that Council intends to apply for:-
 - ✓ Levying rates and charges;
 - ✓ Granting concessions for rates and charges;
 - ✓ Recovering overdue rates and charges;
 - ✓ Cost-recovery methods; and
- If the Local Government intends to grant concessions for rates and charges – the purpose for the concessions; and
- The extent to which physical and social infrastructure costs for new development are to be funded by charges for the development.

The policy has been prepared having regard to the current legislation and information provided by Council during rating workshops that have been conducted over the past months.

Officer's Recommendation

That in accordance with Section 193 of the *Local Government Regulation 2012* the following Revenue Policy for the year ending 30 June 2017 be adopted.



Revenue Policy 2016 / 2017

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1. POLICY STATEMENT

1.1. Introduction

Under the *Local Government Act 2009*, the Council is required to have a system of financial management that includes a Revenue Policy. Further, under the *Local Government Regulation 2012*, Council must review its Revenue Policy annually in sufficient time to allow an annual budget that is consistent with the Revenue Policy to be adopted for the next financial year. The Revenue Policy is a component of System of Financial Management. Its adoption, in advance of setting the budget, allows Council to set out the principles that it will use to set its budget and to identify in broad terms the general strategy to be used for raising revenue.

Section 193 of the *Local Government Regulation 2012* requires a Local Government to adopt a Revenue Policy for each financial year. The Revenue Policy must state:

- Details of the principles that Council intends to apply for:
 - Levying rates and charges;
 - Granting concessions for rates and charges;
 - Recovering overdue rates and charges; and
 - Cost-recovery methods.
- If the Local Government intends to grant concessions for rates and charges – the purpose for the concessions; and
- The extent to which physical and social infrastructure costs for new development are to be funded by charges for the development.

This Revenue Policy will specifically address the legislative requirements in respect of those policy matters detailed above. The Policy will clearly state the principles used in making, levying and recovery of rates and charges, as well as the principles governing any rebates and concessions provided, and any limitations on these matters.

1.2. Levying of Rates and Charges

Rates and charges are determined after due consideration of the following:

- Council's legislative obligations.
- The needs and expectations of the general community as determined by formal and informal consultation and survey processes.

- The cost of maintaining existing facilities and necessary services.
- The need for additional facilities and services.
- Equity by ensuring the fair and consistent application of lawful rating and charging principles, without bias, taking account of all relevant considerations, and disregarding irrelevancies such as the perceived personal wealth of individual ratepayers or ratepayer classes.

In levying rates and charges, Council will apply the principles of:

- Making clear what is the Council's and each ratepayers responsibility to the rating system;
- Making the levying process, granting discount and any refund of rates and charges as simple and efficient to administer as possible;
- Timing the levy rate notices to take into account the financial cycle to which the ratepayers are accustomed or may adapt to; and
- Flexibility by providing payment arrangements to ratepayers with a demonstrated lower capacity to pay, along with a wide array of payment options.

Council will also have regard to the principles of:

- Transparency of process.
- Simplicity and efficient administration.
- Flexibility to take account of changes in the local economy, extraordinary circumstances and impacts that different industries may have on Council's infrastructure.

1.2.1. General Rates

General Rates revenue provides essential whole of community services not funded through subsidies, grants, contributions or donations received from other entities, or not provided for by other levies or charges. Council will consider all full cost recovery options before calculating the general rate.

Council is required to raise an amount of revenue it sees as being appropriate to maintain assets and provide services to the Region as a whole. In deciding how that revenue is raised, Council has formed the opinion that the differential general rating scheme provides the most equitable basis for the distribution of the general rate burden.

In formulating the differential general rating scheme Council has considered equity by implementing distribution of the general rate based on the land use. Where necessary a particular class of land use is further 'subdivided' on a geographic basis.

The Unimproved Valuation / Site Value for each property are the basis for determining the amount of the general rate levied. Council recognises that significant valuation fluctuations may have an adverse effect on customers. Council considers that this impact should be smoothed so that the impact in any one year is reduced. Council may achieve this by establishing new differential rating categories, averaging the valuation in accordance with *Sections 74 to 76 of the Local Government Regulation 2012* or by limiting rate increases in accordance with *Section 116 of the Local Government Regulation 2012*.

1.2.2. Separate or Special Rates

Where appropriate, Council will fund certain services and facilities by means of separate or special rate or charge in accordance with Part 6 and Part 8 of the *Local Government Regulation 2012*. Council will levy special rates and charges on certain properties that are considered to be specially benefited by the provision of specific services, facilities or activities.

Special rates are based on the Unimproved Valuation / Site Value of the land and special charges are a flat charge per property, where this is considered to provide a more equitable basis for the sharing of the cost.

1.2.3. Other Charges

In general, Council will be guided by the principle of user pays where it can easily identify the cost associated with supplying a particular service. In particular Council may use this principle for water supply, sewerage, refuse collection, etc. Provided however that where Council considers that moving to full cost recovery for a particular service may cause undue hardship Council will “phase in” the full cost recovery over a period of time.

1.3. Recovery of Rates and Charges

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- **Transparency** – by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations;
- **Simplicity** – by making the processes used to recover outstanding rates and charges clear, simple to administer and cost effective;
- **Capacity to Pay** – by determining appropriate arrangements for different sectors of the community;
- **Equity** – by providing the same treatment for ratepayers with similar circumstances; and
- **Flexibility** – by responding where necessary to changes in the local economy.

1.4. Concessions for Rates and Charges

Statutory provision exists for the Council to rebate or postpone rates in certain circumstances. These provisions are detailed in Part 10 of the *Local Government Regulation 2012*.

In considering the application of concessions, Council will be guided by the principles of:

- **Equity** – by having regard to the different levels of capacity to pay within the local community;
- **Consistency** – by applying the same treatment for ratepayers with similar circumstances;
- **Transparency** – by making clear the requirements necessary to receive concessions; and
- **Flexibility** – by allowing Council to respond to local economic issues.

The predominant purpose for which Council grants concessions is to:

- Assist pensioners (who are on very limited incomes), in meeting their obligations to pay Council's rates and charges; and
- Assist various Religious Organisations, Community Groups and Sporting Organisations who provide a public service or community benefit throughout the region in meeting their obligations to pay Council's rates and charges.

1.5. Cost Recovery Fees

Section 97 of the *Local Government Act 2009* allows Council to set cost recovery fees.

The Council recognises the validity of fully imposing the user pays principle for its cost recovery fees, unless the imposition of the fee is contrary to its express social, environmental and other corporate goals. This is considered to be the most equitable and effective revenue approach, and is founded on the basis the Region's rating base cannot subsidise the specific users or clients of Council's regulatory products and services.

However, in setting its cost recovery fees, Council will be cognizant of the requirement that such a fee must not be more than the cost to Council of providing the service or taking action to which the fee applies.

1.6. Commercial Charges

Sections 9 (Powers of local governments generally) and 262 (Powers in support of responsibilities) of the *Local Government Act 2009* provide the Council, as a legal entity, with powers to charge for services and facilities it supplies other than a service or facility for which a cost recovery fee may be fixed.

Such commercial charges are for transactions where the Council is prepared to provide a service and the other party to the transaction can choose whether or not to avail itself of the service.

The nature, level and standard of the entitlement, facility or service is considered by the Council in the setting of commercial charges. Central to deliberations on these matters is the Council's community service obligation and the principle of social equity. The Council may set such a charge with the aim of achieving a profit from the service or facility provided.

The principle of "user pays" is considered where the provision of a service, entitlement or facility may be in direct competition with private enterprise.

1.7. Funding of Physical and Social Infrastructure Costs

Council requires developers to pay reasonable and relevant contributions towards the cost of infrastructure required to support the development. Specific charges are detailed in "Adopted Infrastructure Charges" resolution adopted by Council.

These charges are based on normal anticipated growth rates. Where a new development is of sufficient magnitude to accelerate the growth rate of a specific community within the region, it may be necessary to bring forward social infrastructure projects. Where this occurs, Council expects developers to meet sufficient costs so that the availability of facilities is not adversely affected and so that existing ratepayers are not burdened with the cost of providing the additional infrastructure.

2. SCOPE

Applies to all revenue raising undertaken by Council.

3. POLICY OBJECTIVES

The purpose of this Revenue Policy is to set out the principles used by Council for:

- The making and levying of rates and charges;
- The recovery of rates and charges; and
- Exercising of its power to grant rebates and concessions for rates and charges.

4. BACKGROUND AND/OR PRINCIPLES

The purpose of this Revenue Policy is to set out the principles used by Council for:

- The making and levying of rates and charges; and
- The recovery of rates and charges; and
- Exercising of its power to grant rebates and concessions for rates and charges.

5. GENERAL INFORMATION

Not applicable.

6. DEFINITIONS

The Act means the *Local Government Act 2009*.

7. LEGISLATIVE REFERENCE

Section 193 of the *Local Government Regulation 2012*

8. RELATED POLICIES/PROCEDURES

Investment Policy and Debt Policy, and Revenue Statement.

9. NEXT REVIEW
1 May 2017

Gary Wall
CHIEF EXECUTIVE OFFICER

Date

Financial and Resource Implications

The intention is that the Revenue Policy forms the basis of the revenue measures adopted by the Council at the Budget Meeting and throughout the financial year it relates to.

Link to Corporate/Operational Plan

EXC1 *Effective financial management*: Optimise Councils revenue based, on realistic and equitable policies and practices.

Communication/Consultation (Internal/External)

The policy has been prepared having regard to the current legislation and information provided by Council during rating workshops that have been conducted over the past few weeks.

Legal Implications (Statutory Basis, Legal Risks)

It is a requirement of the Local Government Act and Regulation that a Revenue Policy be adopted by Council.

Policy/Local Law/Delegation Implications

Budget and Revenue Statement 2016-2017.

Asset Management Implications

Provides the basis of funding asset renewal and improvements along with operation and maintenance of the asset portfolio of Council.

10.3 ICT***Officer's Reports***

No Report.

10.4 Human Resources (HR)***Officer's Reports*****10.4.1 HR - 1607524 - Arrangements regarding Christmas Closedown for 2016/17****Document Information****IR No** 1607524**Author** Chief Executive Officer**Date** 10 May 2016**Précis**

Discussion regarding proposed Christmas Closedown for 2016/17

Summary

It is proposed to close Council operations with exception of the Visitor Information Centres over the Christmas period from Friday 23 December 2016 and re-open on Tuesday 3 January 2017 with on-call, emergency and other essential staff to be rostered on over this period.

The operating hours for the region's Visitor Information Centres over the Christmas / New Year period are outlined below:-

| | |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Blackbutt Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sun 9:00am to 3:00pm Closed - Christmas Day, Boxing Day, Boxing Day Public Holiday & New Year's Day |
| Kingaroy Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Fri 9:00am to 4:30pm Sat-Sun 10:00am to 2:00pm Closed - Christmas Day, Boxing Day, Boxing Day Public Holiday & New Year's Day |
| Murgon Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sat 9:00am to 4:00pm Sun 10:00am to 1:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |
| Nanango Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Fri 9:00am to 4:30pm Sat-Sun 10:00am to 2:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |
| Wondai Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sun 9:00am to 4:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |

Officer's Recommendation

That:

1. Council closes administration offices, depots and library facilities on Friday 23 December 2016 at the following times for the purpose of allowing Council employees to attend the staff Christmas function:
 - Blackbutt – 11:30am
 - Kingaroy – 12:30pm
 - Murgon – 11:15am
 - Nanango – 11:45am
 - Proston – 11:15am
 - Wondai – 12:00pm
2. With exception of Visitor Information Centres, Council operations will be closed from Friday 23 December 2016 and re-open on Tuesday 3 January 2017.
3. The operating hours for the region's Visitor Information Centres over the Christmas / New Year period are outlined below:-

| | |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Blackbutt Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sun 9:00am to 3:00pm Closed - Christmas Day, Boxing Day, Boxing Day Public Holiday & New Year's Day |
| Kingaroy Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Fri 9:00am to 4:30pm Sat-Sun 10:00am to 2:00pm Closed - Christmas Day, Boxing Day, Boxing Day Public Holiday & New Year's Day |
| Murgon Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sat 9:00am to 4:00pm Sun 10:00am to 1:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |
| Nanango Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Fri 9:00am to 4:30pm Sat-Sun 10:00am to 2:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |
| Wondai Visitor Information Centre <i>(Accredited)</i> | Hours: Mon-Sun 9:00am to 4:00pm Closed - Christmas Day, Boxing Day, Boxing Public Holiday & New Year's Day |

4. Key staff will be rostered on to undertake on-call, emergency and other essential work where required during the Christmas Closedown period.
5. Council will advise employees to use accrued leave entitlements (eg. annual leave, TOIL, RDO's) during this period with TOIL and RDO's being used in the first instance.

Financial and Resource Implications

Budget funds provided for the costs associated with the office and library closures.

Link to Corporate/Operational Plan

EXC3 A skilled and sustainable workforce

Communication/Consultation (Internal/External)

Advice of Christmas Closedown will be provided to the relevant Unions by Human Resources.

Human Resources will advise employees of the closedown via newsletter, email, payslip message, intranet and notices in depots etc.

Council will notify the community of the changes to opening times in local newspaper, on Council's website, social media and possibly via radio announcements.

Notices will also be placed in the Customer Contact offices and locations in the weeks prior to the closedown.

Legal Implications (Statutory Basis, Legal Risks)

N/A

Policy/Local Law/Delegation Implications

N/A

Asset Management Implications

N/A

11. Consideration of Notices of Motion

No Report.

12. Information Section (IS)

12.1 IS - 1606069 - Reports for the Information of Council

Document Information

IR No 1606069

Author Administration Section

Date 6 May 2016

Précis

Reports received for the Information of Council.

Summary

List of Correspondence pending completion of assessment report
Delegated Authority Report
Monthly Capital Works Report
Road Maintenance Expenditure Report

Officer's Recommendation

That the reports be received.

13. Confidential Section

No Report.

