



Etheridge Shire Council

NOTICE OF MEETING

Meeting: General Meeting

Date: Wednesday, 16th August 2023

Location: **Council Chambers,
Georgetown**

Commencing: **9.00am**

Councillors: Cr Hughes
Cr Royes
Cr Haase
Cr Gallagher
Cr Barns

Agenda Attached

Ken Timms
CHIEF EXECUTIVE OFFICER

CONFIDENTIAL

Local Government Act 2009

The principles (s4(2)) of the Act are:

- Transparent and effective processes, and decision-making in the public interest
- Sustainable development and management of assets and infrastructure, and delivery of effective services
- Democratic representation, social inclusion and meaningful community engagement
- Good governance of, and by, local government
- Ethical and legal behavior of councilors and local government employees

S.275 – Local Government Regulation 2012

275 Closed meetings

- (1) A local government or committee may resolve that a meeting be closed to the public if its councillors or members consider it necessary to close the meeting to discuss –
 - Appointment, dismissal or discipline of a CEO or a BCC senior executive employee
 - Legal advice obtained by the Council or legal proceedings involving the Council
 - Matters that may directly affect the health and safety of an individual or group
 - Negotiations relating to a commercial matter involving the Council
 - Negotiations relating to the taking of land by the Council under the *Acquisition of Land Act 1967*
 - A matter required to be kept confidential under a law of, or formal arrangement with, the Commonwealth or a State
 - Industrial matters affecting employees
 - The Council budget
 - Rating concessions
- (2) A resolution that a meeting be closed must state the nature of the matters to be considered while the meeting is closed.
- (3) A local government or committee must not make a resolution (other than a procedural resolution) in a closed meeting.

Conflict of Interest Obligations

Reference is made to Section 150EL of the Local Government Act 2009. Specifically, the obligation of Councillors when they first become aware they have a conflict of interest to make the Chief Executive Officer aware in writing or if in a meeting, ensure they declare immediately.

AGENDA

1. OPENING OF THE MEETING AND SIGNING OF THE ATTENDANCE BOOK
2. ACKNOWLEDGEMENT TO COUNTRY
3. PRAYER
4. APOLOGIES, CONDOLENCES AND CONGRATULATIONS
5. CONFIRMATION OF GENERAL MEETING MINUTES
6. CONSIDERATION OF BUSINESS ARISING FROM GENERAL MEETING MINUTES
7. CONSIDERATION OF DCS OPEN SESSION REPORTS
8. CONSIDERATION OF DES OPEN SESSION REPORTS
9. CONSIDERATION OF CEO OPEN SESSION REPORTS
10. CONSIDERATION OF OPEN ADDENDUM REPORTS
11. CONSIDERATION OF GENERAL BUSINESS
12. CONCLUSION

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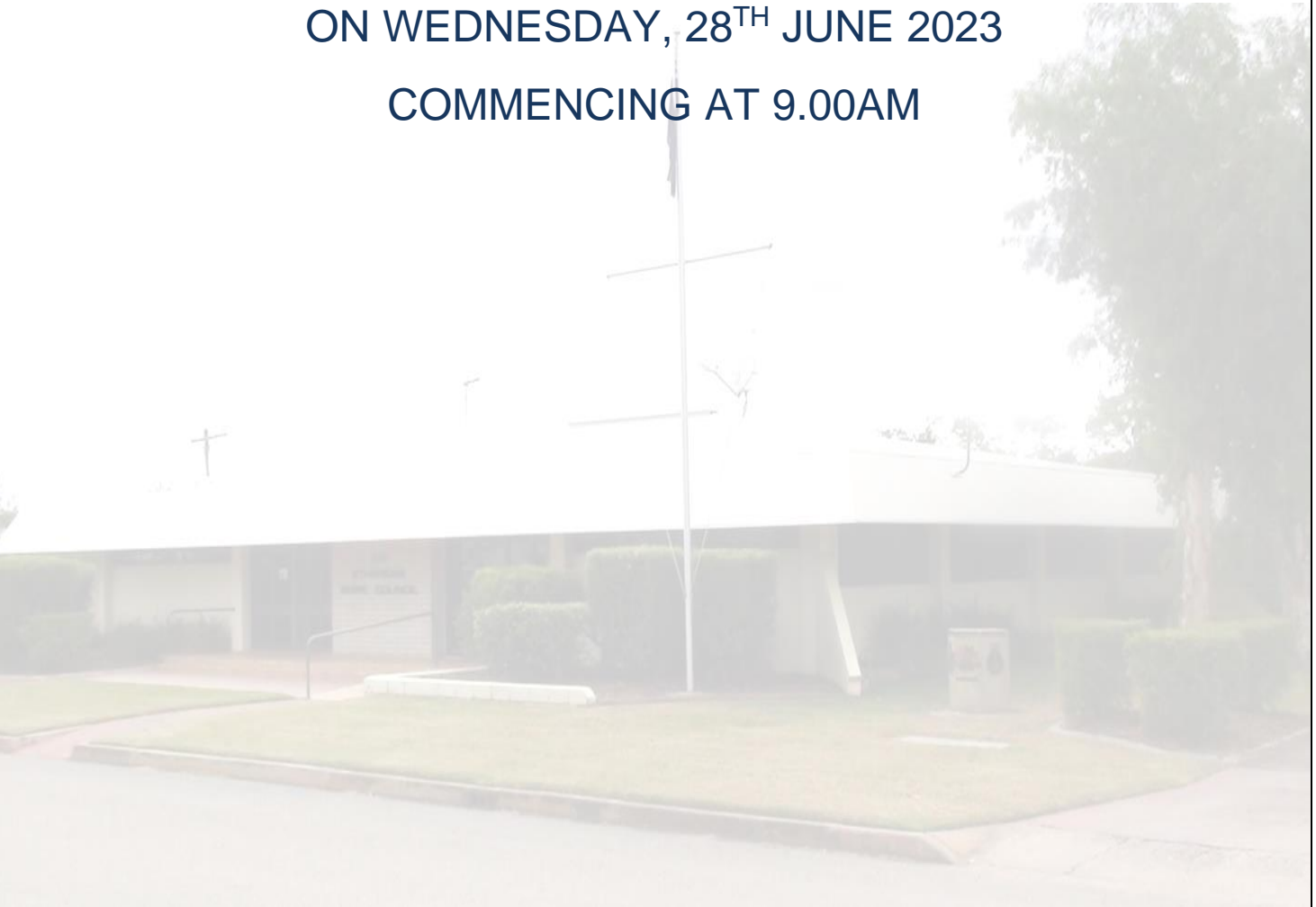
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Etheridge Shire Council

UNCONFIRMED MINUTES

SPECIAL GENERAL MEETING OF
ETHERIDGE SHIRE COUNCIL
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY, 28TH JUNE 2023
COMMENCING AT 9.00AM



**ETHERIDGE SHIRE COUNCIL
MINUTES OF THE SPECIAL GENERAL MEETING
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY 28TH JUNE 2023
COMMENCING AT 9.00AM**

ATTENDANCE

Cr. Barry Hughes
Cr. Laurell Royes

Cr. Tony Gallagher
Cr. Cameron Barns

OFFICERS PRESENT

Mr. Ken Timms, Chief Executive Officer
Mr. Andrew McKenzie, Director Corporate Services
Mrs. Renee Bester, Executive Assistant

APOLOGIES

Cr. Joe Haase

The Chair declared the meeting open at 9.07am and welcomed all in attendance.

ACKNOWLEDGEMENT TO COUNTRY

We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice, and traditions, of their people.”

PRAYER

“We ask that today you give us wisdom to make good decisions to benefit our communities. Help us see what will benefit our shire and give us hearts to serve others. Amen”.

DECLARATION OF CONFLICTS OF INTEREST

Nil

APOLOGIES, CONDOLENCES AND CONGRATULATIONS

Nil

CONSIDERATION OF OPEN SESSION REPORTS

ATTENDANCE

Cr. Barns entered the room at 9.10am.

Director Corporate Services

1. Budget Review

EXECUTIVE SUMMARY

Under s104 of the Local Government Act 2009, Council must have an annual budget as part of its suite of financial planning documents. Council’s budget was adopted 20th July 2022, and complied with the requirements of s169 of the Local Government Regulation 2012.

A review of Council’s budget has been completed. It is proposed that Council amend its budget to address issues that have emerged since its adoption. Section 170(3) of the Local Government Regulation 2012 allows Council to amend its budget any time before the end of the financial year.

RESOLUTION

That in accordance with s170(3) of the Local Government Regulation 2012, Council amend its 2022/23 budget as per the attached list of proposed amendments.

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.06.01
4/0

2. Stock Write-Off

EXECUTIVE SUMMARY

Following a recent full stocktake, stock to the value of \$37,572 is unaccounted for and should be written off.

RESOLUTION

That Council write-off unaccounted stock items to the value of \$37,572, as per the list presented.

MOVED: Cr. Hughes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #SP23.06.02
4/0

3. Adoption of 2023/24 Revenue Policy

EXECUTIVE SUMMARY

Section 193 of the Local Government Regulation 2012 requires local governments to review its Revenue Policy annually, in sufficient time to allow an annual budget to be adopted for the next financial year, consistent with the principles contained in the Revenue Policy.

The 2022/23 Revenue Policy has been reviewed and updated to allow the 2023/24 budget to be prepared in accordance with the proposed 23/24 Revenue Policy.

RESOLUTION

That Council adopt the proposed 2023/24 Revenue Policy.

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.06.03
4/0

4. 2023/24 Schedule of Fees & Charges

EXECUTIVE SUMMARY

Each year Council is required to adopt by resolution a Schedule of Fees & Charges for its services.

RESOLUTION

That in accordance with Section 97 of the *Local Government Act 2009* Council adopt the 2023/2024 Schedule of Fees and Charges.

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.06.04
4/0

ATTENDANCE

Cr. Royes declared a subscribed interest in the following agenda item and left the room at 9.30am.

5. Screening of Gravel for 2023 Flood Damage Works

EXECUTIVE SUMMARY

Terry Family Developments carried out the screening works for the 21 Flood Damage Works and provided a good service.

Based on Terry Family Developments quote they provide the best value for money for screening gravel for the 23 Flood Damage Event.

RESOLUTION

That Council resolves to accept the quote provided by Terry Family Developments for the Screening of Gravel for the 2023 Flood Damage Event to the value of \$986,500.00 Excl GST

MOVED: Cr. Gallagher

SECONDED: Cr. Barnes

**CARRIED
RESOLUTION #SP23.06.05
3/0**

ATTENDANCE

Cr. Royes returned to the meeting at 9.39am.

6. Supply of Dry Hire Rollers

EXECUTIVE SUMMARY

As Hasting Deering had rollers already established with Council there is no additional transport cost for the five already here there will be transport cost for the two extra rollers required approximately \$3500.00 for each roller.

There is also the benefit of Hasting Deering servicing these rollers when there due this also allows council to utilise the services of their technicians whilst in the area to action any issues that arise with council's fleet of caterpillar machinery at no extra cost.

All rollers have very low hours or are brand new machines which also is beneficial for productivity due less down time due to break downs.

As Council has an extensive flood damage program that runs for two years it is practical to have a long-term hire agreement in place for this work to meet the procurement and audit requirements of Local Government.

RESOLUTION

That Council resolves to accept the following Tender from Hasting Deering Rental Store for Supply of Dry Hire Rollers for the next 18 Months

Rollers	Recommended Tender	Hire Cost GST Excl
4 x Flat Drum Rollers	Hasting Deering Rental Store	\$339,480.00
3 x Multi tyre Rollers	Hasting Deering Rental Store	\$228,690.00

MOVED: Cr. Barnes

SECONDED: Cr. Royes

**CARRIED
RESOLUTION #SP23.06.06
4/0**

7. Kennedy Development Road CN – 19040 Installation of Pipes and Associate Concrete Works

EXECUTIVE SUMMARY

NCH Civil Construction have carried out works with Council in the past with there last works being on the Cobbold Gorge Road which included installing all the drainage structure on this project.

Whilst Council have had concerns with there performance in the past relating to resources and on the job management there works has been of good quality, they follow design and specification standards very well.

RESOLUTION

That Council resolves to accept the quote provided by NCH Civil Construction for Installation of Pipes and Associated Concrete Works on the Kennedy Developmental Road CN19040 to the value of \$307,976.60 Excl GST

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.06.07
4/0

CONCLUSION

There being no further business the Mayor declared the meeting closed at 9.46am. These minutes will be confirmed by Council at the General Meeting held on Wednesday 19th July 2023.

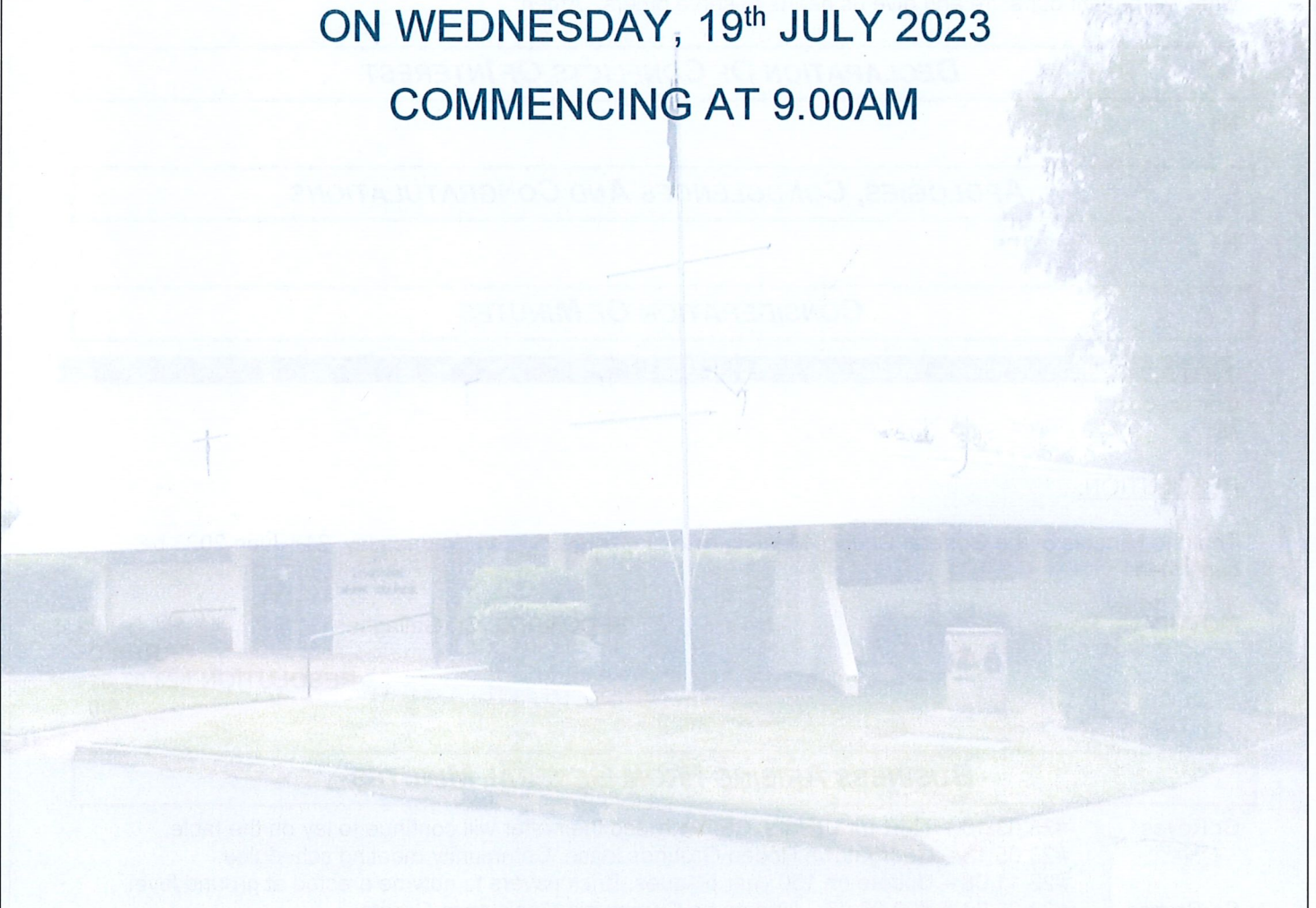
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MAYOR DATE



Etheridge Shire Council

UNCONFIRMED MINUTES

GENERAL MEETING OF
ETHERIDGE SHIRE COUNCIL
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY, 19TH JULY 2023
COMMENCING AT 9.00AM



ETHERIDGE SHIRE COUNCIL
MINUTES OF THE GENERAL MEETING
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY 19TH JULY 2023
COMMENCING AT 9.00AM

ATTENDANCE

Cr. Barry Hughes
Cr. Laurell Royes
Cr. Joe Haase
Cr. Tony Gallagher
Cr. Cameron Barnes

OFFICERS PRESENT

Mr. Ken Timms, Chief Executive Officer
Mr. Andrew McKenzie, Director Corporate Services
Mrs. Renee Bester, Executive Assistant

APOLOGIES

The Chair declared the meeting open at 9.01am and welcomed all in attendance.

ACKNOWLEDGEMENT TO COUNTRY

"We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice, and traditions, of their people."

PRAYER

"We ask that today you give us wisdom to make good decisions to benefit our communities. Help us see what will benefit our shire and give us hearts to serve others. Amen".

DECLARATION OF CONFLICTS OF INTEREST

Nil

APOLOGIES, CONDOLENCES AND CONGRATULATIONS

Nil

CONSIDERATION OF MINUTES

General Meeting Minutes – Wednesday 17th May 2023

Corrections:
Nil

RESOLUTION:

That the Minutes of the General Council Meeting held at Georgetown on Wednesday 21st June 2023 be confirmed.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.07.01
5/0

BUSINESS ARISING FROM GENERAL MINUTES

Cr Royes	#23.03.10 – TMR Pit Update. CEO advised their offer will continue to lay on the table.
	#23.05.13 – Georgetown Rodeo Grounds lease. Community meeting scheduled.
	#22.11.08 – Update on 150 year plaques. Brick pavers to now be erected at ground level.
Cr. Barnes	#23.06.06 & #23.06.07 – Update on Community Assistance Grants
	#23.05.04SP – Update on the Georgetown Housing Projects

#23.01.09 – Waste Transfer Station Update
#23.02.06 – Update on funding distribution.
Cr. Gallagher #22.11.24 – Tourism Proposal Charleston Dam

CONSIDERATION OF OPEN SESSION REPORTS

Director Corporate Services

1. Briefing Report

RESOLUTION

That Council acknowledges and receives the Director of Corporate Services' Briefing Report.

MOVED: Cr. Barnes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.07.02DCS
5/0

2. Financial Performance (Actual vs. Budget) for the period 1 July 2022 to 30 June 2023

EXECUTIVE SUMMARY

Section 204 of the Local Government Regulation 2012 requires the Chief Executive Officer to present a Financial Report of its accounts to the Local Government at least monthly.

RESOLUTION

That Council pursuant Section 204 of the *Local Government Regulation 2012*, resolve to adopt the monthly Financial Report the period ending 30th June 2023, as presented.

MOVED: Cr. Haase

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.07.03DCS
5/0

3. Fourth Quarter 2022/23 Operational Plan Progress Report

EXECUTIVE SUMMARY

In accordance with s174(3) of the Local Government Regulation 2012, tabled for Council's reception is the Chief Executive Officer's fourth quarter (1 July – 30 June 2023) progress report on implementing Council's 2022/23 Operational Plan.

RESOLUTION

That Council receive the fourth quarterly progress report on Council's progress toward implementing its 2022 / 23 Operational Plan.

MOVED: Cr. Gallagher

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.07.04DCS
5/0

4. Review of Procurement Policy

EXECUTIVE SUMMARY

Section 198 of the Local Government Regulation 2012 requires Council to prepare a Procurement Policy, and for the Policy to be reviewed annually.

As part of the development of Council 2023/24 Budget, a review of Council's Procurement Policy has been completed.

RESOLUTION

That in accordance with s198 of the Local Government Regulation 2012, Council adopt the reviewed Procurement Policy, as presented.

MOVED: Cr. Royes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.07.05DCS
5/0

5. RADF Meeting – 11 July 2023

EXECUTIVE SUMMARY

Council's RADF Advisory Committee held its most recent meeting on 11 July 2023. The minutes of the meeting are tabled for Council's review.

RESOLUTION

That Council receive the unconfirmed minutes of the RADF Advisory Committee meeting held 11 July 2023.

MOVED: Cr. Barnes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.07.06DCS
5/0

RESOLUTION

That Council go into closed session at 10.23am to discuss negotiations relating to legal advice obtained by the local government or legal proceedings involving the local government including, for example, legal proceedings that may be taken by or against the local government under section 254J of the Local Government Regulation 2012 which states that:

- (1) A local government may resolve that all or part of a meeting of the local government be closed to the public.
- (2) A committee of a local government may resolve that all or part of a meeting of the committee be closed to the public.
- (3) However, a local government or a committee of a local government may make a resolution about a local government meeting under subsection (1) or (2) only if its Councillors or members consider it necessary to close the meeting to discuss the sale of land.

MOVED: Cr. Gallagher

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.07
5/0

RESOLUTION

Council resolve to come out of closed session at 10.55am.

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.07.08
5/0

ADJOURNMENT

Council adjourned the meeting for Morning Tea at 10:56am.

RESUMPTION

Council resumed the meeting at 11.19 am

RESOLUTION

Council resolve to receive the update provided by the Director of Corporate Services regarding matters pertaining to operations at the student hostel.

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.07.09DCS
5/0

Director Of Engineering Services

6. Briefing Report

RESOLUTION

That Council acknowledges and receives the Director of Engineering's Briefing Report.

MOVED: Cr. Hughes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.07.10DES
5/0

Chief Executive Officer

7. Briefing Report

RESOLUTION

That Council acknowledges and receives the Chief Executive Officer's Briefing Report.

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #23.07.11CEO
4/0

ATTENDANCE

Cr Gallagher left the meeting at 12.30pm.

ADJOURNMENT

Council adjourned the meeting for Lunch at 12.30pm.

RESUMPTION

Council resumed the meeting at 1:10pm.

RESOLUTION

That Council resolve to schedule a Special Meeting – 2023/24 Budget at 9.00am on Wednesday 26th July 2023.

MOVED: Cr. Hughes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.12CEO
4/0

RESOLUTION

That Council resolve to delegate Mayor Barry Hughes to attend the FNQROC Federal Delegation in Canberra from 31st July – 3 August 2023.

MOVED: Cr. Royes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #23.07.13CEO
4/0

RESOLUTION

That Council resolve to tender for Queensland Restoration works for Zone 3.

MOVED: Cr. Hughes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.14CEO
4/0

8. Adoption of Sustainability Policy

EXECUTIVE SUMMARY

Council was one of 14 recipients of a grant to become a Sustainable Destination. Etheridge Shire Council, in partnership with Griffith University, has prepared a draft document including:

- Sustainability Policy
- The Sustainable Destinations Communications Plan
- Etheridge Sire Council Communications Plan

As part of this project, these draft documents were presented for community comment from 29th June to 10th July 2023. In addition, Community Information sessions were held in all four townships during the week beginning 3rd July 2023. No community feedback was received.

RESOLUTION

That Council adopt the following documents as presented:

- Sustainability Policy
- The Sustainable Destinations Communications Plan
- Etheridge Sire Council Communications Plan

MOVED: Cr. Barnes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.07.15CEO
4/0

CONSIDERATION OF OPEN SESSION ADDENDUM REPORTS

9. Shire Bus Request

EXECUTIVE SUMMARY

Council has received correspondence regarding a request for a Shire bus. This request follows the change in ownership of Bedrock Village and Undara Experience. The transport of students is no longer covered by insurance, and therefore Discovery Parks no longer approve their vehicles for this use. Principal of Mt Surprise State School, Brooke Chudleigh, has requested consideration of a shire community bus in order to minimise the effect this change will have on the students and community members of Mt Surprise.

RESOLUTION

That Council formally receive the correspondence and advise the Mt Surprise State School that in this instance Council is unable to fund the purchase of a Community Bus for Mt Surprise, however is more than willing to advocate on behalf the Mt Surprise State School to Education Queensland for greater assistance so the school can transport students to much needed learning activates.

MOVED: Cr. Royes

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #23.07.16CEO
4/0

10. LGAQ Conference Motion

EXECUTIVE SUMMARY

Proposed motion to be raised at the Annual LGAQ Conference.

The motion's focus is on the State Government to pressure for solutions, hopefully removing the need for ILUAs, but if that is not possible expediting the process of securing ILUAs and, most importantly of all, guaranteeing to pay all the costs involved in negotiating them and any ongoing costs e.g., royalties, employment guarantees, etc.

Etheridge Shire Council is needing to negotiate 201 ILUAs over the next couple of years. A huge cost to Council and jeopardies future road works jobs in the shire.

RESOLUTION

That Council propose the following motion at the Annual LGAQ Conference:-

That the LGAQ calls on the State Government to give greater priority to finding solutions to the unrealistic demands and high costs being imposed on councils renewing Quarry Sales Permits by the Department of Agriculture and Fisheries' (DAF) interpretation of the Native Title Act 1993 (NTA) and future action requirements.

MOVED: Cr. Haase

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.17CEO
4/0

11. Annual Valuation effective 30 June 2024

EXECUTIVE SUMMARY

Council has received correspondence from the Valuer General, Department of Resources seeking Council's views in relation to the revaluation of your local government area as part of the 2024 revaluation program that will take effect on 30 June 2024. Consistent with the Land Valuation Act 2010, Council is required to advise of their support or otherwise for a revaluation in 2024.

RESOLUTION

That Council formally receive the correspondence for the Annual Valuation Project to be undertaken by the Department of Resources effective 30 June 2024 and advise the Valuer-General, Department of Resources that Council has no objections to the project.

MOVED: Cr. Hughes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.18CEO
4/0

12. Grid Application

EXECUTIVE SUMMARY

Council has received an Application for a Grid to be installed on Mount Little Road, Gilbert River on the Littleton National Park Boundary. The grid will replace an existing 4 metre gate.

RESOLUTION

That Council formally accept and approve the Grid Application as presented to be located on the Mount Little Road, Gilbert River on the Littleton National Park Boundary subject to the following conditions (included in application):

- Agreement to urgent maintenance work

- Agreement to remove grid and make good

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #23.07.19CEO
4/0

RESOLUTION

That Council resolve to tender for the sale of 2000 Toyota Landcruiser Troop Carrier (VIN JTERB71J200005066).

MOVED: Cr. Haase

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.20CEO
4/0

RESOLUTION

That Council resolve that the Chief Executive Officer and Director of Corporate Services be delegated to consult with stakeholders and further negotiate the sale of a block of Industrial Land.

MOVED: Cr. Barnes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #23.07.21CEO
4/0

GENERAL BUSINESS

- Cr Barns - Cattle in the Charleston Dam Fenced Area, concerns about water quality as a result
- Cr Barns - Charleston Dam Boat Ramp has a severe lip upon entry from ground to cement surface

ATTENDANCE

Cr Haase declared a 'Declarable Conflict of Interest' in the following matter and left the meeting at 1.57pm. Cr Haase took no further part in the discussion.

ATTENDANCE

Cr Haase returned to the meeting at 2.08pm.

- Cr Barns - Request for Council consideration for travel expenses incurred by RADF committee
- Cr Gallagher - Traffic Control - Does Council have staff that are trained to do traffic control. We used to. If not, is it worthwhile having someone trained?
- Cr Gallagher - Still getting questions on Rural Addressing. Is it possible to go in the inform. What is the process for mining leases and claims, tourist free camps, replacement street signs etc.
- Cr Gallagher – Town entrance includes gate off hinges, flood rubbish on fence, man gate not operational, vacant blocks not mowed.
- Cr Gallagher – Issue relative to the movement of Shepherds onto the vacant block in the main street.
- Cr Haase - Riverwalk signage to include previous river heights/flood markers

CONCLUSION

There being no further business the Mayor declared the meeting closed at 2.18pm. These minutes will be confirmed by Council at the General Meeting held on Wednesday 16th August 2023.

...../...../.....
MAYOR DATE



Etheridge Shire Council

UNCONFIRMED MINUTES

SPECIAL BUDGET MEETING OF

ETHERIDGE SHIRE COUNCIL

HELD COUNCIL CHAMBERS,
GEORGETOWN

ON WEDNESDAY 26TH JULY 2023,

COMMENCING AT 9.00AM

ETHERIDGE SHIRE COUNCIL
MINUTES OF THE SPECIAL MEETING
HELD AT COUNCIL CHAMBERS, GEORGETOWN
ON WEDNESDAY 26TH JULY 2023
COMMENCING AT 9.00AM

ATTENDANCE

Crs, Barry Hughes, Laurell Royes, Joe Haase, Cameron Barnes Tony Gallagher.

OFFICERS PRESENT

Mr. Ken Timms, Chief Executive Officer
Mr. Andrew McKenzie, Director of Corporate Services
Mrs. Renee Bester, Executive Assistant to the Chief Executive Officer

The Mayor declared the meeting open at 9:00am and welcomed all in attendance.

ACKNOWLEDGEMENT TO COUNTRY

We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice and traditions, of their people.”

APOLOGIES

Nil.

PRAYER

“We ask that today you give us wisdom to make good decisions to benefit our communities. Help us see what will benefit our shire and give us hearts to serve others. Amen”.

CONSIDERATION OF OPEN REPORTS

1

Adoption of the 2023 - 2024 Etheridge Shire Council Budget

EXECUTIVE SUMMARY

The proposed 2023/2024 Budget has been prepared in accordance with the Local Government Act 2009 and the Local Government Regulation 2012; Budget priorities from the Councillors, Executive Management Team and the Corporate Plan Objectives (2021 – 2025).

The 2023/2024 Budget reveals total revenue from ordinary activities amounting to \$60,146,950; total expenses from ordinary activities (including depreciation) amounting to \$56,712,500 and capital expenditure amounting to \$14,254,350.

RESOLUTION

Pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's Budget for the 2023 - 2024 financial year, incorporating:

- i. The statements of income and expenditure
- ii. The statements of financial position;
- iii. The statements of cash flow;
- iv. The statements of changes in equity;
- v. The long-term financial forecast;
- vi. The revenue statement;
- vii. The revenue policy;
- viii. The relevant measures of financial sustainability; and
- ix. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget,

as tabled, be adopted.

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.07.01
5/0

2**Etheridge Shire Council – Operational Plan 2023 - 2024**EXECUTIVE SUMMARY

The Local Government Regulation 2012 requires councils to adopt an annual Operational Plan each financial year, which needs to be consistent with the annual budget and state how the local government will:

- (i) Progress the implementation of the 5 year corporate plan during the period of the annual operational plan; and
- (ii) Manage operational risks.

The Operational Plan identifies projects, initiatives and services that Council will deliver during this financial year toward achieving the long-term objectives of the Corporate Plan. It also provides direction to Council in setting the annual budget.

RESOLUTION

That Council:

Adopt the proposed Etheridge Shire Council Operational Plan 2023 - 2024 in accordance with Section 174 of the *Local Government Regulation 2012*.

MOVED: Cr. Gallagher

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #SP23.07.02
5/0

3**Etheridge Shire Council – Revenue Policy 2023 - 2024**EXECUTIVE SUMMARY

Section 169 (2)(3) of the Regulation requires a local government's budget to include a Revenue Policy. Section 193 of the Regulation requires the Revenue Policy to state -

- (a) The principles that the local government intends to apply in the financial year for -
 - (i) Levying of rates and charges; and
 - (ii) Granting concessions for rates and charges; and
 - (iii) Recovering overdue rates and charges; and
 - (iv) Cost-recovery fees
- (b) If the local government intends to grant concessions for rates and charges - the purpose for the concessions, and
- (c) The extent to which physical and social infrastructure costs for a new development are to be funded by charges for the development.

The Revenue Policy may state guidelines that may be used for preparing the local government's Revenue Statement.

RESOLUTION

That Council:

Notes the 2023 - 2024 Revenue Policy developed in accordance with and pursuant to Sections 169 and 193 of the *Local Government Regulation 2012* was adopted at its June 2023 Meeting.

MOVED: Cr. Barnes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #SP23.07.03
5/0

4**Adoption of the 2023 - 2024 Revenue Statement**EXECUTIVE SUMMARY

Section 169(2)(b) of the Local Government Regulation requires Council's Budget to include a Revenue Statement. The purpose of the document to explain the revenue measures adopted in the budget. Section 172 of the Regulation outlines the mandatory contents of the Revenue Statement.

RESOLUTION

That Council:

Adopt the Revenue Statement 2023 - 2024 prepared in accordance with Section 172 of the Local Government Regulation 2012.

MOVED: Cr. Gallagher

SECONDED: Cr. Hughes

CARRIED
RESOLUTION #SP23.07.04
5/0

5.

General Rates - Categorisation of land for Differential General Rates

EXECUTIVE SUMMARY

Section 81 of the Local Government Regulation requires Council to decide upon the categories of land for differential rating. As Council is proposing to levy differential rates, Council must first determine the rating categories and assign land to each category.

RESOLUTION

That Council: -

- (a) in accordance with section 81 of the Local Government Regulation 2012, categorise rateable land into the following rating categories according to description for each proposed rate category: -

Category 2 • Rural Land – Other

Description: Rural land that does not fall within any other rural category.

Category 3 • Urban Residential (Principal Place of Residence)

Description: All urban residential land, which is the owner's principal place of residence.

Category 4 • Urban Residential (Not Principal Place of Residence)

Description: Other urban residential land, not included in any other category, which is not the owner's principal place of residence.

Category 5 • Urban Land - Vacant

Description: Urban land that is vacant.

Category 6 • Rural – Large Scale Mixed Intensive Agriculture

Description: Rural land, that is not within any other rural category that is being utilised or has the potential to be utilised, in whole or in part, by virtue of improvements or activities conducted upon the property for a system of large scale intensive cultivation using large amounts of labour and/or high efficiency machinery for planting, cultivating and harvesting.

Category 7 • Rural – Large Scale Renewable Energy Farms

Description: Rural Land that is not within any other rural category that is being utilised or has the potential to be utilised in whole or in part by virtue of improvements or activities conducted upon the property for the production of electricity from renewable energy sources such as biomass, solar, wind, tidal, wave and water (i.e. hydro-electric).

Category 8 • Urban Commercial Land

Description: Rural Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a commercial purpose.

Category 9 • Urban Industrial Land

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for an industrial purpose.

Category 10 • Transport Terminals

Description: Land being utilized or having the potential to be utilized by virtue of improvements or activities conducted upon the property by trucking, earthmoving or similar providers.

Category 11 • Rural Tourism

Description: Rural land in whole or in part, being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for tourism purposes.

Category 13 • Extractive >5,000 tonnes

Description: All land used in whole or in part for licensed extractive industry purposes, where the quantity of material capable of being extracted is greater than 5,000 tonnes per annum.

Category 14 • Mining Claim

Description: Land upon which an approved Mining Tenement and or Mining Claim exists.

Category 15 • Mining Claim (< 5 workers, UV <\$70,000)

Description: Land that is a mine, has less than 5 workers and has an Unimproved Value less than \$70,000.

Definition(s) Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 16 • Mining (> 5 workers, UV <\$70,000)

Description: Land that is a mine has 5 workers or more and has an Unimproved Value less than \$70,000.

Definition(s) Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 17 • Mining (UV =>\$70,000)

Description: Land that is a mine and has an Unimproved Value of \$70,000 or more.

Definition(s) Mine:

Land that is the subject of a mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure that was used, is used, or intended to be used:-

. as a mine (or for purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation): or

. in conjunction with other land (the subject of a mining lease or other mine tenure) as part of an integrated mining operation.

Integrated mining operation:

Land contained in more than one mining lease (issued pursuant to the Mineral Resources Act 1989) or other form of tenure which land was used, is used, or intended to be used in an integrated manner for the purposes of mining or purposes ancillary or associated with mining such as, for example, washing down, processing, stockpiling, haulage, water storage and rehabilitation.

Category 18

• **Work Camps 15-29**

Description: All land used or intended to be used in whole or in part for workforce accommodation of 15 to 29 persons.

Category 19

• **Work Camps 30-99**

Description: All land used or intended to be used in whole or in part for workforce accommodation of 30 to 99 persons.

Category 20

• **Work Camps 100-200**

Description: All land used or intended to be used in whole or in part for workforce accommodation of 100 to 200 persons.

Category 21

• **Work Camps >200**

Description: All land used or intended to be used in whole or in part for workforce accommodation of greater than persons.

Category 22

• **Commercial – Utility Service Providers <1Ha**

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a Utility Service Provider (i.e. Telstra, Optus, Ergon, Energex) with and has an area less than one (1) Hectare (Ha)

Category 23

• **Commercial – Utility Service Providers 1-5Ha**

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a Utility Service Provider (i.e. Telstra, Optus, Ergon, Energex) with and has an area of one (1) Hectare but less than five (5) Hectares.

Category 24

• **Commercial – Utility Service Providers >=5Ha**

Description: Land being utilised or having the potential to be utilised by virtue of improvements or activities conducted upon the property for a Utility Service Provider (i.e. Telstra, Optus, Ergon, Energex) with and has an area equal to or greater than five (5) Hectares.

Category 25

• **Grazing and Agriculture <2,000Ha**

Description: Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area less than 2,000 Hectares.

Category 26

• **Grazing and Agriculture 2,000 - <5,000Ha**

Description: Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area greater than 2,000 Hectares but less than 5,000 Hectares.

Category 27

• **Grazing and Agriculture 5,000 - <25,000Ha**

Description: Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area greater than 5,000 Hectares but less than 25,000 Hectares.

Category 28

• **Grazing and Agriculture 25,000 - <50,000Ha**

Description: Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area greater than 25,000 Hectares but less than 50,000 Hectares.

Category 29

• **Grazing and Agriculture 50,000 - <150,000Ha**

Description: Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area greater than 50,000 Hectares but less than 150,000 Hectares.

Category 30**Description:****• Grazing and Agriculture >= 150,000Ha**

Rural land, that is not within any other category, predominantly used for cattle grazing or other conventional agriculture and has an area equal to or greater than 150,000 Hectares.

- (b) Council delegates to the Chief Executive Officer the power, pursuant to sections 81(4) and 81(5) of the Local Government Regulation 2012, to identify the rating category to which each parcel of rateable land belongs.

MOVED: Cr. Barnes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #SP23.07.05
5/0

6.

Setting of Differential General RatesEXECUTIVE SUMMARY

Having established the differential rate categories (above) Council must set the differential general rate to be levied upon each rate category.

RESOLUTION

That in accordance with section 80 of the Local Government Regulation 2012, Council resolve to levy the following differential general rates upon the associated rate category: -

DIFFERENTIAL RATING CATEGORIES 2023 - 2024

	Category	Cents in Dollar of Unimproved Valuation 2023 -2024
2	Rural Land Other	2.6818
3	Urban Residential (Principal Place of Residence)	3.7493
4	Urban Residential (Not Principal Place of Residence)	4.3059
5	Urban Land – Vacant	5.0071
6	Rural - Large Scale Mixed Intensive Agriculture	0.3925
7	Rural - Large Scale Renewable Energy Farms	24.6404
8	Urban Commercial Land	4.8000
9	Urban Industrial land	5.6000
10	Transport Terminals	5.6000
11	Rural Tourism	1.3770
13	Extractive >5,000 Tonnes	0.3925
14	Mining Claim	14.8544
15	Mining (<5 Workers, UV <\$70,000)	14.8544
16	Mining (>5 Workers, UV <\$70,000)	14.8544
17	Mining (UV =<\$70,000)	14.8544
18	Work Camps 15-29 Persons	24.6404
19	Work Camps 30-99 Persons	24.6404
20	Work Camps 100-200 Persons	24.6404
21	Work Camps >200 Persons	24.6404
22	Commercial - Utility Service Providers <1Ha	119.6546
23	Commercial - Utility Service Providers 1 – 5Ha	99.1154
24	Commercial - Utility Service Providers >= 5Ha	62.7515
25	Rural Land – Grazing and Agriculture <2,000Ha	0.4715
26	Rural Land – Grazing and Agriculture 2,000 - <5,000Ha	0.2986
27	Rural Land – Grazing and Agriculture 5,000 - <25,000Ha	0.2986

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28	Rural Land – Grazing and Agriculture 25,000 - <50,000Ha	0.3356
29	Rural Land – Grazing and Agriculture 50,000 - <150,000Ha	0.3359
30	Rural Land – Grazing and Agriculture >150,000Ha	0.3925

MOVED: Cr. Hughes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #SP23.07.06
5/0

7.

Minimum General Rate

RESOLUTION

In accordance with section 77 of the Local Government Regulation 2012, Council set the minimum general rate for the following rate categories: -

Minimum General Rates 2023 - 2024

	Category	Minimum General Rate 2023 - 2024
2	Rural Land Other	\$890
3	Urban Residential (Principal Place of Residence)	\$685
4	Urban Residential (Not Principal Place of Residence)	\$785
5	Urban Land – Vacant	\$785
6	Rural - Large Scale Mixed Intensive Agriculture	\$5,089
7	Rural - Large Scale Renewable Energy Farms	\$11,356
8	Urban Commercial Land	\$845
9	Urban Industrial land	\$845
10	Transport Terminals	\$2,200
11	Rural Tourism	\$1,019
13	Extractive >5,000 Tonnes	\$11,356
14	Mining Claim	\$204
15	Mining (<5 Workers, UV <\$70,000)	\$699
16	Mining (>5 Workers, UV <\$70,000)	\$13,230
17	Mining (UV =<\$70,000)	\$15,750
18	Work Camps 15-29 Persons	\$9,855
19	Work Camps 30-99 Persons	\$19,710
20	Work Camps 100-200 Persons	\$65,699
21	Work Camps >200 Persons	\$131,400
22	Commercial - Utility Service Providers <1Ha	\$8,027
23	Commercial - Utility Service Providers 1 – <5Ha	\$8,027
24	Commercial - Utility Service Providers >= 5Ha	\$8,027
25	Rural Land – Grazing and Agriculture <2,000Ha	\$1,019
26	Rural Land – Grazing and Agriculture 2,000 - <5,000Ha	\$1,019
27	Rural Land – Grazing and Agriculture 5,000 - <25,000Ha	\$1,019
28	Rural Land – Grazing and Agriculture 25,000 - <50,000Ha	\$2,545
29	Rural Land – Grazing and Agriculture 50,000 - <150,000Ha	\$5,089
30	Rural Land – Grazing and Agriculture >150,000Ha	\$10,177

MOVED: Cr. Royes

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #SP23.07.07
5/0

8.

Special Rates and Charges - Waste Management Special Charge

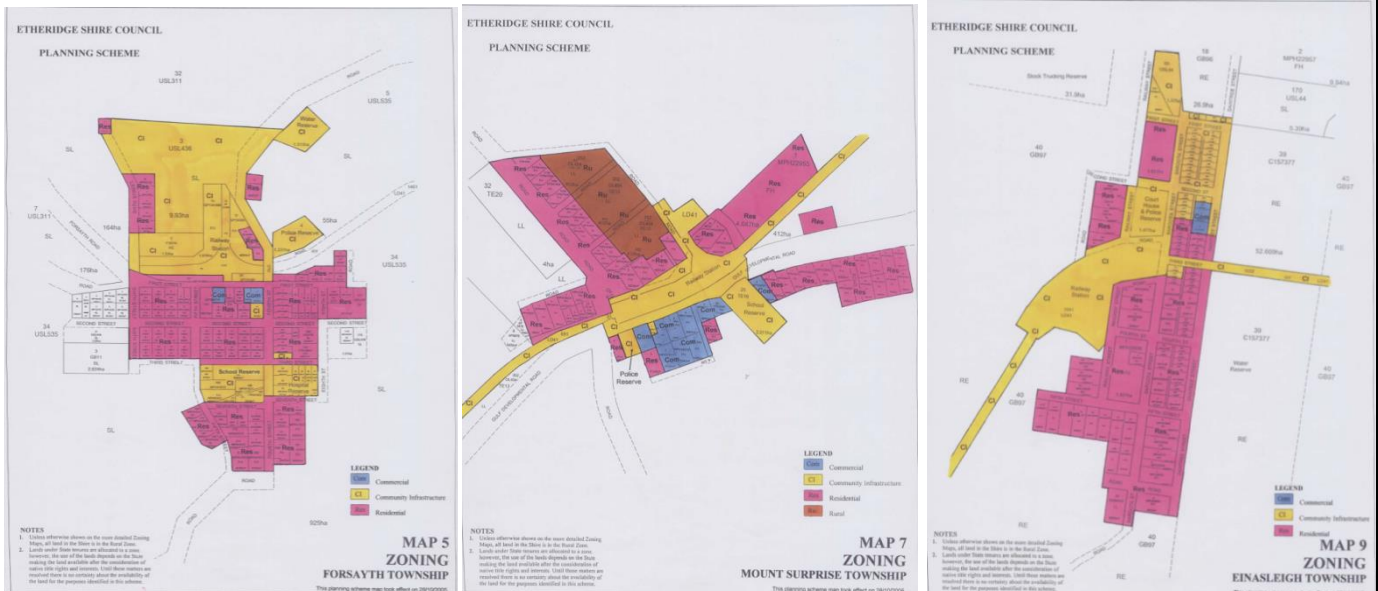
RESOLUTION

That Council:

Pursuant to section 94 of the Local Government Act 2009 and section 94 of the Local Government Regulation 2012, Council make and levy a special charge (to be known as the “Waste Management Special Charge”) of \$210.00, on all rateable land to which the overall plan applies, to fund the provision of maintenance and operations of all waste management facilities for the towns of Einasleigh, Mt Surprise and Forsyth.

The overall plan for the services, facilities and activities in respect of which the waste management special charge is made and levied shall be identified as follows:

- The rateable land to which the waste management special charge applies is land within each of the benefited areas described in the town area maps ‘Planning Maps – Einasleigh, Mt Surprise and Forsyth. Where a parcel of rateable land includes two or more lots, the charge will be levied on each lot.



- The service facility or activity for which the waste management special charge is made is for the provision of maintenance and operations of all waste management facilities for the towns of Einasleigh, Mt Surprise and Forsyth. The waste management special charge will substantially fund the activity, however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the special charge.
- Council considers that land contained within the defined areas receives an equal special benefit from access to the waste management facilities. Council also considers that the benefit is shared equally by all parcels of land regardless of the value of such land.
- The service facility or activity for which the waste management special charge is made is for the provision of waste management facilities as set out in the expenditure item in the budget document for the Shire of Etheridge for 2023-24.
- The time for implementing the overall plan is one (1) year ending 30 June 2024. However, provision of waste management facilities is an ongoing activity, and further waste management special charges are expected to be made in future years.
- The works and services specified in the overall plan will be carried out or provided during the year ending on 30 June 2024.
- The estimated cost of implementing the overall plan (being the cost of the planned works and replacement of capital items for 2023-24 is \$ 67,500.00.

- The waste management special charge is intended to raise all funds necessary to carry out the overall plan.

MOVED: Cr. Haase

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #SP23.07.08
5/0


9.

Utility Charges - Water Utility Charges


RESOLUTION


- (a) That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy water utility charges, for the supply of water services, as follows:


Township of Georgetown

 The amount of Water Base Charge – Georgetown (1 unit = \$37.16)		
	Units	Charge per Annum
Unconnected Lots	10 units	\$371.60
All Charitable & Religious Uses	10 units	\$371.60
20mm Service Connection	20 units	\$743.20
25mm Service Connection	30 units	\$1,114.80
32mm Service Connection	50 units	\$1,858.00
40mm Service Connection	80 units	\$2,972.80
50mm Service Connection	125 units	\$4,645.00
75mm Service Connection	280 units	\$10,404.80
80mm Service Connection	320 units	\$11,891.20
100mm Service Connection	500 units	\$18,580.00

Township of Forsayth

 The amount of Water Base Charge – Forsayth (1 unit = \$37.16)		
	Units	Charge per Annum
Unconnected Lots	10 units	\$371.60
All Charitable & Religious Uses	10 units	\$371.60
20mm Service Connection	20 units	\$743.20
25mm Service Connection	30 units	\$1,114.8
32mm Service Connection	50 units	\$1,858.00
40mm Service Connection	80 units	\$2,972.80
50mm Service Connection	125 units	\$4,645.00
75mm Service Connection	280 units	\$10,404.80
80mm Service Connection	320 units	\$11,891.20
100mm Service Connection	500 units	\$18,580.00

 The amount of Water Consumption Charge- Georgetown	
Georgetown	Charge per Annum
Per Kilotitre of Use	62.00 cents up to 700 kilolitres per half year
Per Kilotitre of Use	123.00 cents over 700 kilolitres per half year

 The amount of Water Consumption Charge- Forsayth	
Forsayth	Charge per Annum
Per Kilotitre of Use	99.00 cents up to 500 kilolitres per half year
Per Kilotitre of Use	216 cents over 500 kilolitres per half year

- (b) That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy a \$0.495 / kilolitre consumption charge, for the supply of raw water to the following rate assessments:

Assessment	Lot on Plan
501-50000	L53 on Plan SP242966
420-01354	L1 on Plan MPH2268
522-50000	L5306 on Plan SP287760
541-00000	L196 on Plan OL 149

- (c) Pursuant to section 102(2) of the Local Government Regulation 2012, a water meter is taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the meter is actually read.”

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.07.09
5/0

10.

Waste Management Services

RESOLUTION

That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy cleansing utility charges, for the supply of waste management services by the Council, as follows:

CLEANSING CHARGE

For each house / dwelling unit / improved property

The amount of the charge to be levied is \$594.00 per annum for a 240 litre mobile bin to be used for the removal of domestic refuse on a normal weekly collection day.

Additional Bins will be charged at \$535.00 per annum

Commercial, industrial of community Facility

The amount of the charge to be levied is \$594.00 per annum for a 240 litre mobile bin to be used for the removal of domestic refuse on a normal weekly collection day.

Additional Bins will be charged at \$535.00 per annum

Commercial, industrial of community Facility

The amount of the charge to be levied is \$828.00 per annum for a 900 litre mobile bin to be used for the removal of domestic refuse on a normal weekly collection day.

Additional Bins will be charged at \$746.00 per annum

MOVED: Cr. Royes

SECONDED: Cr. Haase

**CARRIED
RESOLUTION #SP23.07.10
5/0**

11.

Discount Period

RESOLUTION

That Council:

Pursuant to section 130 of the Local Government Regulation 2012, the differential general rates, water utility charges and cleansing utility charges made and levied shall be subject to a discount of 15% if paid within the discount period of 45 days of the date of issue of the rate notice provided that:

- (a) all of the aforementioned rates and charges are paid within 45 days of the date of issue of the rate notice;
- (b) all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 45 days after the date of issue of the rate notice; and
- (c) all other overdue rates and charges relating to the rateable assessment are paid within 45 days of the date of issue of the rate notice.

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

**CARRIED
RESOLUTION #SP23.07.11
5/0**

12.

Interest on Arrears

RESOLUTION

That in accordance with section 133 of the Local Government Regulation 2012, compound interest at the rate of 11.64% per annum is to be charged on all overdue rates or charges that remain unpaid after the appointed date for payment (i.e. the date on which the discount period closes) and includes assessments which are making payments of outstanding rates by instalment.

MOVED: Cr. Gallagher**SECONDED:** Cr. Royes**CARRIED**
RESOLUTION #SP23.07.12
5/0**13.****Fire & Rescue Levy**RESOLUTION

That Council pursuant to section 105 of the Local Government Regulation 2012 and section 114 of the Fire and Emergency Services Act 1990, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied:

- (a) for the full year 1 July 2023 to 30 June 2024 - in August/September;
- (b) Pursuant to section 118 of the Local Government Regulation 2012, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 45 days of the date of the issue of the rate notice.

MOVED: Cr. Royes**SECONDED:** Cr. Haase**CARRIED**
RESOLUTION #SP23.07.13
5/0**14.****Issue of Rate Notices**RESOLUTION

That Council:

- (a) Pursuant to section 104 of the Local Government Regulation 2012, Council will issue a rates notice to the owner of the land on which a rate or charge has been applied and furthermore Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied.
- (b) Council will issue notices on a yearly basis during the periods 01 July to 30 June in the respective financial year.

MOVED: Cr. Hughes**SECONDED:** Cr. Gallagher**CARRIED**
RESOLUTION #SP23.07.14
5/0**15.****Concessions and Rebates/Concession on Rates**RESOLUTION

That Council:

- (a) Pursuant to sections 120, 121 and 122 of the Local Government Regulation 2012, a rebate upon the differential general rate, cleansing charge, water base access charge and waste management special charge of \$250.00 per annum above the state government pensioner remission shall be granted to all ratepayers who are pensioners and who are eligible for the State Government pensioner remission and subject to the following conditions:
 - (i) Concessions are only available to approved pensioners who are in receipt of a pension from the Commonwealth Government.
 - (ii) An approved pensioner is one who is and remains an eligible holder of a Queensland 'Pensioner Concession Card' issued by the Department of Social Security or the Department of Veterans' Affairs, or a Queensland 'Repatriation Health Card – For all or specific conditions' issued by the Department of Veterans' Affairs.
 - (iii) The approved pensioner must be the owner / joint owner or life tenant of the property that is his/her principal place of residence. In the cases of co-ownership, the Council subsidy will apply to the full share of the gross rates and charges regardless if only one of the owners are entitled to an approved pension.

- (iv) The claimant must be a resident of the shire on the first day in July in the financial year in which the benefit is being claimed. Pensioners taking residence after that date will be eligible for a pro-rata concession based on the number of day's resident.
- (v) The concession is only available to claimant's who reside in a structure which has been approved by Council to be a habitable dwelling, and/or are in receipt of Council services.
- (vi) A pensioner's eligibility shall be confirmed through the Centrelink Customer Confirmation eService in all circumstances.
- (vii) Application for the above pensioner concessions is required only on initial application

MOVED: Cr. Barnes

SECONDED: Cr. Haase

CARRIED
RESOLUTION #SP23.07.15
5/0

16.

Concession for Non Profit Clubs & Associations

RESOLUTION

That Council:

- (a) Pursuant to sections 120, 121 and 122 of the Local Government Regulation 2012, Council will approve the following rating concession to the following Associations as shown within the table below:

<i>Concessions to Community & Sporting Groups 2023 - 2024</i>				
Club/Association	General Rate Concession 2023 - 2024	Water Access Charge	Water Consumption Charge	Cleansing Charge
Georgetown Golf Club	100%	N/A	N/A	N/A
William Wallace Lodge- Georgetown	100%	N/A	N/A	N/A
Forsyth Tennis Club	100%	N/A	N/A	N/A
Forsyth All Sports Club	100%	N/A	N/A	N/A
Forsyth Sporting Shooters Association	100%	N/A	N/A	N/A
Einasley Race Club	100%	N/A	N/A	N/A
Georgetown Turf Club	100%	N/A	N/A	N/A
Oak Park Race Club	100%	N/A	N/A	N/A
Mt Surprise Campdraft	100%	N/A	N/A	N/A
Roman Catholic Diocese of Cairns	100%	50%	N/A	N/A
The Corporation of the Synod of the Carpentaria Diocese	100%	50%	N/A	N/A
QCWA	100%	50%	N/A	N/A
Roman Catholic Diocese of Cairns	100%	50%	N/A	N/A
The Corporation of the Synod of the Carpentaria Diocese	100%	50%	N/A	N/A

MOVED: Cr. Haase

SECONDED: Cr. Gallagher

CARRIED
RESOLUTION #SP23.07.16
5/0

17.

Etheridge Shire Council – Budget Policy 2023 - 2024

EXECUTIVE SUMMARY

To assist in the annual budget process Council has developed a Policy called "Etheridge Shire Council Budget Policy" which provides a framework for the administration of the Budget and establishes guidelines to ensure that known variations to the budget are addressed in a timely manner.

RESOLUTION

That Council:
Resolve to adopt the Etheridge Shire Council - Budget Policy 2023 - 2024

MOVED: Cr. Royes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.07.17
5/0

18.

Statement of Estimated Financial Position FYE 2023

EXECUTIVE SUMMARY

In accordance with S.205 of the Local Government Regulation 2012 the Chief Executive Officer must present a statement of the “Estimated Financial Position” at the Local Government’s Annual Budget meeting.

The statement of “Estimated Financial Position” is a document stating the financial operations and financial position of the Local Government for the previous financial year.

RESOLUTION

That in accordance with section 205 of the Local Government Regulation 2012, the statement of the financial operations and financial position of Etheridge Shire Council in respect of the previous financial year (“the Statement of Estimated Financial Position”) be received and its contents noted.

MOVED: Cr. Barnes

SECONDED: Cr. Royes

CARRIED
RESOLUTION #SP23.07.18
5/0

19.

Etheridge Shire Council – Investment Policy 2023 - 2024

EXECUTIVE SUMMARY

To provide Council with a contemporary investment policy based on an assessment of counterparty, market and liquidity risk within the legislative framework of the Statutory Bodies Financial Arrangements Act and Regulations.

This Policy applies to the investment of surplus funds in accordance with investment powers under Part 6 of the Statutory Bodies Financial Arrangement Act 1982 (SBFAA).

RESOLUTION

That in accordance with section 191 of the Local Government Regulation 2012, Council adopt the Investment Policy 2023 - 2024 as presented.

MOVED: Cr. Hughes

SECONDED: Cr. Barnes

CARRIED
RESOLUTION #SP23.07.19
5/0

20.

Etheridge Shire Council’s – Borrowing Policy 2023 - 2024

EXECUTIVE SUMMARY

The Borrowing Policy provides for responsible financial management on loan funding for infrastructure capital projects by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties. This policy is in accordance with Section 192 of the Local Government Regulation 2012.

RESOLUTION

That in accordance with Section 192 of the Local Government Regulation 2012 Council adopt Etheridge the Borrowing Policy 2023 - 2024 as presented.

MOVED: Cr. Gallagher

SECONDED: Cr. Haase

CARRIED
RESOLUTION #SP23.07.20
5/0

UNCONFIRMED MINUTES – SPECIAL BUDGET MEETING, 26th JULY 2023

On behalf of Council, the Mayor wishes to thank the Council Officers that have been involved with collating information for the 2023 - 2024 budget and acknowledges the efforts that have gone towards delivering a balanced budget.

CONCLUSION

There being no further business the Mayor declared the Meeting closed at 9:30am. These minutes will be confirmed by Council at the General Meeting held on the Wednesday, 16th August 2023.

.....
MAYOR

...../...../.....
DATE

Business Arising				
#	Resolution	Officer	Action Taken	Progress
26th July 2023				
SP23.07.01	Pursuant to sections 169 and 170 of the Local Government Regulation 2012, Council's Budget for the 2023 - 2024 financial year, incorporating: i. The statements of income and expenditure ii. The statements of financial position; iii. The statements of cash flow; iv. The statements of changes in equity; v. The long-term financial forecast; vi. The revenue statement; vii. The revenue policy; viii. The relevant measures of financial sustainability; and ix. The total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget, as tabled, be adopted.	DCS	Budget Document is being prepared for posting on Council's website.	In progress
SP23.07.02	That Council: Adopt the proposed Etheridge Shire Council Operational Plan 2023 - 2024 in accordance with Section 174 of the Local Government Regulation 2012.	DCS	No action to date	No action taken
SP23.07.03	That Council: Notes the 2023 - 2024 Revenue Policy developed in accordance with and pursuant to Sections 169 and 193 of the Local Government Regulation 2012 was adopted at its June 2023 Meeting.	DCS	No action required	Complete
SP23.07.04	That Council: Adopt the Revenue Statement 2023 - 2024 prepared in accordance with Section 172 of the Local Government Regulation 2012.	DCS	No action to date	No action taken
SP23.07.05	That Council: - (a) in accordance with section 81 of the Local Government Regulation 2012, categorise rateable land into the following rating categories according to description for each proposed rate category: - (b) Council delegates to the Chief Executive Officer the power, pursuant to sections 81(4) and 81(5) of the Local Government Regulation 2012, to identify the rating category to which each parcel of rateable land belongs.	DCS	completed	Complete
SP23.07.06	That in accordance with section 80 of the Local Government Regulation 2012, Council resolve to levy the following differential general rates upon the associated rate category: -	DCS	No action to date	No action taken
SP23.07.07	In accordance with section 77 of the Local Government Regulation 2012, Council set the minimum general rate for the following rate categories: -	DCS	No action to date	No action taken
SP23.07.08	Pursuant to section 94 of the Local Government Act 2009 and section 94 of the Local Government Regulation 2012, Council make and levy a special charge (to be known as the "Waste Management Special Charge") of \$210.00, on all rateable land to which the overall plan applies, to fund the provision of maintenance and operations of all waste management facilities for the towns of Einasleigh, Mt Surprise and Forsyth. The overall plan for the services, facilities and activities in respect of which the waste management special charge is made and levied shall be identified as follows: • The rateable land to which the waste management special charge applies is land within each of the benefited areas described in the town area maps 'Planning Maps – Einasleigh, Mt Surprise and Forsyth. Where a parcel of rateable land includes two or more lots, the charge will be levied on each lot. • The service facility or activity for which the waste management special charge is made is for the provision of maintenance and operations of all waste management facilities for the towns of Einasleigh, Mt Surprise and Forsyth. The waste management special charge will substantially fund the activity, however Council may determine to subsidise the service in view of the high costs of this service provision and the undue hardship that may result if full cost recovery was sought from the special charge. • Council considers that land contained within the defined areas receives an equal special benefit from access to the waste management facilities. Council also considers that the benefit is shared equally by all parcels of land regardless of the value of such land. • The service facility or activity for which the waste management special charge is made is for the provision of waste management facilities as set out in the expenditure item in the budget document for the Shire of Etheridge for 2023-24. • The time for implementing the overall plan is one (1) year ending 30 June 2024. However, provision of waste management facilities is an ongoing activity, and further waste management special charges are expected to be made in future years. • The works and services specified in the overall plan will be carried out or provided during the year ending on 30 June 2024. The estimated cost of implementing the overall plan being the cost of the planned works and replacement of capital items for 2023-24 is \$	DCS	No action to date	No action taken
SP23.07.09	(a) That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy water utility charges, for the supply of water services, as follows: (b) That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy a \$0.495 / kilolitre consumption charge, for the supply of raw water to the following rate assessments: Assessment Lot on Plan 501-50000L53 on Plan SP242966 420-01354L1 on Plan MPH2268 522-50000L5306 on Plan SP287760 541-00000L196 on Plan OL 149 (c) Pursuant to section 102(2) of the Local Government Regulation 2012, a water meter is taken to have been read during the period that starts 2 weeks before, and ends 2 weeks after, the day on which the meter is actually read.	DCS	No action to date	No action taken
SP23.07.10	That in accordance with section 94 of the Local Government Act 2009 and section 99 of the Local Government Regulation 2012, Council make and levy cleansing utility charges, for the supply of waste management services by the Council	DCS	No action to date	No action taken

SP23.07.11	That Council: Pursuant to section 130 of the Local Government Regulation 2012, the differential general rates, water utility charges and cleansing utility charges made and levied shall be subject to a discount of 15% if paid within the discount period of 45 days of the date of issue of the rate notice provided that: (a)all of the aforementioned rates and charges are paid within 45 days of the date of issue of the rate notice; (b)all other rates and charges appearing on the rate notice (that are not subject to a discount) are paid within 45 days after the date of issue of the rate notice; and (c)all other overdue rates and charges relating to the rateable assessment are paid within 45 days of the date of issue of the rate notice.	DCS	No action to date	No action taken
SP23.07.12	That in accordance with section 133 of the Local Government Regulation 2012, compound interest at the rate of 11.64% per annum is to be charged on all overdue rates or charges that remain unpaid after the appointed date for payment (i.e. the date on which the discount period closes) and includes assessments which are making payments of outstanding rates by instalment.	DCS	No action to date	No action taken
SP23.07.13	That Council pursuant to section 105 of the Local Government Regulation 2012 and section 114 of the Fire and Emergency Services Act 1990, Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy be levied: (a)for the full year 1 July 2023 to 30 June 2024 - in August/September; (b)Pursuant to section 118 of the Local Government Regulation 2012, that Council's rates and charges, and the State Government's Emergency Management, Fire and Rescue Levy, be paid within 45 days of the date of the issue of the rate notice.	DCS	No action to date	No action taken
SP23.07.14	That Council: (a)Pursuant to section 104 of the Local Government Regulation 2012, Council will issue a rates notice to the owner of the land on which a rate or charge has been applied and furthermore Rates notices shall include the date the notice was issued, the date by which time the rate must be paid and any discounts, rebates or concessions applied. (b)Council will issue notices on a yearly basis during the periods 01 July to 30 June in the respective financial year.	DCS	No action to date	No action taken
SP23.07.15	That Council: (a)Pursuant to sections 120, 121 and 122 of the Local Government Regulation 2012, a rebate upon the differential general rate, cleansing charge, water base access charge and waste management special charge of \$250.00 per annum above the state government pensioner remission shall be granted to all ratepayers who are pensioners and who are eligible for the State Government pensioner remission and subject to the following conditions: (i)Concessions are only available to approved pensioners who are in receipt of a pension from the Commonwealth Government. (ii)An approved pensioner is one who is and remains an eligible holder of a Queensland 'Pensioner Concession Card' issued by the Department of Social Security or the Department of Veterans' Affairs, or a Queensland 'Repatriation Health Card - For all or specific conditions' issued by the Department of Veterans' Affairs. (iii)The approved pensioner must be the owner / joint owner or life tenant of the property that is his/her principal place of residence. In the cases of co-ownership, the Council subsidy will apply to the full share of the gross rates and charges regardless if only one of the owners are entitled to an approved pension. (iv)The claimant must be a resident of the shire on the first day in July in the financial year in which the benefit is being claimed. Pensioners taking residence after that date will be eligible for a pro-rata concession based on the number of day's resident. (v)The concession is only available to claimant's who reside in a structure which has been approved by Council to be a habitable dwelling, and/or are in receipt of Council services. (vi)A pensioner's eligibility shall be confirmed through the Council's Customer Confirmation of Service in all circumstances.	DCS	No action to date	No action taken
SP23.07.16	That Council: (a)Pursuant to sections 120, 121 and 122 of the Local Government Regulation 2012, Council will approve the following rating concession to the following Associations as shown within the table below:	DCS	No action to date	No action taken
SP23.07.17	That Council: Resolve to adopt the Etheridge Shire Council - Budget Policy 2023 - 2024	DCS	No action to date	No action taken
SP23.07.18	That in accordance with section 205 of the Local Government Regulation 2012, the statement of the financial operations and financial position of Etheridge Shire Council in respect of the previous financial year ("the Statement of Estimated Financial Position") be received and its contents noted.	DCS	No action to date	No action taken
SP23.07.19	That in accordance with section 191 of the Local Government Regulation 2012, Council adopt the Investment Policy 2023 - 2024 as presented.	DCS	No action to date	No action taken
SP23.07.20	That in accordance with Section 192 of the Local Government Regulation 2012 Council adopt Etheridge the Borrowing Policy 2023 - 2024 as presented.	DCS	No action to date	No action taken
19th July 2023				
23.07.05	That in accordance with s198 of the Local Government Regulation 2012, Council adopt the reviewed Procurement Policy, as presented.	DCS	Procurement delegations have been implemented.	Complete
23.07.06	That Council receive the unconfirmed minutes of the RADF Advisory Committee meeting held 11 July 2023.	DCS	No action required	Complete
23.07.09	That Council resolve to receive the update provided by the Director of Corporate Services regarding matters pertaining to operations at the student hostel.	DCS	No action required	Complete
23.07.12	That Council resolve to schedule a Special Meeting - 2023/24 Budget at 9.00am on Wednesday 26th July 2023.	CEO	Organised	Complete
23.07.13	That Council resolve to delegate Mayor Barry Hughes to attend the FNQROC Federal Delegation in Canberra from 31st July - 3 August 2023.	CEO	Organised	Complete
23.07.14	That Council resolve to tender for Queensland Restoration works for Zone 3.	DES	Advertised	Complete
23.07.15	That Council adopt the following documents as presented: - Sustainability Policy - The Sustainable Destinations Communications Plan - Etheridge Shire Council Communications Plan	CEO	Griffith advised of same and put on the web page	Complete
23.07.16	That Council formally receive the correspondence and advise Mt Surprise State School that in this instance Council is unable to fund the purchase of a Community Bus for Mt Surprise, however is more than willing to advocate on behalf of the Mt Surprise State School to Education Queensland for greater assistance so the school can transport students to much needed learning activities.	CEO	Responded to Mt Surprise State School advising same	Complete
23.07.17	That Council Propose the following motion at the Annual LGAQ Conference:- That the LGAQ calls on the State Government to give greater priority to finding solutions to the unrealistic demands and high costs being imposed on councils renewing Quarry Sales Permits by the Department of Agriculture and Fisheries (DAF) interpretation of the Native Title Act 1993 (NTA) and future action requirements.	CEO	Motion has been sent to LGAQ for consideration	Complete
23.07.18	That Council formally receive the correspondence for the Annual Valuation Project to be undertaken by the Department of Resources effective 30 June 2024 and advise the Valuer-General, Department of Resources that Council has no objections to the project.	CEO	Correspondence sent	Complete
23.07.19	That Council formally accept and approve the Grid Application as presented to be located on the Mount Little Road, Gilbert River on the Littleton National Park Boundary subject to the following conditions (included in application): - Agreement to urgent maintenance work - Agreement to remove grid and make good	DES		No action taken

23.07.20	That Council resolve to tender for the sale of the 2000 Toyota Landcruiser Troop Carrier (VIN JTERB71J200005066).	DES	Part of the August Council meeting	In progress
23.07.21	That Council resolve that the Chief Executive Officer and Director of Corporate Services be delegated to consult with stakeholders and further negotiate the sale of a block of Industrial Land.	CEO	Negotiations have commenced.	In progress
Outstanding Business				
#	Resolution	Officer	Action Taken	Progress
28th June 2023				
SP23.06.01	That in accordance with s170(3) of the Local Government Regulation 2012, Council amend is 2022/23 budget as per the attached list of proposed amendments.	DCS	Implemented	Complete
SP23.06.02	That Council write-off unaccounted stock items to the value of \$37,572 as per the list presented.	DCS	Stock written off	Complete
SP23.06.03	That Council adopt the proposed 2023/24 Revenue Policy	DCS	Policy guided development of 23/24 Budget	Complete
SP23.06.04	That in accordance with Section 97 of the Local Government Act 2009, Council adopt the 2023/2024 Schedule of Fees and Charges	DCS	New fees have been implemented	Complete
SP23.06.05	That Council resolves to accept the quote provided by Terry Family Developments for the Screening of Gravel for the 2023 Flood Damage Event to the value of \$986,500.00 Excl GST.	DES	Purchase order raised	Complete
SP23.06.06	That Council resolves to accept the following tender from Hastings Deering Rental Store for Supply of Dry Hire Rollers for the next 18 months.	DES	Purchase order raised	Complete
SP23.06.07	That Council resolves to accept the quote provided by NCH Civil Construction for Installation of Pipes and Associated Concrete Works on the Kennedy Development Road CN19040 to the value of \$307,976.60 excl GST	DES	Purchase order raised	Complete
21st June 2023				
23.06.10	That Council hold further consideration of this matter over to its next available workshop, to benefit from the advice of its consulting Town Planner.	DCS	Refer to August Meeting Report	Complete
17th May 2023				
23.05.13	That Council resolve to: a) Receive and accept correspondence from the Georgetown Horse & Pony Club Inc (ABN 63 056 246 281) also known as Georgetown Campdraft to relinquish the shire lease that they currently hold over Lot 18 on Plan CP850073 described as the Rodeo Grounds, Hayman Street, Georgetown. b) Relinquish the lease as of 17th May 2023 and Council resume responsibility for the Georgetown Equestrian Grounds located at Hayman Street (Lot 18 on Plan CP850073) c) Consult the affected clubs with regard to the future use of the Georgetown Equestrian Grounds.	CEO	Letter sent and meeting to be held.	In progress
5th May 2023 - Special Meeting				
23.05.04SP	That Council resolves to accept the following Tender from Bay Investments Pty Ltd trading as Oly Homes for Six (6) x 2 Bedroom Modular Homes, Mandatory Inclusions for the Independent Living Facility Stage 1. Lot 5 Racecourse Road. Oly homes to Build Deliver Install and Complete the Six homes by end of March 2024. Address Recommended Tender Purchase Price GST Excl Lot 5 Racecourse Road Bay Investments QLD P/L, T/A Oly Homes \$1,703,263.32	DCS	No action taken until confirmation of funding sources (grants / loans). Applications for both have been submitted and are under assessment by the funding bodies	In progress
23.05.05SP	That Council resolves to accept the following Tender from Bay Investments Pty Ltd trading as Oly Homes for Six (6) x 2 Bedroom Modular Homes, Mandatory Inclusions for the Staff Housing Project at 8 Green Street. (Lot 105 on SP295139) Oly homes to Build Deliver Install and Complete the Six homes by end of March 2024. Address Recommended Tender Purchase Price GST Excl 8 Green Street Bay Investments QLD P/L, T/A Oly Homes \$1,556,077.32	DCS	No action taken until confirmation of funding sources (loans). Loan application has been submitted and is under assessment by the Department	In progress
15th March 2023				
23.03.10	Council resolves to let the matter lay on the table until the next Council meeting. (TMR Pit Endorsement)	DES	To presented at a future meeting	In progress
16th November 2022				
22.11.05	That Council resolve to implement the normal version Snap, Send Solve as a further avenue for residents and members of the public to lodge customer requests and report faults. With a review process to be undertaken 6 months after implementation.	DCS	Refer to August Meeting Report	In progress
22.11.08	That Council resolve to proceed with this project by engaging Steven Ryan to construct same and amend the budget at the next review to cover the additional construction costs.	DCS	Project re-scoped. Contractor engaged to lay path by no later than 31 December 2023	In Progress
19th January 2022				
22.01.9	That Council resolves to: 1. Construct a pilot waste transfer station at Forsyth to conform with EPA recommendation for the future of the Forsyth Landfill operation and furthermore modernise the site for sustainable environmental practices. 2. Furthermore that council advise the community of Forsyth of the proposed changes to the waste disposal to the township. 3. Nominate the Forsyth transfer station for funding under the Regional and Remote Recycling Modernisation Fund, with a proposed council contribution of \$100,000 or 20%. 4. Should the funding application be unsuccessful, Council allocate \$50,000 in the 2022/23 budget for the design of transfer station to be funded in a future budget.	DES	Specifications and design for proposed Transfer Station are being drawn up. Funding has been applied for. Waiting for notification if EOI application has been successful. Grant unsuccessful. LRCI Phase 3 funding to fund project Planning and design to commenced	In progress



Etheridge Shire Council

DIRECTOR OF CORPORATE SERVICES

Briefing Report

1 Key Points of Interest

Summary of matters within the Department – presented 16th August 2023:

- Sale for Arrears of Rates: The next review of rate assessments eligible for sale for arrears will occur in October / November, once outstanding assessments from the forthcoming levy fall into arrears.
- MoU with QHealth: I remain in contact with CHHHS for the development of the proposed MoU, although a draft MoU is yet to materialize.
- DSDILGP / KPMG liquidity and sustainability framework review: KPMG are continuing to analyse Council's financial information. They have provided a draft cash flow forecasting tool for review. Once Council's budget has been adopted, I will be able to return to this project.
- WCF & Loan Application: Per Council's February resolution to finance the Independent Living Facility and Staff Housing Project from funds (to be offset with grants), Council's application was submitted on 27th April. On Friday 19th May, I was informed by the Dept that consideration of our loan application would be held over until July, however they would continue to assess our application for a working capital facility. This too has been placed on hold until after the adoption of the budget – I will shortly return to this.
- Mt Surprise Water: I remain in contact with the investigative teams of the respective State Government Agencies. In essence water sampling continues to monitor the contamination and identify its source. Within the last 2 weeks, the Hall bore was purged to see the effects on the water recharge. An inspection over a week later witnessed the return of the petroleum layer.

2 Operational Matters

- Internal Audit: Please refer to the report bringing the Audit Committee Meeting minutes before Council.
- External Audit: Please refer to the report bringing the Audit Committee Meeting minutes before Council. The final audit visit is scheduled for week commencing 11th September 2023.
- Audit Committee: Please refer to the report bringing the Audit Committee Meeting minutes before Council.
- Snap Send Solve: Please see Agenda Report on Snap Send Solve trial.
- NexGen implementation: Council has signed an agreement with LocalBuy to install Nex Gen. We are still arranging mutually convenient dates for its implementation.
- 23/24 Budget Development: Council's budget was adopted at its special (budget meeting) held 26th July 2023.

3 Projects

- Georgetown Independent Living Facility:

- Legals: As verbally advised at the July Meeting, QCAT granted Council an exemption from the Anti-discrimination Act. I'm currently reviewing the initial draft of the proposed tenancy agreement. Once drafted, this will complete this element of the NWMP grant.
 - Project Delivery: Council accepted the Tender submission from Oly Homes at its Special Meeting held 5th May 2023. Orders have not yet been released, pending confirmation of funding.
 - HIF Grant Application: Council's application was lodged by the due date. Council's application was shortlisted for further consideration. Project Manager, Rob Jaggar and I participated in a video conference with the HIF project team. We are yet to see the information request for the next stage in the application process, which has to be lodged in September. The HIF team made it abundantly clear it is still a competitive process, meaning they are unable to "fast – track" our application (for the record, we asked and it was noted that we were well advanced in project delivery).
 - Civil design: I understand that the civil designs have been completed.
- Biosecurity Plan: Awaiting feedback from SGNRM on availability to write our local Biosecurity Plan.
 - Town Common Policy: Council has given a direction to cease implementing the Town Common Policy, but have stopped short of rescinding it. Letters have been sent to agistees advising the policy remains under consideration, and no active effort will be made to implement the current version of the Policy.
 - General Ledger re-write: The new Chart of accounts was rolled Wednesday 25th January. Council's budget has been entered. Coding to AAS 27 reports has been completed. We are now tidying the reporting between Job costing to General Ledger. Once done, this project will be fully complete.
 - Website review: Work has resumed on reviewing Council's website. Please note that the proposed Budget allocation for a full overhaul of the website was cut from the Budget. The review will effectively result in a refresh rather than a full overhaul.
 - Disaster Dashboard: An order has been issued to QIT to develop and embed a disaster dashboard into our website. The proposed Dashboard was presented to the June Meeting. Council's feedback has been referred to QIT for inclusion within the dashboard.
 - Keyless Entry Project (MPSC & Pool): An order has been issued to North Queensland Video Surveillance (NQVS) to install a key-less entry system. We remain on track to deliver this project within the required timeframe (31/12/2023). Our supplier has indicated an installation date in August.
 - Land Use Compliance Reviews:
 - Georgetown: the first suite of letters will shortly be issued, addressed to owners of class 10 structures being used for habitation.
 - Please refer to the Agenda Item to accept Council's consulting Town Planner's report.

4

Calendar of Events

Past Month:

- 20th July: sound engineers inspected Shire Hall
- 20th July: HIF Teams Meeting
- 20th July: CEO & Finance meeting (EOFY reporting & budget progress meeting)
- 24th July: Finance Meeting
- 25th July: LDMG Resupply training
- 25th July: Meeting with Shepherds (2023/24 Asset Valuations)
- 26th July: Budget Meeting
- 27th July: LDMG Exercise and LDMG Meeting
- 4th August: Forsayth Turnout
- 14th August: EMU training
- 16th August: Council Meeting

Next Month:

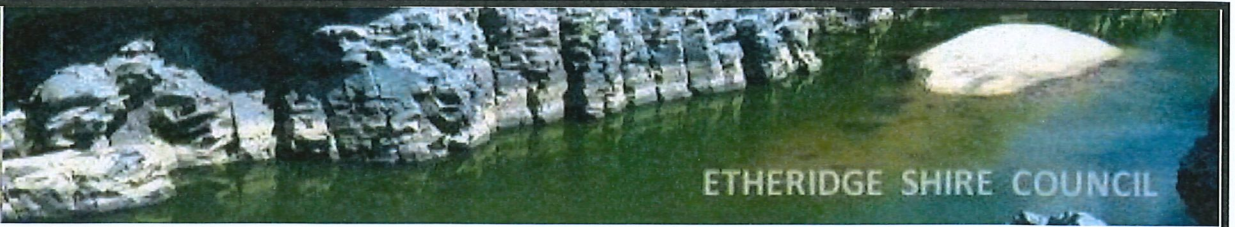
- 20th September: Council Meeting

6

Other

- Council has re-submitted its applications for funding (50/50) for Walking Path Network studies for Forsyth, Einasleigh and Mt Surprise. Council has not budgeted for its co-contribution in the 23/24 budget, and will need to consider whether to proceed or not if any of the applications are successful.
- Council was recently advised that its DRF application for multi-purpose / multi-agency disaster coordination centre was unsuccessful. Meeting with QRA's CEO indicated support for Council to resubmit the application when the next round opens.
- Student Hostel Capital Grant: Council was successful in its application for \$50,000 (toward a project cost) of \$120,000 to refurbish parts of the Student Hostel (bathrooms & fire safety). Work is planned for either the September 2023 mid-semester school holidays or end of year holidays.
- NWMP Stage 2: Council has received \$30,000 as the advance payment under the North West Mineral Province Building Sustainable Communities Program to commence stage 1 of the development of the Riverwalk.

Andrew McKenzie
Director of Corporate Services



Etheridge Shire Council

*July 31
Financial Reports
Council Meeting
August 2023*

**Mayor and Councillors
Etheridge Shire Council
Georgetown Qld 4871**

Highlights of this Month's Financial Report

Reporting Period:=-

31-July-2023

Revenue

Total revenue of \$ 0.9 M. representing 1.4% of YTD Council adopted of \$ 69.2 M.

These statements are for 1 months of the financial year and generally would represent 8 % of the overall budget.

Expenditure

Expenditure incurred was \$ 2.9 M for the same period and representing 4.4 % of full year budgeted expenditure of \$ 65.7 M. compared with 8% for expected period expenditure.

Outcome

The Operating Result for the report period is a Loss of \$1.935M

**Etheridge Shire Council
Index of Attached Reports**

Jun-23

Highlights

Index

1. Cash Position
2. Monthly Cash Flow Estimate
3. Comparative Data
4. Capital Funding Summary
5. Road Works Expenditure

Capital Funding Detail (WIP)

Rates Outstanding Balances

Rates Control Totals

PCS Revenue and Expenditure Budget (Lvl 3 No cents) (3 Pages)

PCS Balance Sheet Summary (Lvl 3, No cents) (3 Pages)

PCS Statement of Financial Position

PCS Statement of Cash Flow

Etheridge Shire Council

2022-2023

June

CASH AT BANK		
Operating Account		295,903
Cash and Floats on Hand		1,500
SHORT TERM INVESTMENTS		
QTC Cash Fund		15,854,949
	Total	\$ 16,152,352
<p>The following items should be backed by cash and investments, plus any increases in the surplus of Debtors over Creditors.</p>		
Cash backed Current Liabilities (AL,LSL,SL,RDO)		919,316
Restricted cash - grants received not acquitted/spent less grants receivable		13,984,713
		\$ 14,904,028
<p>Balance of estimated rates/other debtors - estimated creditors:</p>		
	(1,457,429 - 620,748)	\$ 836,680
Plus cash surplus	\$ 16,152,352 - \$ 14,904,028	\$ 1,248,324
Working Capital	Total	\$ 2,085,004

Cash Flow Estimate To 31 August

Receipts

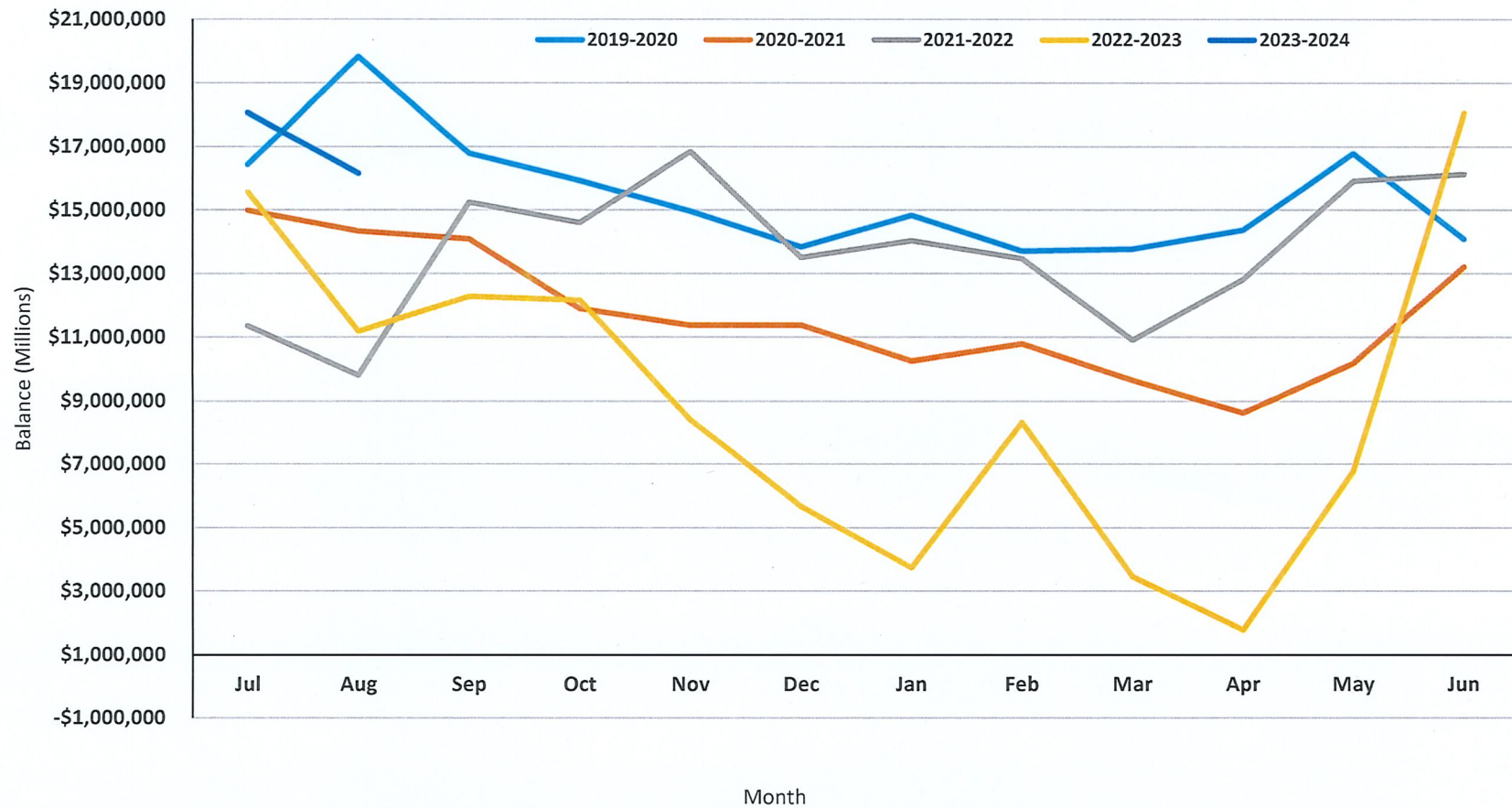
Expenditure

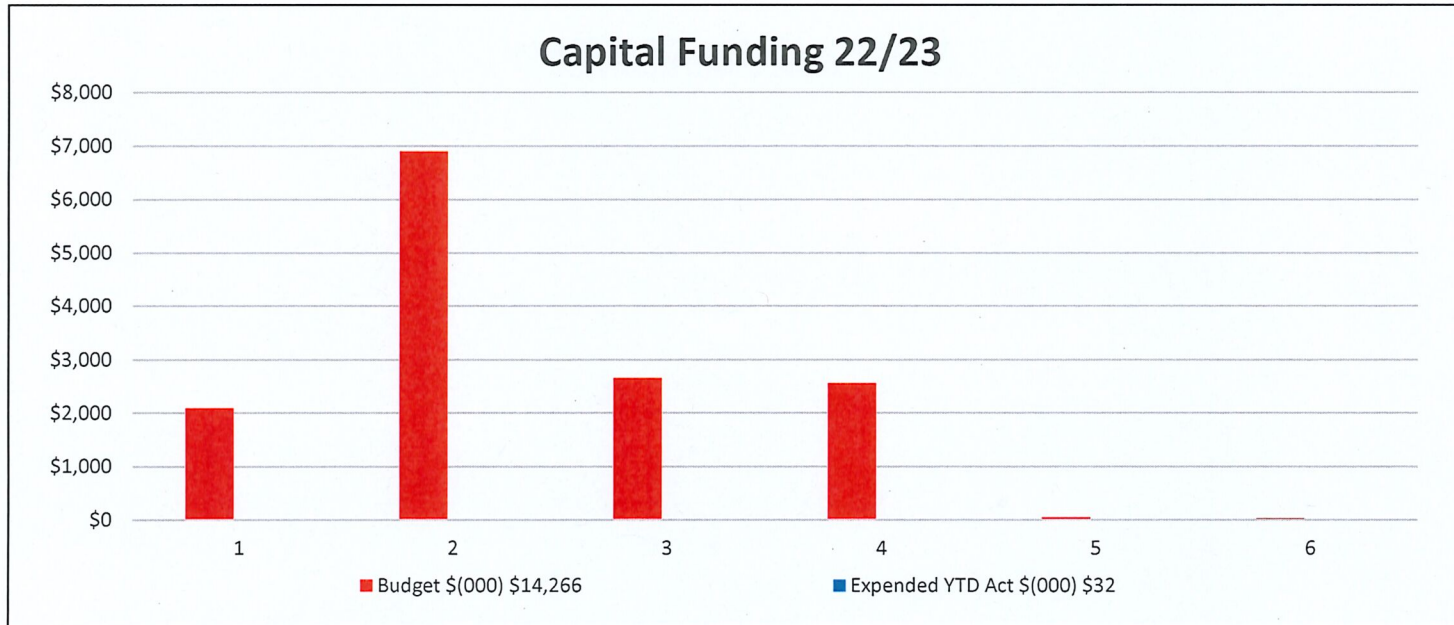
Rates	\$4,112	Payroll	\$415,000
Fees & Charges	\$500	Creditor Payments	\$479,909
Debtors	\$35,462	Loan Payments	\$0
Grants/Claims	\$1,363	Lease Payments	\$0
Total	<u>\$41,437</u>	Total	<u>\$894,909</u>

Therefore cash is expected to decrease by **\$853,472** in the period.

Best Estimate of Next months cash flow

Etheridge Shire Council Cash Position





		Budget \$(000)	Expended YTD Act \$(000)	% Budget Expended
	Total Capital Funding	\$14,266	\$32	0.22%
1	Land & land Improvements	\$2,090	\$0	0.00%
2	Buildings / Other Structures	\$6,895	\$8	0.12%
3	Plant & Equipment / Furniture & Fittings	\$2,652	\$13	0.51%
4	Road Infrastructure	\$2,561	\$10	0.41%
5	Water Infrastructure	\$43	\$0	0.00%
6	Other Structures	\$25	\$0	0.00%

		PREVIOUS YEARS (Opening balance)	YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET	% budget expended
0400-4150-0000	Work in Progress - Land & Land Improvements				\$500,000.00	
0410-4501-0000	Work in Progress - Land Sales - LJ & ACJ Barns (00083-00000-000)	-\$ 9,090.91		-\$ 9,090.91		
4500-4510-0001	Charleston Dam - Pipe water to rec area (Land & Other improvements)	\$ 47,851.11		\$ 47,851.11		
3630-4500-0001	Purchase of industrial land	\$ 331,272.17		\$ 331,272.17		
		\$370,032.37		\$370,032.37		
0400-4250-0000	Work in Progress - Buildings				\$8,729,750.00	0%
3080-4501-0000	Aged Care Facilities -Advisory	\$80,323.22		\$80,323.22		
3280-4502-0000	Staff Housing	\$239,924.63	\$2,131.75	\$242,056.38		
3280-4503-0000	Staff housing - HSH		\$2,680.10	\$2,680.10		
3280-4504-0000	Staff housing - SHP					
3280-4505-0000	Staff housing - ILF (Independent Living Facility)	\$5,885.00	\$3,232.75	\$9,117.75		
3350-4502-0000	Depot - Cap improvements - Carpark & shade structure	\$2,763.63		\$2,763.63		
3411-4500-0001	W4Q Capital Works (21/24) - Georgetown - Streetscaping (roads)					
3411-4500-0002	W4Q Capital Works (21/24) - Georgetown Sports Centre	\$47,560.52		\$47,560.52		
3411-4500-0003	W4Q Capital Works (21/24) - Einasleigh - Drainage improvement (roads)					
3411-4500-0005	W4Q Capital Works (21/24) - Rural Addressing					
3411-4500-0006	W4Q Capital Works (21/24) - Forsyth Cemetery Fencing					
4140-4504-0003	Cap Imp. Depot - workshop hoist	\$25,277.05		\$25,277.05		
5030-4500-0001	Cap Imp. Einasleigh Common - Upgrade Eins Common Stock Yrds (other structures)	\$12,540.00		\$12,540.00		
3610-4500-0002	Recovery & Resilience Grant - North Head Rd - Install drainage & bitumen seal (roads)					
3610-4500-0003	Recovery & Resilience Grant - Georgetown Street scaping (roads)					
3620-4500-0001	LRCI Phase 3 - Forsyth Transfer Station	\$22,500.00		\$22,500.00		
3620-4500-0002	LRCI Phase 3 - Gtown Sports center (Parking & drainage)	\$18,763.24		\$18,763.24		
3620-4500-0003	LRCI Phase 3 - Reseals 2					
3620-4500-0004	LRCI Phase 3 -Industrial estate					
5151-4505-0000	Mt Surprise Bike Park - Stage 2					
		\$455,537.29	\$8,044.60	\$463,581.89		

		PREVIOUS YEARS (Opening balance)	YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET	% budget expended
0400-4350-0000	Work in Progress - Other Structures				\$7,145,154.00	
3270-4500-0001	Shire Office - Cap Works - Car park shade structure	\$2,763.64		\$2,763.64		
5151-4503-0000	Georgetown Parks Capital - Heritage park play area upgrade	\$33,397.90		\$33,397.90		
6010-4502-0001	Infrastructure at Cost Building Our Regions Grant Terrestrial Upgrade - Security upgrade	\$2,344.00		\$2,344.00		
6010-4502-0005	Collection upgrade - John Towning - Topaz purchase	\$25,000.00		\$25,000.00		
		\$63,505.54		\$63,505.54		
0400-4450-0000	Work in Progress - Fleet Plant & Equipment				\$8,889,273.00	0%
4150-4500-6080	Plant Purchases - 2022 CAT Grader Trimble	\$76,547.00		\$76,547.00		
4150-4500-3160	Plant Purchase - Ferris Mower (Plant 3160)	\$14,860.56		\$14,860.56		
4150-4500-1340	Plant Purchase - Prado (Plant 1340)	\$82,758.09		\$82,758.09		
4150-4500-1335	Plant Purchase - Prado (Plant 1335)	\$82,758.09		\$82,758.09		
4150-4500-1300	Plant Purchase - Hilux (Plant 1300)	\$75,201.14		\$75,201.14		
4150-4500-1320	Plant Purchase - Hilux (Plant 1320)	\$75,201.14		\$75,201.14		
4150-4500-5105	Plant Purchase - Backhoe Loader (Plant 5105)	\$287,835.80		\$287,835.80		
4150-4500-2640	Plant Purchase - Fuso Truck (Plant 2640)	\$261,266.38		\$261,266.38		
4150-4500-8885	Plant Purchase - 2400L diesel tank		\$13,435.63	\$13,435.63		
4150-4502-0000	Plant Sales - Plant 1247, 1025, 1117, 1015, 1077 (Pacific Toyota)	-\$30,000.00		-\$30,000.00		
4150-4502-0000	Plant Sales - Plant 1209, Plant 1261	-\$58,181.82		-\$58,181.82		
4150-4502-0000	Plant Sales - Plant 1163	-\$4,545.45		-\$4,545.45		
4150-4502-0000	Plant Sales - Plant 5013 (Backhoe)		-\$44,000.00	-\$44,000.00		
		\$863,700.93	-\$30,564.37	\$833,136.56		
0400-4550-0000	Work in Progress - Furniture & Other Equipment					
2060-4500-0001	ActiveKit - Keyless Entry	\$ 44,951.33		\$ 44,951.33		
		\$44,951.33		\$44,951.33		
0400-4650-0000	Work in Progress - Roads Infrastructure				\$11,107,016.00	0%
4012-4500-0001	Work In progress -Roads & Streets - First Street Forsayth 22/23 Survey & Design	\$2,400.00		\$2,400.00		
4020-4500-0001	Capital Ip - Sealed Services - Forsayth - Einasleigh Rd Reseal	\$413,935.54		\$413,935.54		
4020-4530-0000	Forsayth Einasleigh 22/23 - Survey & design	\$6,500.00				
4020-4550-0000	Cap imp - Gtown Cemetery Road - Upgrade & seal	\$124,310.98		\$124,310.98		
4040-4500-0000	Cap imp - Queenslander Creek upgrade		\$10,400.00	\$10,400.00		
		\$547,146.52	\$10,400.00	\$551,046.52		

		PREVIOUS YEARS (Opening balance)	YEAR TO DATE (ACTUALS)	TOTAL EXPENDITURE (ACTUALS)	BUDGET	% budget expended
0400-4750-0000	Work in Progress - Water Infrastructure				\$11,254,708.00	
4320-4500-0002	Capital Imp. Georgetown Water Plant & Equipment at cost - Replacement of Meters	\$8,614.84		\$8,614.84		
4320-4500-0004	Capital Imp. Georgetown Water Plant & Equipment at cost - New Water Connections	\$4,273.95		\$4,273.95		
4320-4501-0002	Capital Imp. Georgetown Water Infra - Valve replacement	\$5,877.67		\$5,877.67		
4320-4507-0001	Water Supply Gtown - Infrastructure at cost - Replace water main (St George St & South St)	\$12,130.02		\$12,130.02		
4340-4500-0002	Capital Imp. Forsayth Water PPE - Replacement of meters	\$4,829.64		\$4,829.64		
4340-4500-0004	Capital Imp. Forsayth Water PPE - New Water Connection	\$2,311.05		\$2,311.05		
4340-4504-0003	Capital Imp - Forsayth Water Capital Imp. Res. To WTP - Install telemetry	\$7,080.00		\$7,080.00		
4500-4500-0000	Charleston Dam Project - Charleston Dam Support Design Etc	\$1,601,803.70		\$1,601,803.70		
4500-4503-0001	Const Reticulation Dam Forsayth WTP- Const of Reticulation (Dam to Forsayth WTP)	\$1,149,208.44		\$1,149,208.44		
4500-4504-0001	Const Reticulation Dam/Gtown - Const of Reticulation (Dam to Georgetown WTP)	\$3,178,358.12		\$3,178,358.12		
4500-4505-0001	Charleston Dam Infrastructure Cost - Floating Inlet	\$648,434.79		\$648,434.79		
4500-4506-0001	Charleston Dam Rec Area - Charleston Dam Rec Survey Des	\$85,373.05		\$85,373.05		
4500-4506-0002	Charleston Dam Rec Area - Fencing	\$148,906.67		\$148,906.67		
4500-4508-0001	Dam Water Supply & pipelines & Equipment - Dam Water Supply Item 1	\$70,585.12		\$70,585.12		
		\$6,927,787.06		\$6,927,787.06		
		\$9,272,661.04	-\$12,119.77	\$9,254,041.27	\$47,625,901.00	

FUND SUMMARY

FUND	366+ DAYS ARREARS	181-365 DAYS ARREARS	31-180 DAYS ARREARS	1-30 DAYS ARREARS	CURRENT NOT DUE	TOTAL
GENERAL	20655.64	75275.36	3708.42	725.31		100364.73
WATER	5276.45	3394.23	499.61	65.92		9236.21
CLEANSING	645.10	1180.44	62.14	13.57		1901.25
WATER CONSUMPTION	47.74	272.78	4075.93	31.62		4428.07
WASTE MANAGEMENT	189.97	677.43	31.20	6.44		905.04
Emergency Fire & Rescue Levy	1202.12	8194.79	336.65	69.98		9803.54
CHARGE ON LAND		6965.98				6965.98
FUND SUMMARY TOTAL	28017.02	95961.01	8713.95	912.84		133604.82

Etheridge Shire Council

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ASSESSMENT	NAME	THIS YEAR				BALANCES						INTEREST	UNALLOC REC	TOTAL	---LAST PAYMENT---	
		1st LEVY	2nd LEVY	SUPP. LEVIES	WATER LEVIES	1 YEAR	2 YEARS	3 YEARS	4 YEARS	5 YEARS	5+ YEARS				AMOUNT	DATE
00039-00000-000						2189.92						151.57		2341.49	2115.97	22-10-2021
00051-50000-000						1112.58						76.99		1189.57	971.47	22-10-2021
00080-00000-000						509.84						522.67		2368.74	2368.74	03-10-2022
00081-51000-000						422.90						42.54		465.44	50.00	15-03-2023
00089-10000-000						761.13						19.14		780.27	1431.58	01-10-2022
00109-00000-000						294.17						7.40		301.57	1693.08	02-10-2022
00114-00000-000						146.06						3.68		149.74	1593.28	20-09-2022
00172-00000-000						1991.35						203.76		2195.11	250.00	04-05-2023
00203-00000-000						52.79						1.34		54.13	0.14	04-10-2022
00251-10900-000						569.69						9.78		579.47	0.00	
00251-25500-000						134.15						3.37		137.52	1841.34	21-09-2022
00251-60000-000						7.80						0.19		7.99	1793.73	28-09-2022
00253-01100-000						161.27						4.05		165.32	1799.54	02-09-2022
00254-20000-000						4714.14	978.52	940.40	968.00	949.60	1820.90	2896.32		13267.88	866.29	02-11-2015
00264-10000-000						49.05						1.23		50.28	1840.55	27-09-2022
00265-17000-000						4417.84	978.52	940.40	968.00	949.60	927.60	2330.24		11512.20	1000.00	29-05-2018
00265-26000-000						116.47						2.39		118.86	711.96	07-04-2023
00265-30000-000						117.09						2.95		120.04	1867.50	28-09-2022
00265-32000-000						1083.00						165.80		1248.80	1000.00	16-02-2023
00265-33000-000						1119.86						299.98		1419.84	100.00	07-08-2023
00265-53000-000						1370.73	1263.84	168.23				406.47		3209.27	3744.73	21-10-2020
00268-67000-000						24.41						0.62		25.03	5694.28	29-09-2022
00278-00000-000						638.56						16.05		654.61	1816.35	09-09-2022
00279-20000-000						8.90						0.23		9.13	1792.63	21-09-2022
00295-50000-000						51.46						1.30		52.76	3524.92	05-10-2022
00297-00000-000						105.60						10.91		116.51	713.60	27-10-2022
00332-30000-000												25.15		100.00	03-03-2023	
00338-00000-000						187.47						15.86		203.33	1515.49	14-10-2022
00353-30000-000						2218.32	953.19					453.25		3624.76	1000.00	01-08-2023
00355-71300-000						10330.56						1013.16		11343.72	34480.44	27-10-2022
00359-10012-000						960.20						66.45		1026.65	924.71	08-12-2021
00411-00001-000						337.69						8.49		346.18	314.76	15-09-2022
00441-00000-000						7728.14						759.14		8487.28	25000.00	27-10-2022
00441-70000-000						8400.15						824.72		9224.87	25000.00	27-10-2022
00452-00900-000						41875.60	5611.42					3773.05		51260.07	36149.01	22-10-2021
00452-30231-000						703.60	660.80	641.40	63.12			469.20		2538.12	577.88	14-07-2021
00452-30232-000						693.40	660.80	641.40	641.00	628.60	234.17	1152.16		4651.53	959.00	05-06-2017
00526-00000-000												40.65		40.65	2672.20	09-12-2022
00556-00000-000												37.01		37.01	11155.77	23-11-2022
		0.00	0.00	0.00	0.00	95605.89	11107.09	3331.83	2640.12	2527.80	2982.67	15309.42	0.00	133504.82		

NOTE: PENDING RATES RECEIPTS JOURNAL TOTAL \$50.00

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:43:27 PM

		REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
		31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
1000-0001	Governance						
1000-0002	Elected Members						
1000-2000	Councillor Allowances			30,255	8%	365,000	
1000-2102	Councillor Conference & Deputations			3,200	---	0	
1000-2174	Sundry Expense			3,805	---	0	
1000-0002	Elected Members	0	0%	37,260	10%	365,000	(37,260) 10% (365,000)
1010-0002	Governance						
1010-0002	Governance	0	0%	0	0%	0	0 0% 0
1020-0002	Economic Development						
1020-2100	Operating Expenses			78,019	---	0	
1020-0002	Economic Development	0	0%	78,019	---	0	(78,019) ---% 0
1030-0002	Civic Receptions and Events						
1030-0002	Civic Receptions and Events	0	0%	0	0%	0	0 0% 0
1040-0002	Regulatory Services						
1040-0003	Town Planning						
1040-1300	Fees & Charges Town Planning	1,100	---	0			
1040-2100	Operating Expenses Town Planning			5,950	---	0	
1040-0003	Town Planning	1,100	---	5,950	---	0	(4,850) ---% 0
1041-0003	Building Control						
1041-0003	Building Control	0	0%	0	0%	0	0 0% 0
1042-0003	Environmental Health						
1042-0003	Environmental Health	0	0%	0	0%	0	0 0% 0
1043-0003	Local Laws						
1043-0003	Local Laws	0	0%	0	0%	0	0 0% 0

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:43:27 PM

	REVENUE			EXPENDITURE			SURPLUS/(DEFICIENCY)		
	31 Jul 2023		Budget	31 Jul 2023		Budget	31 Jul 2023		Budget
1040-0002 Regulatory Services	1,100	---	0	5,950	---	0	(4,850)	---	0
1050-0002 Disaster Management				73	---	0			
1050-2100 Operating Expenses									
1050-0002 Disaster Management	0	0%	0	73	---	0	(73)	---	0
1060-0002 WH&S									
1060-2176 Other Operating Expenses				34,584	---	0			
1060-0002 WH&S	0	0%	0	34,584	---	0	(34,584)	---	0
1000-0001 Governance	1,100	---	0	155,885	43%	365,000	(154,785)	42%	(365,000)
2000-0001 Corporate									
2000-0002 General Rates									
2000-0002 General Rates	0	0%	0	0	0%	0	0	0%	0
2010-0002 General Administration									
2010-1200 TraineeState Subsidy	1,364	---	0						
2010-1600 Interest Revenue	41	---	0						
2010-1600-0010 Interest Bank	41	---	0						
2010-1900 Sundry Receipts	3,182	---	0						
2010-1900-0010 Sundry Receipts No GST	859	---	0						
2010-1900-0020 Sundry Receipts GST	2,323	---	0						
2010-2000 Staff Salaries and Wages				101,319	---	0			
2010-2118 Advertising				3,017	---	0			
2010-2122 Communications				11,523	---	0			
2010-2124 Insurances				195,064	---	0			
2010-2126 Land Valuation Fees				7,593	---	0			
2010-2132 Printing and Stationery				3,454	---	0			
2010-2134 Professional Fees				42,133	---	0			
2010-2138 Staff Uniforms				2,554	---	0			
2010-2140 Training and Development				4,618	---	0			
2010-2142 Administration Other Expenses				21,730	---	0			
2010-2300 Bank Charges				473	---	0			
2010-2300-0010 Bank Charges No GST				473	---	0			
2010-2320 Odd Cents Rounding				0	---	0			
2010-2400 Maintenance Expenses				1,669	2%	75,000			
2010-0002 General Administration	4,586	---	0	395,148	527%	75,000	(390,562)	521%	(75,000)
2020-0002 Employee Services									
2020-1940 Superannuation on Cost	64,829	---	0						
2020-2010 Superannuation				42,320	---	0			

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

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		REVENUE		EXPENDITURE			SURPLUS/(DEFICIENCY)	
		31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget	
2020-2040	Sick Leave			15,125	0			
2020-2050	Long Service Leave			4,645	0			
2020-2070	Annual Leave			43,619	0			
2020-0002	Employee Services	64,829	0	105,709	0	(40,880)	0	
2030-0002	ICT							
2030-2100	Operating Expenses			58,249	0			
2030-0002	ICT	0	0	58,249	0	(58,249)	0	
2040-0002	Broadcasting Services							
2040-2100	Operating Expenses			1,829	0			
2040-0002	Broadcasting Services	0	0	1,829	0	(1,829)	0	
2000-0001	Corporate	69,416	0	560,935	75,000	(491,519)	(75,000)	
3000-0001	Community							
3000-0002	Commercial Rental Properties							
3000-0003	Staff housing							
3000-1400	Rental Income	9,639	0	183	0			
3000-2000	Staff Salaries and Wages			5,000	0			
3000-2100	Operating Expenses			60	0			
3000-2400	Maintenance Expenses							
3000-0003	Staff housing	9,639	0	5,243	0	4,396	0	
3001-0003	Other Residentials							
3001-0003	Other Residentials	0	0	0	0	0	0	
3002-0003	Savannah House							
3002-1400	Rental Income	325	0					
3002-0003	Savannah House	325	0	0	0	325	0	
3003-0003	Demountable Office (Mary St)							
3003-1400	Rental Income - Commercial	4,286	0	1,886	0			
3003-2100	Operating Expenses							
3003-0003	Demountable Office (Mary St)	4,286	0	1,886	0	2,399	0	

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:43:27 PM

	REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
	31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
3004-0003 Aged Care						
3004-0003 Aged Care	0	0%	0	0%	0	0%
3000-0002 Commercial Rental Properties	14,250	---	0	---	7,129	---
3010-0002 Libraries						
3010-2100 Operating Expenses			1,451	---	0	---
3010-2400 Maintenance Expenses			3,228	---	0	---
3010-0002 Libraries	0	0%	4,679	---	(4,679)	---
3020-0002 Community Development						
3020-2146 RADF Expenses			44	---	0	---
3020-2200 Community Assistance Grants			5,607	---	0	---
3020-0002 Community Development	0	0%	5,650	---	(5,650)	---
3030-0002 Sport & Recreation						
3030-2000 Staff Salaries and Wages			8,051	---	0	---
3030-2100 Operating Expenses			1,470	---	0	---
3030-2400 Maintenance Expenses			4,153	---	0	---
3030-0002 Sport & Recreation	0	0%	13,674	---	(13,674)	---
3040-0002 Halls						
3040-2000 Staff Salaries and Wages			1,219	---	0	---
3040-2100 Operating Expenses			2,181	---	0	---
3040-0002 Halls	0	0%	3,400	---	(3,400)	---
3050-0002 Medical Centres						
3050-2000 Staff Salaries and Wages			184	---	0	---
3050-2100 Operating Expenses			1,046	---	0	---
3050-0002 Medical Centres	0	0%	1,230	---	(1,230)	---
3060-0002 Aerodromes						
3060-2000 Staff Salaries and Wages			209	---	0	---
3060-2100 Operating Expenses			160	---	0	---
3060-2400 Maintenance Expenses			1,939	---	0	---
3060-0002 Aerodromes	0	0%	2,308	---	(2,308)	---
3070-0002 Terrestrial Centre						
3070-1300 Admission Fees	11,391	---	0	---		---
3070-1500 Sales	18,959	---	0	---		---

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)
 Etheridge Shire Council (Budget for full year) Financial Year Ending 2024 Printed(LAURIEH): 02-08-2023 3:43:27 PM

		REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
		31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
3070-1950	Commission	28	0				
3070-1960	Other Income	750	0				
3070-2000	Staff Salaries and Wages			19,493	0		
3070-2100	Operating Expenses			2,574	0		
3070-2400	Maintenance Expenses			67	0		
-----		-----		-----		-----	
3070-0002	Terrestrial Centre	31,129	0	22,134	0	8,995	0
3080-0002	Little Gems Child Care Centre						
3080-1200	Child Care Subsidy	73,333	0				
3080-1200-0100	Child CareState Subsidy	73,333	0				
3080-1300	Child Care Fees	11,544	0				
3080-2000	Staff Salaries and Wages			20,800	0		
3080-2100	Operating Expenses			262	0		
3080-2400	Maintenance Expenses			23	0		
-----		-----		-----		-----	
3080-0002	Little Gems Child Care Centre	84,878	0	21,084	0	63,793	0
3090-0002	Georgetown Student Hostel						
3090-2100	Operating Expenses			4,747	0		
3090-2400	Maintenance Expenses			407	0		
-----		-----		-----		-----	
3090-0002	Georgetown Student Hostel	0	0	5,154	0	(5,154)	0
3100-0002	Cemeteries						
3100-2400	Maintenance Expenses			167	0		
-----		-----		-----		-----	
3100-0002	Cemeteries	0	0	167	0	(167)	0
3000-0001	Community	130,256	0	86,611	0	43,645	0
4000-0001	Infrastructure Services						
4000-0002	Parks Gardens Reserves and Grounds						
4000-1200	Donation and Subsidy	776	0				
4000-2400	Maintenance Expenses			19,974	0		
-----		-----		-----		-----	
4000-0002	Parks Gardens Reserves and Grounds	776	0	19,974	0	(19,198)	0
4010-0002	Rural Lands Protection						
4010-1300	Agistment Fees	2,770	0				
4010-2400	Maintenance Expenses			2,700	0		
-----		-----		-----		-----	
4010-0002	Rural Lands Protection	2,770	0	2,700	0	70	0

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)
 Etheridge Shire Council (Budget for full year) Financial Year Ending 2024 Printed(LAURIEH): 02-08-2023 3:43:27 PM

		REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
		31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
4020-0002	Street Lighting						
4020-2400	Maintenance Expenses			986	0		
4020-0002	Street Lighting	0	0%	986	0	(986)	0
4030-0002	Roads						
4030-0003	Shire Roads						
4030-2430	Maintenance Expenses Shire Roads			2,804	0		
4030-0003	Shire Roads	0	0%	2,804	0	(2,804)	0
4031-0003	Town Streets						
4031-2440	Maintenance Expenses Street			83,727	0		
4031-0003	Town Streets	0	0%	83,727	0	(83,727)	0
4032-0003	Flood Damage						
4032-2450	Maintenance ExpensesNDRRA			1,160,475	0		
4032-0003	Flood Damage	0	0%	1,160,475	0	(1,160,475)	0
4030-0002	Roads	0	0%	1,247,006	0	(1,247,006)	0
4040-0002	Depot and Stores						
4040-1950	Stores on Costs	5,332	---		0		
4040-2000	Staff Salaries and Wages			14,623	0		
4040-2100	Operating Expenses			9,917	0		
4040-2164	Stores Write Offs			303	0		
4040-2400	Maintenance Expenses			57	0		
4040-0002	Depot and Stores	5,332	---	24,900	0	(19,568)	0
4050-0002	Recoverable Works						
4050-0003	Private Works						
4050-1700	Revenue Private Works - GST	187	---		0		
4050-2166	Expense Private Works			2,382	0		
4050-0003	Private Works	187	---	2,382	0	(2,195)	0
4051-0003	DTMR						
4051-1700	Revenue DTMR	177,492	---		0		
4051-2168	Expense DTMR			584,544	0		
4051-0003	DTMR	177,492	---	584,544	0	(407,052)	0

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)
 Etheridge Shire Council (Budget for full year) Financial Year Ending 2024 Printed(LAURIEH): 02-08-2023 3:43:27 PM

	REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
	31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
4050-0002 Recoverable Works	177,679	0	586,926	0	(409,247)	0
4060-0002 Plant Operations						
4060-1990 Plant Hire Revenue	557,834	0				
4060-1990-0020 Plant Hire Revenue External	557,834	0				
4060-2100 Operating Expenses			20,197	0		
4060-2400 Maintenance Expenses			80,863	0		
4060-0002 Plant Operations	557,834	0	101,059	0	456,774	0
4000-0001 Infrastructure Services	744,392	0	1,983,551	0	(1,239,160)	0
5000-0001 Utilities						
5000-0002 Water Supply						
5000-0003 Georgetown WTP & Reticulation						
5000-1300 Connection Fees Georgetown	788	0	13,896	0		
5000-2100 Operating Expenses Georgetown						
5000-0003 Georgetown WTP & Reticulation	788	0	13,896	0	(13,108)	0
5001-0003 Forsayth WTP & Reticulation						
5001-2100 Operating Expenses Forsayth			13,068	0		
5001-0003 Forsayth WTP & Reticulation	0	0	13,068	0	(13,068)	0
5002-0003 Charleston Dam						
5002-0003 Charleston Dam	0	0	0	0	0	0
5000-0002 Water Supply	788	0	26,964	0	(26,176)	0
5010-0002 Waste Management						
5010-0003 Georgetown						
5010-2000 Staff Salaries and Wages			1,183	0		
5010-2100 Operating Expenses			2,663	0		
5010-2172 Refuse Tip Expenses			59,392	0		
5010-2400 Maintenance Expenses			108	0		
5010-0003 Georgetown	0	0	63,347	0	(63,347)	0

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Details. Excludes committed costs)

Etheridge Shire Council (Budget for full year)

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:43:27 PM

		REVENUE		EXPENDITURE		SURPLUS/(DEFICIENCY)	
		31 Jul 2023	Budget	31 Jul 2023	Budget	31 Jul 2023	Budget
5011-0003	Forsayth						
5011-2000	Staff Salaries and Wages			362	0		
5011-2400	Maintenance Expenses			156	0		
5011-0003	Forsayth	0	0%	519	0	(519)	0
5012-0003	Einasleyh						
5012-2100	Operating Expenses			1,591	0		
5012-0003	Einasleyh	0	0%	1,591	0	(1,591)	0
5013-0003	Mt Surprise						
5013-2100	Operating Expenses			1,140	0		
5013-0003	Mt Surprise	0	0%	1,140	0	(1,140)	0
5014-0003	Kidston						
5014-0003	Kidston	0	0%	0	0%	0	0%
5010-0002	Waste Management	0	0%	66,596	0	(66,596)	0
5000-0001	Utilities	788	---	93,560	---	(92,773)	---
TOTAL REVENUE AND EXPENDITURE		945,951	---	2,880,542	655%	(1,934,592)	440%

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Level 4. Excludes committed costs)
 Etheridge Shire Council (Amended budget to end of report month [31 Jul 2023])

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:45:56 PM

		OPENING	YEAR TO DATE		BUDGET	CURRENT BALANCE	
		BALANCE	31 Jul 2023			31 Jul 2023	BUDGET
<u>CURRENT ASSETS</u>							
0300-0001	ASSETS LIABILITIES & EQUITY						
0300-0002	CASH AND RECEIVABLES	21,118,730	(2,982,648)	---%	0	18,136,083	97% 18,629,912
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	21,118,730	(2,982,648)	---%	0	18,136,083	97% 18,629,912
	TOTAL CURRENT ASSETS	21,118,730	(2,982,648)	---%	0	18,136,083	97% 18,629,912
<u>NON-CURRENT ASSETS</u>							
0300-0001	ASSETS LIABILITIES & EQUITY						
0400-0002	NON-CURRENT ASSETS	260,698,736	(12,120)	---%	0	260,686,616	101% 257,834,575
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	260,698,736	(12,120)	---%	0	260,686,616	101% 257,834,575
	TOTAL NON-CURRENT ASSETS	260,698,736	(12,120)	---%	0	260,686,616	101% 257,834,575
	TOTAL ASSETS	281,817,466	(2,994,767)	---%	0	278,822,699	101% 276,464,487

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Level 4. Excludes committed costs)
 Etheridge Shire Council (Amended budget to end of report month [31 Jul 2023])

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:45:56 PM

		OPENING	YEAR TO DATE		BUDGET	CURRENT BALANCE	
		BALANCE	31 Jul 2023			31 Jul 2023	BUDGET
<u>CURRENT LIABILITIES</u>							
0300-0001	ASSETS LIABILITIES & EQUITY						
0500-0002	CURRENT PAYABLES AND LIABILITIES	4,226,804	(1,064,976)	---%	0	3,161,828	101% 3,141,965
		-----	-----		-----	-----	-----
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	4,226,804	(1,064,976)	---%	0	3,161,828	101% 3,141,965
		-----	-----		-----	-----	-----
	TOTAL CURRENT LIABILITIES	4,226,804	(1,064,976)	---%	0	3,161,828	101% 3,141,965
<u>NON-CURRENT LIABILITIES</u>							
0300-0001	ASSETS LIABILITIES & EQUITY						
0600-0002	LOANS & LIABILITIES NON-CURRENT	2,334,204	4,645	---%	0	2,338,849	269% 867,987
		-----	-----		-----	-----	-----
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	2,334,204	4,645	---%	0	2,338,849	269% 867,987
		-----	-----		-----	-----	-----
	TOTAL NON-CURRENT LIABILITIES	2,334,204	4,645	---%	0	2,338,849	269% 867,987
		=====	=====		=====	=====	=====
	TOTAL LIABILITIES	6,561,008	(1,060,331)	---%	0	5,500,677	137% 4,009,952
		=====	=====		=====	=====	=====
	NETT ASSETS/(LIABILITIES)	275,256,458	(1,934,437)	---%	0	273,322,022	100% 272,454,535

(Accounts: 0300-0001-0000 to 5014-2400-0000. All report groups. 9% of year elapsed. To Level 4. Excludes committed costs)
 Etheridge Shire Council (Amended budget to end of report month [31 Jul 2023])

Financial Year Ending 2024

Printed(LAURIEH): 02-08-2023 3:45:56 PM

		OPENING	YEAR TO DATE		BUDGET	CURRENT BALANCE		BUDGET
		BALANCE	31 Jul 2023			31 Jul 2023		
COMMUNITY EQUITY								
0300-0001	ASSETS LIABILITIES & EQUITY							
0700-0002	SHIRE CAPITAL & RESERVES	275,256,458	(1,934,592)	>999%	(36,667)	273,321,867	104%	263,489,647
0300-0001	ASSETS LIABILITIES & EQUITY TOTAL	275,256,458	(1,934,592)	>999%	(36,667)	273,321,867	104%	263,489,647
	TOTAL COMMUNITY EQUITY	275,256,458	(1,934,592)	>999%	(36,667)	273,321,867	104%	263,489,647

Etheridge Shire Council

Statement of Financial Position

For the Year Ended Jun 30 2024

	<u>Notes</u>	<u>2024 Actual</u>
Current Assets		
Cash and cash equivalents	3	16,152,352
Receivables	12	1,456,515
Inventories	13	527,216
		<u>18,136,083</u>
Total current assets	2	18,136,083
Non-current Assets		
Property Plant & Equipmt - WIP		9,260,541
Property, plant and equipment	15 7	251,426,075
		<u>260,686,616</u>
Total non-current assets	2	260,686,616
TOTAL ASSETS		278,822,699
Current Liabilities		
Payables	17	1,520,377
Contract Liabilities		1,460,506
Borrowings	21	884
Provisions	18	180,061
		<u>3,161,828</u>
Total current liabilities		3,161,828
Non-current Liabilities		
Borrowings	21	29,796
Provisions	18	2,309,053
		<u>2,338,849</u>
Total non-current liabilities		2,338,849
TOTAL LIABILITIES		5,500,677
NET COMMUNITY ASSETS		273,322,022
Community Equity		
Asset revaluation reserve	25	175,967,222
Shire Capital		39,500,666
Current Surplus		(1,934,592)
Retained surplus/(deficiency)		50,327,770
Reserves		9,460,800
TOTAL COMMUNITY EQUITY		273,321,867

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[Signature]

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

Etheridge Shire Council

Statement of Cash Flows

For the Year Ended Jun 30 2024

	<u>Notes</u>	<u>2024 Actual</u>
Cash flows from operating activities:		
Receipts from customers		(490,888)
Payments to suppliers and employees		(3,846,142)
Interest received		41
Rental income		14,250
Non-capital grants and contributions		2,140
Net cash - operating activities	23	(4,320,600)
Cash flows from investing activities:		
Grants, subsidies, contributions and donations		67,727
Payments for property, plant and equipment		12,120
Net cash - from investing activities		79,846
Cash flows from financing activities		
Net cash flow - financing activities		0
Net increase/(decrease) in cash held		(4,240,754)
Add cash and cash equivalents - beginning of year		18,062,256
Cash and cash equivalents - closing	3	16,152,352

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



Etheridge Shire Council

General Meeting	16 th August 2023
Subject	Audit Committee Meeting Minutes – 13 th July 2023
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

In February 2022, Council reconstituted an Audit Committee. Since then, the Audit Committee has met several times, the most recent being 13th July 2023.

A copy of the Minutes of the Audit Committee meeting held 13th July 2023 is presented for Council's consideration.

RECOMMENDATION

That Council receive the minutes of the Audit Committee Meeting held 13th July 2023, and note the contents therein.

BACKGROUND

As noted above, Council constituted its Audit Committee in February 2022. It met on the 13th July to consider: -

- QAO's External Audit Plan – this document outlines the proposed audit timetable, together with the mandated audit fees. It is worth noting that the Act & Reg use the External Audit Plan as a statutory deadline for the completion of EOFY report, in this instance, the 28th August.
- External Interim Audit Report – as per my Briefing Report, Council had its interim audit visit week commencing 22nd May 2023. This report outlines the significant audit findings (4 new), and captures the historic audit findings from prior reports (24 matters).
- Internal Auditors Report on Recoverable Works & Job Costing Review.
- The minutes of Council's operational Asset Valuation Review Committee (previously tabled at Council's June meeting).

For transparency, the meeting also received the updated Audit Register, a living document to ensure Finance staff action Audit recommendations. Both External Interim and Internal Audit Reports have since been entered into the Audit Register.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organisational excellence.

Outcome 5.1: Council provides community leadership through financial sustainability and an open and accountable governance structure.

BUDGET & RESOURCE CONSIDERATIONS

An allocation has been made in this year's budget for internal and external audit fees.

CONSULTATION

Both External and Internal Audit Reports have been independently prepared by Audit, with Management afforded the opportunity to review and comment upon the audit recommendations. Further, the final reports are openly presented and discussed at the Audit Committee Meeting, with Committee Members able to question Auditors and Management on the findings and responses, accordingly.

LEGAL CONSIDERATIONS

Nil – arising out of this meeting. The External Audit Plan is the legislative trigger for the presentation date of Council's final draft annual financial statements to QAO & external auditor.

POLICY IMPLICATIONS

Nil

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk is assessed as Low. The governance framework around the Audit Committee is seen as a significant risk management strategy.

Report Prepared By:

Report Authorised By:

Andrew McKenzie, Director Corporate Services

Ken Timms, Chief Executive Officer

Date: 26th July 2023

Date:

AUDIT COMMITTEE MEETING
HELD IN GEORGETOWN THURSDAY 13th July 2023
GEORGETOWN COUNCIL CHAMBERS

UNCONFIRMED MINUTES

Chair, Cr Barry Hughes opened the meeting at 9.01am.

ACKNOWLEDGEMENT OF COUNTRY EWAMIAN PEOPLE

“We would like to acknowledge the traditional owners of this land and pay our respects to the Elders past, present and future for they hold the history, cultural practice and traditions, of their people.”

DECLARATIONS

Nil

ATTENDANCE

Members: Cr Barry Hughes (Chair), Cr Laurell Royes, Mr Jason Ritchie (via Teams)
Advisors:
Mr Andrew McKenzie, DCS
Mr Laurie Hawker, Acting Finance Manager
Mr Luke Cecolini, BDO (via Teams)
Mr Wil Cunningham (QAO) (via Teams)
Mr Andy Smith, Pacifica Chartered Accountants (via Teams)

APOLOGIES

That the apologies of the following Committee Members / participants be received, and leave of absence granted: -

- Mr Ken Timms, CEO
- Mrs Carolyn Eagle, Pacifica Chartered Accountants
- Mrs Margaret Dewhurst, BDO
- Megan Alexanderson, ESC

CARRIED

CONFIRMATION OF MINUTES

MOVED: Cr Hughes

SECONDED: Cr Royes

That:

The Minutes of the Audit Committee Meeting held 23rd March 2023 be confirmed.

CARRIED

BUSINESS ARISING FROM PREVIOUS MEETING MINUTES

Mr Ritchie noted the request from last meeting that that some form of tracking Business Arising be implemented, together with a prioritisation list for action and requested that this be implemented for the next meeting.

Cr Royes noted that Council was unable to provide additional resources toward Internal Audit in framing the 2023/24 Budget.

NEW MATTERS

1. External Audit Plan

Mr McKenzie, presented the External Audit Plan to the Committee, noting the timelines negotiated with QAO and BDO, specifically the date for presentation of the draft financial statements to QAO.

Mr Cecolini provided further explanation on the Audit Plan's timelines and areas of audit focus.

MOVED: Cr Royes

SECONDED: Mr Ritchie

That the Audit Committee receive the External Audit Plan as presented.

CARRIED

2. Interim External Audit Report

Mr Cecolini presented QAO's Interim Audit Report following site visit on 22nd May 2023.

Committee Members asked questions in relation to the Audit findings.

Mr Cecolini also spoke to the year-end audit visit, scheduled for week of 11th September 2023.

Discussion ensued on the expectation of 'soft close' populated shell accounts for Audit review prior to final audit. Further discussions will be held at officer level with QAO / BDO to clarify expectations.

MOVED: Cr Hughes

SECONDED: Cr Royes

That the Audit Committee receive the 2022/23 Interim External Audit Report and note the contents therein.

CARRIED

3. Minutes of Council's Asset Valuation Review Meeting held 13th June 2023

Mr McKenzie tabled the minutes of Council's Management Review of Asset Valuation Meeting held 13th June 2023, and advised the minutes, together with a report recommending asset recognition thresholds and useful lives had been presented to Council's June 2023 General Meeting for adoption.

The Meeting discussed Audit's concerns in respect of Management's proposed treatment of indexed valuations – specifically the proposition of recognising the valuation adjustment as a lump-sum adjustment to the accounts, and not an aggregation of adjustments to the respective, individual assets.

MOVED: Cr Hughes

SECONDED: Mr Ritchie

That the Audit Committee receive the minutes of the Asset Valuation Review Meeting held 13th June 2023.

CARRIED

4. Pacifica Chartered Accountants: Internal Audit Project (Recoverable Works and Job Costing)

Mr Smith provided a verbal update on the current review into Council's Recoverable Works. He advised the Audit Report is in final draft as is under internal review prior to release to Council for Management's comments. Mr Smith estimated that the report would be ready for release to Council in another couple of weeks.

Committee Members asked questions in relation to the Audit findings.

MOVED: Cr Royes

SECONDED: Mr Ritchie

That the Audit Committee receive Pacifica's report on the recent internal audit review of Council's recoverable works.

CARRIED

GENERAL BUSINESS

Cr Royes: -

1. Re-iterated request for a prioritisation schedule.
2. Sought clarification on how to progress Project Management as a project for Internal Audit.

Mr Hawkins: -

Nil

Mr Smith: -

Nil

Mr Ritchie

1. Requested a schedule for future meetings be developed outlining expected dates / topics for discussion.

Mr Cecolini: -

Nil

Mr Cunningham

Nil

Mr McKenzie: -

1. Budget preparation, proceeding with pace. Indicative Budget Meeting date is 26th July 2023.
2. Council's Loan and Working Capital Facility Application has been deferred by the Department of State Development, Infrastructure, Local Government and Planning until 1st August – when the 2023/24 Borrowing Program opens.
3. Department of State Development, Infrastructure, Local Government and Planning have: -
 - a. appointed KPMG to assist with a Departmental "Sustainability Review", focussing on long term sustainability, Cash Flow Modelling and Monthly reporting;
 - b. selected Council for a Credit Review.
4. Consultancies have been let to Mead Perry Group for: -
 - a. Preparation of QTC's Long Term Financial Forecasting Model and Cash Flow Forecasting Model
 - b. Review of Oncost Rates

Cr Hughes: -

1. Re-iterated comments made during the meeting that Council was experiencing some issues with staff resourcing and was on a cultural change journey. Cr Hughes asked parties to be aware the journey will take some time and requested they work with Council.
2. Advised the meeting that in the term of this Council, Council's budget had grown from \$25M to nearing \$80M.

NEXT MEETING

The next Audit Committee Meeting will be called to receive and consider Council's final draft 2022/23 General Purpose Financial Statements, likely to be scheduled for 24,25 or 28 August 2023.

The Committee discussed the desirability of holding a further meeting around 28th October to receive and consider the external audit report, prior to management signing the Management Certificate accompanying the 2022/23 General Purpose Financial Statements for QAO certification.

CONCLUSION

Cr Hughes closed the meeting at 10.30am.



2023 EXTERNAL AUDIT PLAN

Etheridge Shire Council

02 May 2023

SENSITIVE

02 May 2023

Mr Ken Timms
Chief Executive Officer
Etheridge Shire Council
41 St George Street
GEORGETOWN QLD 4871

Dear Mr Timms,

2023 External audit plan

We are pleased to present our external audit plan for Etheridge Shire Council ("ESC") for the financial year ending 30 June 2023. It includes an analysis of key audit risks, our planned audit response, a timetable for financial reporting and audit deliverables, and other matters.

The purpose of the audit is to express opinions on the 2023 financial statements and current year financial sustainability statement. Our audit of the financial report does not relieve management from its responsibilities to:

- prepare financial statements in accordance with the applicable reporting framework
- develop internal controls to prepare financial statements free from material misstatement
- comply with prescribed legislative requirements
- provide our auditors full and free access to all documents and property of your entity.

Our audit does not guarantee that every amount and disclosure in the financial statements is free from error. Our aim is to identify material errors and omissions, which might adversely affect the needs of users of your financial statements. Our audit may also consider your accountability for the use of public moneys, which includes our assessment of:

- compliance with relevant acts, regulations, government policies and prescribed requirements
- acts or omissions that result in a waste of public resources
- the probity and propriety of matters associated with the management of your entity.

We formulated this audit plan based on our understanding of your business and the sector in which it operates. Our plan focuses on the material components of your financial report. It targets those areas that have, in our view, the highest risks of material misstatement due to fraud or error. We reassess our audit program throughout the year to address any emerging risks and to ensure our audit effort remains focused.

If you have any questions or would like to discuss the audit plan, please do not hesitate to contact me on 4046 0051. We look forward to working with you.

Yours sincerely



Margaret Dewhurst
Director, BDO Audit (NTH QLD) Pty Ltd
Enc.

cc. Councillor Barry Hughes, Mayor
Mr Jason Ritchie, Audit Committee Chair

1. Summary

Financial reporting risks and areas of audit focus

The areas of audit focus are:

- Valuation of property, plant and equipment
- Recognition of grant revenue, including contract assets and liabilities
- Valuation of landfill provisions
- Occurrence and validity of expenditure.

Key audit and reporting milestones

8 May 2023	Interim audit requests and early close draft financial statements are due to audit
8 May 2023	Mapping guide comparing chart of accounts between current and prior period due to audit
22-26 May 2023	Interim audit visit
31 May 2023	Asset valuations due to audit
28 August	Final audit requests due
11 September	Final audit visit
23 October	Financial statements signed by management
By 31 October	Audit report issued to ESC

\$480k
overall materiality

\$66,500
audit fees

Audit team



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BDO – Engagement Leader
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Luke Cecolini
BDO – Team Leader
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Will Cunningham
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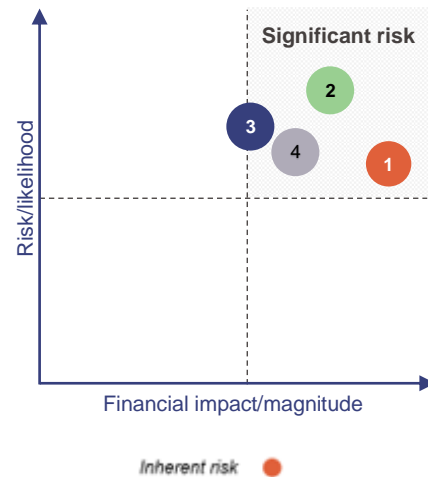
Sri Narasimham
QAO – Signing Officer
T: 07 3149 6000
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2. Areas of audit focus

Our external audit plan identified items that present the greatest risk of material error to the financial statements.

This chart displays our assessment of inherent risk and residual risk for the identified areas of audit focus. Inherent risk is the risk the item will be misstated without the existence of appropriate internal controls. Residual risk is our assessment of risk after considering the existence of key controls. We assess these risks in terms of both likelihood and the financial impact (magnitude).

Our planned audit response for these areas of audit focus is outlined in the table below.



Risk	Description of risk	Audit response
1	<p>Valuation of property, plant and equipment</p> <p>Council is undertaking comprehensive valuations in the current year on multiple asset classes. The valuation of these assets is dependent on the skills, competency and independence of experts engaged by management. The calculations are complex and are based on a number of different observable and unobservable inputs which require significant audit attention.</p>	<p>We will obtain the comprehensive and desktop valuations and:</p> <ul style="list-style-type: none"> Assess whether the selection of indices or underlying unit rates are appropriate for the class of assets and have been applied to all assets in each class. Assess the independence and competency of businesses and people involved with performing and reviewing the revaluations. Review managements own assessment of the assumptions used. Ensure that critical assumptions within the valuation methodology can be supported with sufficient appropriate evidence. Consider accuracy of data provided to valuers. Check arithmetical accuracy of calculations. Assess whether a significant movement from the previous valuation is an indicator either of impairment or that asset values were materially misstated.
2	<p>Recognition of grant revenue and contract assets and liabilities</p> <p>There are significant grant funded projects that may not be completed by the end of the financial year and there is a risk that the calculation of any deferred or accrued portion of grant revenue is not calculated in accordance with the standards.</p>	<p>We will:</p> <ul style="list-style-type: none"> Review grant agreements to determine recognition in accordance with AASB 15 or AASB 1058. Review client grants register and agree revenue, contract assets and contract liabilities to the general ledger. Test reconciliation of capital grant, contract liabilities and work in progress additions. Test a sample of capital grants, reviewing supporting documentation to ensure amounts are appropriately recorded in accordance with AASB 1058.

Risk	Description of risk	Audit response
3	<p>Valuation of landfill provisions</p> <p>The calculation of landfill provisions is reliant on key estimates and inputs determined and applied by management. As this is an area where management can exercise judgement, it requires special audit attention.</p>	<p>We will obtain the provision calculations and:</p> <ul style="list-style-type: none"> • Review the independence and competency of the businesses and people involved in performing and reviewing the calculations. • Assess whether the estimated future costs are reasonable and based on appropriate observable and unobservable inputs. • Recalculate the net present value of the future cash flow obligations. • Assess whether the obligations factored into the provision calculation are consistent with the <i>Environmental Protection Act</i> requirements.
4	<p>Occurrence and validity of expenditure</p> <p>Council is responsible for the management of large amounts of public funds.</p> <p>There is a risk that expenditure is not a valid business expense and that legislative requirements for medium and large transactions are not adhered to, resulting in non-compliance with the Local Government Act and associated regulations.</p>	<p>We will:</p> <ul style="list-style-type: none"> • Review Council's procurement policy against legislative requirements. • Review the controls over procurement and contract management processes to ensure compliance with legislative requirements. • Assess the design, implementation and operating effectiveness of controls over initiation, processing, approval and payment of purchases and payroll expenses. • Review vendor and employee Masterfile change controls. • Review a sample of large and medium transactions to ensure appropriate procurement processes were adhered to as required by the legislation. • Review supporting documentation for a sample of new and terminated employees. • Perform detailed analytical review of operating expenditure and payroll costs. • Perform substantive testing on the approval and recording of a sample of capital expenses including asset additions and renewals.

Management override of controls

Management override of controls is a presumed significant risk under auditing standards and is a pervasive risk to the financial statements.

Our strategy will be a combination of controls and substantive-based testing and includes:

- evaluating and testing key controls over manual journals and the extent of segregation of duties
- reviewing material accounting estimates and one-off items for management bias
- assessing transactions with related parties to ensure all occur at arm's length
- reviewing budget monitoring, including budget contingency and reporting process to manage project costs
- applying a data-driven approach to journal entry testing.

We will also build an element of unpredictability into our procedures, meaning management will not be aware of all procedures prior to their execution.

Review of information systems

Cyber security continues to be a critical risk to organisations across the world. We have seen an increased level of cyber-attacks at our clients, and these cyber-attacks are increasing in frequency, scale and sophistication. Cyber risk vulnerabilities and exposures must be continually assessed with appropriate oversight by, and reporting to, those charged with governance.

The Auditing and Assurance Standards Board has also recently updated the Australian Auditing Standard ASA 315 *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*, which provides additional guidance in evaluating risks arising from the use of information technology.

Audit response

In response to these factors, we will assess relevant general information technology controls (ITGCs), on systems operated by ESC.

In assessing these controls, we continue to refine our approach in response to expectations from regulators and the experiences of other organisations impacted by cyber-attacks.

As our approach evolves, we encourage management to reassess these systems and the controls in place to support their effective operations and resilience to cyber-attacks. A proactive approach to managing these risks will help to minimise the number of findings, the impact on our wider audit approach and the risk of an attack causing extensive disruptions to the entity.

What to do in the event of a cyber-attack?

In the event your entity experiences a cyber-attack during this financial year or up until the date of signing the management certificate, management and those charged with governance will need to consider whether it is quantitatively or qualitatively material and the implications for the financial statements.

AASB Practice Statement 2 Making Materiality Judgements provides entities with guidance of making materiality judgements when preparing general purpose financial statements. AUASB Bulletin *The Consideration of Cyber Security Risks in an Audit of a Financial Report* provides some examples of direct and indirect impacts of a cyber security event on financial statements. If a cyber security incident occurs, we will evaluate the impact on the financial statements and may need to adjust our risk assessments, materiality levels, and audit response procedures.

Materiality

We use materiality to determine the nature, timing, and extent of audit procedures for our audit and to evaluate misstatements.

We design our procedures to detect misstatements using the performance materiality level and report items above the clearly trivial threshold to management and those charged with governance.

Some items are material by their nature, and we will also consider qualitative factors when assessing these items. We assess these thresholds throughout the audit – they may change if the underlying benchmark or our risk assessments change significantly. Our planning materiality thresholds are disclosed below.

Overall materiality	\$480k	2022: \$381k
Performance materiality	\$360k	2022: \$285k
Clearly trivial threshold	\$24k	2022: \$19k
Specific – property, plant and equipment¹	\$12.8m	2022: \$11.2m
Specific clearly trivial threshold	\$1.28m	2022: \$1.12m

Note: ¹ Specific materiality is only applicable to the valuation assertion of property, plant and equipment and to the associated asset revaluation surplus balances.

Benchmarks

We have assessed materiality, considering a range of benchmarks. Based on our preliminary assessment of the risks and considering the significant increase in expenditure this year responding to flood damage, we have used 1% of the average expenditure from the last 3 reporting periods as our benchmark for overall materiality.

We have used 5% of the 2022 property, plant and equipment balance for the specific materiality.

Financial sustainability

For the current year financial sustainability statement, we will assess materiality on a mix of qualitative and quantitative factors, including the percentage deviation from the target range.

3. Other audit considerations

Commonwealth certificates

Each year, we are required under the relevant legislation and Commonwealth Government funding arrangement/guideline to provide an audit opinion on the following grants:

Grant acquittal	Basis for audit
Roads to Recovery	Part 8 <i>National Land Transport Act 2014</i> Sub section 6.2(b) <i>Roads to Recovery Funding Conditions 2019 Agreement</i>
Local Roads and Community Infrastructure Program	Section 4 <i>National Land Transport Act 2014</i> <i>COVID-19 Local Roads and Community Infrastructure Program Guideline</i>

Financial sustainability reports

At the date of this plan, the department has completed the consultation process and is working with the key industry stakeholders to have the new sustainability framework finalised. It is anticipated that the new framework would be available for implementation for the 2023–24 financial year. We will update Council and the audit committee with any progress on this matter.

Until the new sustainability framework is finalised and implemented, we will audit the sustainability ratios included in your current year financial sustainability statement to determine whether they are accurately calculated based on the Council's general purpose financial report and the requirements set out in the *Financial Management (Sustainability) Guideline 2013*.

Working with internal audit

We will engage with internal audit across the period to understand if there are any impacts on our audit through its reviews or insights.

4. Assessing internal controls

We are developing assessment tools that will help us better communicate with our clients about the strength of their internal controls, and the areas they can improve. These tools focus on common controls across government entities. Further information on our new internal control assessment tools is included in our fact sheet, which is available on our website: www.qao.qld.gov.au/reports-resources/fact-sheets.

5. Key financial audit milestones

We have discussed with Andrew McKenzie (Director of Corporate Services) to establish the following key audit reporting deadlines. Strong collaboration will ensure that these deliverables are mutually achievable.

Planning	Agreed date
External audit plan issued to client	2 May
Interim	
Schedule request list sent to client detailing requirements for interim visit	31 March
Interim audit requests due	8 May
Early close pro forma financial statements due to audit	8 May
Mapping guide comparing chart of accounts between current and prior period due to audit	8 May
Interim visit (onsite 23-26)	22-26 May
Feedback on proforma financial statements to client	9 June
Asset valuations due to audit	31 May
Asset valuations reviewed by audit	30 June
Interim report issued to client	30 June
Final	
Schedule request list sent to client detailing requirements for final visit	30 June
Final audit requests due	28 August
Complete year-end file with supporting workpapers for all disclosures in the financial statements	28 August
Complete draft financial statements to audit	28 August
Year-end visit	11 September
Feedback on draft financial statements to client	22 September
QAO closing report summarising the audit findings issued to client	9 October
Audit committee clearance	23 October
Financial statements signed by management	23 October
Audit report including our audit opinion issued to the client	By 31 October
Final management report outlining the final audit findings issued to the client	By 31 October

We recommend that you monitor these agreed time frames and report to us any slippages as soon as possible. Please sign and return this page to Margaret Dewhurst by 13 May 2023.

Name: Ken Timms Chief Executive Officer	Signed	Date
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6. Audit fees

Our proposed audit fee (exclusive of GST) is **\$66,500** (2022: \$94,000) for Etheridge Shire Council. This is based on our planned audit program. We will bill our fee progressively as we complete each stage of our work. The audit fee includes the following components.

Entity
Financial audit \$58,000
Travel \$8,500
Total \$66,500

Our fee estimate can be affected by:

- the effectiveness of your internal control environment
- the quality of draft financial statements and supporting workpapers
- significant accounting issues not raised with the audit team during planning
- whether the milestones are achieved within the agreed time frames
- the availability of your management and staff, and the timeliness of their responses to audit issues.

We will discuss any anticipated variations to our fee with you during the audit.



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2023 INTERIM REPORT

Etheridge Shire Council

28 June 2023

28 June 2023

Councillor Barry Hughes, Mayor
Etheridge Shire Council
41 St George Street
GEORGETOWN QLD 4871

Dear Cr Hughes

2023 Interim report

We present our interim report for Etheridge Shire Council for the financial year ending 30 June 2023. This report details the results of our interim work performed to 26 May 2023.

Under section 213 of the Local Government Regulation 2012, you must present a copy of this report at your Council's next ordinary meeting.

Results of our interim audit

In this phase, we assessed the design and implementation of your internal controls relevant to the financial report, and whether they are operating effectively. We assessed the key controls we intend to rely on in auditing your financial statements. Our audit does not assess all controls that management has implemented across the organisation.

Significant deficiencies:

- 3 unresolved from prior years

Deficiencies:

- 4 raised in the current year
- 8 unresolved from prior years

Other matters:

- 2 unresolved from prior years

Financial reporting matters:

- 3 unresolved from prior years

Based on the results of our testing completed to date and the resolution of prior year issues, we have determined your internal control environment supports an audit strategy where we can rely upon your entity's controls for the expenditure and payroll cycles.

Refer to *Section 2* for further details.

If you have any questions or would like to discuss the audit report, please contact me on 07 4046 0051.

Yours sincerely



Margaret Dewhurst
Director – BDO Audit (NTH QLD) Pty Ltd

Enc.

cc. Ken Timms, Chief Executive Officer

1. Status of issues

Internal control issues

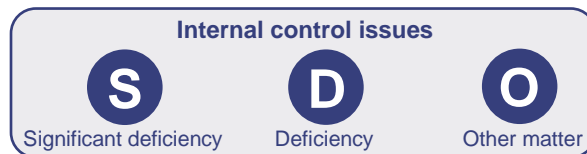
The following table identifies the number of deficiencies in internal controls and other matters we have identified. Details of the deficiencies we identified during our interim audit are outlined further in this section. Refer to Section 2 *Matters previously reported* for the status of previously raised issues.

Issues	Significant deficiencies	Deficiencies	Other matters*
Current year issues	-	4	-
Prior year issues – unresolved	3	8	2
Total issues	3	12	2

*Queensland Audit Office only tracks resolution of other matters where management has committed to implementing action.

The following section details control deficiencies and other matters identified as at 26 May 2023. It includes a response from management.

Our ratings are as follows. For more information and detail on our rating definitions, please see the webpage here: www.qao.qld.gov.au/information-internal-controls or scan the QR code.



D Deficiencies

IR23-1 – Improve financial reporting by strengthening month-end and year-end financial reporting processes

<Control activities>

Observation

We noted during our review of the interim accounts, that a number of material balances are not being accrued and adjusted on a regular basis, including accrued expenditure, payroll accruals, contract assets and liabilities, asset capitalisations and clearance of work in progress.

Implication

The monthly financial information being provided to Council for decision making may not be accurate if all balances are not updated timely. The financial information and balances in the statutory financial statements materially differ from the management accounts.

QAO recommendation

We recommend a review of policies, practices and procedures for the recognition of these balances throughout the year to ensure Council is supplied with accurate information to make decisions, including regular and timely capitalisation and depreciation of new assets, recognition of contract asset and liability balances throughout the year and accrued expenditure at month end.

D Deficiencies (continued)

IR23-1 – Improve financial reporting by strengthening month-end and year-end financial reporting processes (continued)

Management should consider performing a re-assessment against the financial statement maturity model available on the QAO website to assess their financial reporting processes and identify areas for improving the timeliness and quality of their financial reports.

Management response

Council thanks Audit for its recommendation.

In respect of reviewing policies, practices, and procedures to improve monthly management reports to Council, we note practical financial information management system limitations and lack of staff resources that restrict our ability to implement this recommendation. Management is working with DSDILGP and KPMG to improve monthly reporting.

Following conclusion of this year's audit, Council will self-review its performance against the financial statement maturity model.

Responsible officer: Finance Manager

Status: Work in progress

Action date: 31st March 2024

IR23-2– Review of recruitment policy

<Control environment>

Observation

We noted during our review of the recruitment process and policy (documented in the Human Resource Policy), that there is no formal requirement to assess, obtain or document criminal history checks or verify qualifications of employees such as plant operation tickets and construction white cards. The recruitment policy was due for review and update on 30 June 2020.

Implication

There is an increased risk of high-risk individuals being employed if criminal history checks are not performed for positions that warrant a higher level of vetting. Further, failure to confirm and document the legitimacy of qualifications may result in additional risk or liability to Council.

QAO recommendation

We recommend that consideration is given to including criminal history checks and qualification checks for positions that warrant a higher level of vetting as part of the recruitment process. The recruitment procedure should include guidance in relation to the positions that require additional criminal history checks.

Management response

Council thanks Audit for its recommendation and will assess its position on requiring criminal history and qualification verification when it reviews the Recruitment Policy & Procedure.

Responsible officer: Director Corporate Services

Status: Work in progress

Action date: 31st December 2023

D Deficiencies (continued)

IR23-3 – Insufficient risk management and governance procedures

<Risk assessment>

Observation

We noted during our review of the risk management framework, that the risk register has not been updated for at least two financial years. Following discussions with management, we noted that the governance procedures around risk management are limited. For example, there are limited formal processes for identifying and assessing new risks and managing exposure to existing risks. An essential component of risk management is monitoring and reviewing the risk register.

Implication

Councils face risks that may be difficult to quantify or control. It is an essential element of good governance to identify and manage these risks and formulate responses to deal with them if they eventuate. A commitment to risk management contributes to sound management practice. The implication is that risks are not identified or adequately responded to in a timely manner, increasing Council's exposure to loss or damage.

QAO recommendation

We recommend revisiting the risk management practices ensuring adequate identification and management of operational risk, including regularly monitoring, reviewing and updating the risk register and risk management framework.

Management response

Council thanks Audit for its recommendation. Council is conscious of its statutory obligations toward risk management and corporate governance. The fact remains that our resource base severely constrains our ability to meet our statutory obligations, especially when balanced against competing service priorities and community expectations.

Responsible officer: Director Corporate Services

Status: Work in progress

Action date: 30th June 2024

IR23-4 – Policies not reviewed on a timely basis

<Policies and documentation>

Observation

We have reviewed the information on Council's website against the requirements of the Local Government Act and associated Regulations, and identified the following areas for consideration:

- [1] Investigation policy – does not appear to be disclosed on Council's website [s150AE LGA].
- [2] Fraud & corruption management policy and management plan were due for review on 30 June 2018.
- [3] Procurement principles policy per Council website was due for review on 31 January 2021.
- [4] Delegation policy per website is not signed as endorsed and dated December 2017.
- [5] Entertainment and hospitality expenditure policy was due for review on 31 January 2021.
- [6] Advertising expenditure policy was due for review on 28 February 2021.

D Deficiencies (continued)

IR23-4 – Policies not reviewed on a timely basis (continued)

Implication

Failing to disclose the items above may constitute a breach of the requirements under the Act and Regulations and is not achieving best practice.

QAO recommendation

We recommend a review of the requirements above and adopting, updating, and disclosing the relevant items on Council's website.

Management response

Council thanks Audit for its recommendation. Council is conscious of its statutory obligations for Policy development. The fact remains that our resource base severely constrains our ability to meet our statutory obligations, especially when balanced against competing service priorities and community expectations.

Responsible officer: Chief Executive Officer / Director Corporate Services

Status: Work in progress

Action date: 30th June 2024

Financial reporting issues

This table identifies the number of financial reporting issues we raised. Refer to section 2 *Matters previously reported* for the status of previously raised financial reporting issues.

Year and status	High risk	Moderate risk	Low risk
Current year issues	-	-	-
Prior year issues – unresolved	-	1	2
Total issues	-	1	2

Our risk ratings are as follows. For more information and detail on our rating definitions, please see the webpage here: www.qao.qld.gov.au/information-internal-controls or scan the QR code.



Financial reporting issues



High








Medium



Low








2. Matters previously reported


The following table summarises the status of deficiencies, financial reporting issues, and other matters previously reported to you.

Ref.	Rating	Issue	Status
22CR-1		<p>Chart of accounts <Information and communication></p> <p>The chart of accounts did not enable Council to accurately track and record grant revenue, capitalised expenditure and prepare accurate financial statements.</p> <p><i>Update: Chart of accounts has been restructured, however not all matters have been resolved. Audit is awaiting results of financial reporting re-write to support preparation of financial statements before marking as resolved.</i></p>	<p>Work in progress</p> <p>Council has engaged a consultant in consultation with the software provider to re-write the chart of accounts.</p> <p>Pending audit clearance once financial statements are able to be successfully populated.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 26 January 2023 Updated action date: 30 June 2023</p>
21CR-1		<p>Lack of review of users in Windows and PC's <Control activities></p> <p>Lack of review over user accounts to determine if users still require access and appropriateness of the access levels provided.</p> <p><i>Update: No formal review of user accounts.</i></p>	<p>Resolved</p> <p>Management have performed a comprehensive review and made changes to the access levels and password parameters in PC's and remote access environment.</p>
21CR-2		<p>Management of capital grants <Control activities></p> <p>No comprehensive grants register detailing relevant details including recognition method applicable to the funding. Errors identified in prior year financial statements were material.</p>	<p>Work in progress</p> <p>Preliminary grants register developed. To be implemented and provided for audit at year-end.</p> <p>Responsible officer: Finance Manager</p> <p>Action date: 30 June 2022 Updated action date: 30 June 2023</p>
21CR-3		<p>Job costing and chart of accounts <Information and communication></p> <p>The structure of the chart of accounts makes it difficult to determine whether each contract and sub-contract generated a surplus or a loss.</p> <p><i>Update: Refer also 22-CR1.</i></p>	<p>Work in progress</p> <p>Chart of accounts reviewed and streamlined in Jan 2023.</p> <p>Recoverable works referred to internal audit for review.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2022 Updated action date: 30 June 2023</p>
21CR-4		<p>IT general controls and policies <Information and communication></p> <p>A number of IT policies were outdated or did not include key elements to ensure adequate management of the IT environment.</p> <p><i>Update: Computer, email and internet policy in draft at date of audit visit.</i></p>	<p>Work in progress</p> <p>Policy Framework Review has commenced.</p> <p>Responsible officer: Director of Corporate & Community Services</p> <p>Action date: 30 June 2022 Updated action date: 30 June 2023</p>

Ref.	Rating	Issue	Status
21CR-5	D	<p>Procurement – Tender process and retention of documentation</p> <p><Information and communication></p> <p>Practice was inconsistent with Council policy. Conflict of interest declaration forms were not being prepared consistently.</p> <p><i>Update: No further issues noted in the 2023 year testing. Marked as resolved.</i></p>	Resolved
21CR-6	D	<p>Registers of interest</p> <p><Information and communication></p> <p>Identified instances where Registers of Interests were incomplete.</p> <p><i>Update: Instances noted where Register of interest Forms disclosed on website were not the most up-to-date versions. Register of Interest Forms not completed by all executive management.</i></p>	<p>Work in progress</p> <p>Responsible officer: Director of Corporate & Community Services</p> <p>Action date: 30 June 2022</p> <p>Updated action date: 30 June 2023</p>
21CR-7	D	<p>Stocktake procedures</p> <p><Control activities></p> <p>Stock items were identified as counted on count sheets but not physically located in stores indicating a process deficiency.</p> <p><i>Update: During our attendance on site in May 2023 we noted that stocktakes were being performed but issues were noted with actioning adjustments in the system. Management to resolve by 30 June.</i></p>	<p>Work in progress</p> <p>Responsible officer: Stores Officer</p> <p>Quarterly rolling stocktakes are being conducted. A review of inventory management is being conducted.</p> <p>Action date: 30 June 2022</p> <p>Updated action date: 30 June 2023</p>
21CR-9	D	<p>Review of asset revaluations</p> <p><Control activities></p> <p>Insufficient evidence of management's review and scrutiny of the asset valuations.</p> <p>Errors were identified during audit review that were corrected by valuer prior to amounts being entered into the system.</p> <p><i>Update: Revaluation adjustments not yet posted in the asset register, therefore audit unable to confirm whether these are recorded correctly. We have not yet reviewed the 2023 valuations.</i></p>	<p>Work in progress</p> <p>Responsible officer: Director of Corporate & Community Services</p> <p>With Audit Committee endorsement, DCS wishes to establish an internal Asset Management Committee to review asset capitalisation, valuation and depreciation.</p> <p>Action date: 30 June 2022</p> <p>Updated action date: 30 June 2023</p>
22CR-2	D	<p>Compliance with procurement policy</p> <p><Control activities></p> <p>We identified instances where purchase orders were raised after invoice date and tender documents that were unable to be located.</p> <p><i>Update: Our 2023 interim samples included 3 sample items that had purchase orders dated after the invoice date.</i></p>	<p>Work in progress</p> <p>Council to address in review of Procurement Policy.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2023</p>

Ref.	Rating	Issue	Status
22CR-3	D	<p>Contracts over \$200,000 not disclosed on Council's website</p> <p><Information and communication></p> <p>We identified contracts which were not disclosed on Council's website in the 2022 financial year.</p> <p><i>Update: We identified a further instance where contracts were not disclosed in the 2023 year.</i></p>	<p>Work in progress</p> <p>Responsible officer: Stores Officer</p> <p>Action date: 30 June 2023</p>
22CR-4	D	<p>Review of users with general journal access</p> <p><Control activities></p> <p>During our review of PCS user access, we noted that there were 12 users who have access to post general journals including 3 generic accounts.</p>	<p>Resolved</p> <p>Council has reviewed and actioned changes to PCS permissions on 24 January 2023.</p>
22-CR5	D	<p>Management of fixed assets register and capital WIP</p> <p><Control activities></p> <p>We identified delays in capitalisation and errors in depreciation calculations. We recommended a comprehensive review of the capitalisation process.</p> <p><i>Update: Council has not capitalised assets for the 2023 FY at date of interim review.</i></p>	<p>Work in progress</p> <p>With Audit Committee endorsement, DCS wishes to establish an internal Asset Management Committee to review asset capitalisation, valuation and depreciation.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2023</p>
22-CR6	D	<p>Plant hire rates</p> <p><Control activities></p> <p>We note that the plant hire rates have not been updated in several years and may not accurately represent the running costs of plant assets. We recommended a review of plant hire rates to ensure they are appropriate and can be evidenced.</p>	<p>Resolved pending audit clearance</p> <p>Consultant has been engaged to provide a comprehensive analysis of plant hire rates. Report has been received and findings actioned by Council.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2023</p>
21CR-11	O	<p>Non-compliance with LGA and LGR</p> <p><Policies and documentation></p> <p>A number of items required to be published on Council website were unable to be located, as well as a number of required manuals and policies do not appear to exist.</p> <p><i>Reraised for items still outstanding at 23-IR4.</i></p>	<p>Resolved</p> <p>Council has implemented and confirmed applicability of items included in audit recommendations.</p>
22-CR7	O	<p>Out of date policies of Council website</p> <p><Policies and documentation></p> <p>We noted a number of policies were out of date and due for review on Council's website.</p> <p><i>Update: Council have updated a number of policies, remaining outstanding policies re-opened in IR23-4.</i></p>	<p>Reopened at IR23-4</p>

Ref.	Rating	Issue	Status
22-CR8		<p>Policy to support reimbursement of relocation expenses</p> <p><Policies and documentation></p> <p>Lack of formal policy or documented evidence of reimbursements paid to key management personnel. We recommended implementing a formal policy to support these decisions.</p>	<p>Work in progress</p> <p>Management is in the process of drafting a formal Relocation Assistance Policy.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2023</p>
22-CR9		<p>Physical security of cash</p> <p><Control activities></p> <p>We recommended reviewing controls over physical cash on-site at Council offices.</p>	<p>Resolved</p>
22-CR10		<p>Internal audit function</p> <p><Control activities></p> <p>We recommended Council finalise the internal audit plan as soon as possible.</p>	<p>Resolved</p> <p>Council has established an internal audit function.</p>
22-CR11		<p>Landfill and terrestrial collection valuation</p> <p>Terrestrial collection has not undergone valuation since 2014/15.</p>	<p>Resolved</p> <p>Management have obtained a comprehensive valuation for the 2023 financial year which will be taken up in the 2023 financial statements.</p>
21CR-12		<p>Inadequate review of draft financial statements</p> <p>Significant changes were required to the disclosure and presentation of financial statements for the year ended 30 June 2021 and 30 June 2022 indicating inadequate review prior to audit.</p>	<p>Work in progress</p> <p>Responsible officer: Finance Manager</p> <p>Action date: 30 June 2022</p> <p>Updated action date: 30 June 2023</p>
22-CR12		<p>Write-offs and renewals of capital assets</p> <p>We recommended implementing a process to review existing assets for loss or significant damage and segregating capital works into additions and renewals.</p>	<p>Work in progress</p> <p>With Audit Committee endorsement, DCS wishes to establish an internal Asset Management Committee to review asset capitalisation, valuation and depreciation.</p> <p>Responsible officer: Director of Corporate Services</p> <p>Action date: 30 June 2023</p>
22-CR13		<p>Management of excessive leave balances</p> <p>We recommended a review and appropriate action taken to reduce excessive leave balances.</p> <p><i>Update: There are still significant leave balances, however they are reducing and management continue to monitor on a monthly basis.</i></p>	<p>Resolved</p> <p>Management continues to review leave balances on a monthly basis and encourage leave to be taken for employees with excessive balances.</p>

Ref.	Rating	Issue	Status
22-CR14		Plant assets – residual values We recommend a formal annual review of the fixed asset register to confirm that estimates including useful lives, residual values and depreciation rates are appropriate.	Work in progress With Audit Committee endorsement, DCS wishes to establish an internal Asset Management Committee to review asset capitalisation, valuation and depreciation. Responsible officer: Director of Corporate Services Action date: 30 June 2023



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CONFIDENTIAL REPORT
COMMERCIAL-IN-CONFERENCE



ETHERIDGE SHIRE COUNCIL

Recoverable Works & Job Costing
(for externally sourced revenue)

Issued April 2023

Distribution	
For action: Megan Alexanderson, Acting Senior Finance Officer Allan Parry, Infrastructure Services Operations Manager Alan Clark, Director of Engineering Services Andrew McKenzie, Director Corporate Services [Internal Audit Sponsor]	For information: Ken Timms, Chief Executive Officer Executive Team Audit Committee Members

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Inherent limitations:

Because of the inherent limitations of any internal control structure it is possible that errors and/or irregularities may occur and not be detected during the internal audit process. An internal audit is not designed to detect all weaknesses in control procedures, as it is not performed continuously throughout the period. Verification of key internal controls is performed predominantly through process walk-throughs, observations and interviews and recommendations are made on this basis.

Any evaluation of the control procedures and their future effectiveness is subject to the risk that the procedures may be altered, circumvented, become inadequate due to changes in conditions or that the degree of compliance with them may deteriorate.

The procedures we have agreed to perform do not constitute an audit in accordance with the Australian Audit Standards.

The procedures we have agreed to perform reflect upon the business risks documented in Council’s Corporate Risk Register but do not provide or represent complete coverage of the risks in the organisation or that all risk treatments proposed by management are sufficient or effective. The responsibility for adequate and effective risk management rests with Management.

Relative responsibilities:

The responsibility for determining the adequacy or otherwise of the procedures agreed to be performed by us is that of the Internal Audit Sponsor. The procedures we will perform are solely to assist Etheridge Shire Council in determining the adequacy or otherwise of a selection of internal control measures it has in place.

Our report of factual findings is not to be used for any other purpose and is solely for your information. Other than our responsibility to Etheridge Shire Council and its management, neither Pacifica nor any member or employee of Pacifica undertakes responsibility arising in any way from reliance placed on our report by a third party. Any reliance placed is the responsibility solely of that party.

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1. Executive summary

1.1 Background to review

Etheridge Shire Council's (Council) recoverable and private works programme accounts for approximately 65% of its revenue, comprising:

FY 2023

- Budgeted - \$46.1m (including DRFA)
- Actual revenue to time of reporting - \$28.2m

FY 2022

- Budgeted - \$41.8m (including DRFA)
- Actual revenue at year end - \$25.7m

Management has recognised that appropriate and effective recoverable and private works programming and delivery is critical to the achievement of Council's strategic and operational planning, and the ongoing financial sustainability of the organisation.

As a result of the potential risks associated with this revenue stream, lack of previous internal audit activity in this area, and perceived areas of concern, management included this project in the FY 2023 Annual Internal Audit Plan.

1.2 Summary of objective and scope

The objective of this internal audit project was to determine the effectiveness of processes and business practices in place to ensure that Council claims all costs and invoices all revenue to which it is entitled for works performed for external customers or third parties.

The review focused on whether cost capture mechanisms are adequate and ensure that cost allocations to recoverable works (third party) projects are complete, accurate, managed to budget and appropriately invoiced to third parties on a timely basis.

At the time of this review, Internal Audit was advised that there had not been any significant private works completed in the recent past, and Council actively discourages smaller private works for the general public. This encourages the general public to access commercial providers in the area and ensures that Council's assets are available for large projects within the region.

All recoverable works considered during this project were either recovered, or are awaiting recovery as claims, through funding arrangements.

The specific objectives, scope and approach of the internal audit were agreed with the Internal Audit Sponsor in advance of the commencement of fieldwork.

The internal audit work was performed in consultation with the Infrastructure Services Operational Manager, Director of Engineering, Director of Corporate Services, Finance Manager, Acting Senior Finance Officer and other officers as required.

Scope limitations and exclusions

The project scope specifically excluded:

- Detailed review of Council-wide contract management and/or project management practices
- Tendering and procurement practices
- Council annual budget preparation processes
- Capital works programme development
- Contractor performance

1.3 Overall conclusion

A number of related internal control limitations were identified in our review of the recoverable works and private works function.

We have considered the potential impact of the operational and internal control deficiencies individually and collectively. When combined, the number and relative severity of the observations noted could be reduced to further mitigate potential risks to the organisation.

The internal control environment (established from our examination of current policies procedures and practices) is assessed as **FAIR** showing areas of improvement in the form of two (2) MODERATE and four (4) LOW observations, and one (1) unrated Business Improvement Opportunity.

FAIR	Control procedures exist and appear to be operating. However, improvements and inconsistencies are evident in some areas. The existing procedures should prevent or detect non-complex or routine errors, anomalies or risks impacting the reliability and integrity of information used in decision-making.
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The most significant observations arising from this review were:

- There are currently no system enforced controls to ensure that Work Order closure is monitored or duly authorised.

- Project margins and contingencies to be applied to recoverable works submissions and costings are based on officer judgement and experience and, whilst somewhat standardised, vary depending on the type of work, customer and project risk profile. The project margins and contingencies that are applied to recoverable works are not formalised through departmental directives or work instructions.
- There are no monthly margin monitoring controls in place to assess the recoverability status of all open projects. As a result, there is no structured process that prompts further investigation of project transactions and/or triggers the need for more active management of project recovery, including defining root causes for underperformance, such as unreported and unbilled variations or out of scope works.
- There are no formal protocols or guidelines in place covering the escalation and approval process for recoverable works project variations.
- Management have acknowledged that unit rates require review. Mead Perry (an independent consultant) were engaged by management and have now reported their findings.
- Engineering working papers, including information received from Government departments, are not readily available on Council’s documentary management system (MagiQ).

2. Overview of key observations

2.1 Work practices and controls

As part of the review, we performed process walkthroughs and examined the underlying work practices associated with the recoverable works management practices at Etheridge Shire Council. The following necessary controls appeared to be in place:

- Work order numbers are generated at the commencement of the financial year by Finance who are responsible for management of their use.
- A purchase order must be obtained, and Council work orders established, prior to commencement of works.
- Sound procedures appear to be in place to ensure Work Orders (project codes) are created upon notification of award of work (from customers) and prior to transactions processed date (works undertaken).
- Commencing in August 2022, informal weekly team meetings are now being held by the Engineering department to discuss project status and performance.
- Invoicing of the Queensland Reconstruction Authority (QRA) is carried out after the claim has been approved by QRA officers, thereby reducing the number of credit notes issued to adjust the original QRA invoices.

2.2 Summary observations and severity ratings

OBSERVATIONS	RISK SEVERITY RATING
3.1 Cost Recovery	MODERATE
3.2 Escalation protocols for approval of recoverable works variations	MODERATE
3.3 Private Works – potential for revenue leakage	LOW
3.4 Monitoring of project costs and margins	LOW
3.5 Records Management	LOW
3.6 Recoverable Works Invoicing Procedures – notification and timeliness	LOW
4.1 Project performance review process is not formalised or integrated	BUSINESS IMPROVEMENT OPPORTUNITY

Detailed observations and the recommendations suggested to improve internal controls and operations are included in *Section 3 – Internal Audit Observations*.

Classification of *Risk Severity Ratings* assigned to each of the internal audit observations are detailed in *Appendix 1*.

2.3 Additional areas for Internal Audit projects

From the ancillary information that came to our attention during this project, we believe Council would benefit from future Internal Audit projects, or similar, covering the area of Project Management.

2.4 Management response on Report

The observations and recommendations presented in this report were discussed with the Director Corporate Services at a preliminary exit meeting after completion of the fieldwork.

The observations in this report have been generally accepted, unless otherwise noted, and management has either agreed action plans to address the matters noted, presented alternative methods of rectification, or accepted the potential risks associated with them, having regard to the cost-benefit of control and the likelihood and consequences of the risks to the organisation.

3. Internal Audit observations

These Internal Audit observations are reported on an exception basis only. Commentary on the effective business practices and internal controls noted during this Internal Audit are included in the *Section 2.1 – Work practices and controls*.

3.1 Cost recovery

Severity Rating: MODERATE

The value and scale of typical recoverable works undertaken, and the organisation's dependence on the external funded income stream to derive net-positive returns for Council, require constant and effective management and monitoring by skilled personnel from both engineering and financial backgrounds.

Whilst both business units recognised the importance of recoverable works to the organisation, each performed their roles largely independent of the other, with the Finance unit's involvement limited to the commencement of the project (allocating job codes) and at the end as an invoice processing function.

It appears that existing experienced key personnel were in place, and they had adapted business practices within their specific units and expertise. However, the level of coordination, integration and engagement between Finance and Engineering officers about the organisation-wide financial implications of recoverable works projects, was siloed.

Consequently, there is a potential that the works and services initiation, delivery and subsequent financial monitoring and oversight of recoverable works may not be coordinated nor sufficient to manage the risks of revenue loss.

Recommendations:

To clarify processes, and minimise key person reliance risk in the recoverable works process, it is recommended that management:

3.1.1 Formally establish the roles, responsibilities and reporting structure of Engineering and Finance in the end-to-end recoverable works process.

To achieve this the following processes, amongst others, should be considered:

- Estimating
- Works tender submission
- Project performance monitoring
- Variation recognition and approval process
- Invoice compilation
- Notification of finalisation of the project

Management Response:

3.1.1 Council has established an internal committee to review asset valuations, recognition, depreciation and oversight for asset strategic management. The committee is constituted by both finance and engineering staff. Given the significance of historic internal and external audit observations, the committee shall be directed to map "Recoverable Works" processes for private work, TMR works and DRFA works, addressing the above elements.

Responsibility: Director Corporate Services

Target Implementation Date: 31 Dec 2023

3.2 Escalation protocols for approval of recoverable works variations

Severity Rating: MODERATE

There are currently no formal protocols or guidelines in place covering the escalation and approval process for recoverable works variations that may present a financial risk to Council.

Discussions with management indicated that while it is expected that all variations are escalated for approval, officer experience and discretion are the primary mechanisms relied upon to bring forward variance-type matters to management. There is no formal documentation for capturing and seeking approval for project variations either in value or projected timelines.

The lack of formal, documented protocols and an inconsistent application of existing informal variations on recoverable works projects ultimately puts at risk Council's works revenue.

Recommendations:

It is recommended that management:

3.2.1 Develop department guidance on the identification, escalation, approval (delegation of authority) and recording of variations/overruns that sets out how variations and changes to the recoverable works programme should be treated.

Engineering may wish to coordinate with Finance to ensure that operational and financial efficiencies associated with current work practices are maintained to the extent possible, balanced against an increase in procedural control and appropriately resourced.

To achieve the above:

- Procedures over works variations should be defined, documented and endorsed by appropriately authorised officers. This is necessary to provide direction to relevant personnel about the extent and limit of their delegated powers and the operational controls required to ensure that ultimate decisions making authority remains with Council management, even where these variations arise on Main Roads programmes or Disaster Recovery Funding Arrangements (DRFA).
- Establish limits under which an individual works variations value, and cumulative value of variations per project, can be approved by the works supervisors in the normal course of business without seeking direct approval from the Infrastructure Services Manager or above (e.g., maximum dollar amount, maximum percentage of project value).

3.2.3 For each subsequent identified variations from 3.2.1 above (irrespective of whether it can be recovered), consider further examination of the “root cause” to identify and correct any process deficiencies that could have led to the legitimate variations being “missed” in standard invoicing procedures. Based on outcomes, further work instructions or directives may be required.

3.2.4 Consider the implementation of a variation tracking document (say a *Job Management Action Sheet*) to document and advise of matters that arise on projects, including changes to works and variations.

Management Response:

3.2.1 This will be included in the mapping of Recoverable Works processes, above.

Responsibility: Director Corporate Services
Target Implementation Date: 31 Dec 2023

3.2.2 At the completion of significant recoverable works projects (e.g., TMR contracts & DRFA), Management shall conduct a ‘project debrief’ to review the project’s delivery and finances as means to continually improve all aspects of our recoverable works delivery.

Responsibility: Executive Management Team (CEO, DCS, DES)

Target Implementation Date: Upon the completion / acquittal of major projects.

3.2.3 This observation will be part of the committee’s role in mapping Recoverable Works processes.

Responsibility: Director Corporate Services
Target Implementation Date: 31 Dec 2023

3.2.4 This observation will be part of the committee’s role in mapping Recoverable Works processes.

Responsibility: Director Corporate Services
Target Implementation Date: 31 Dec 2023

3.3 Private Works – potential for revenue leakage

Severity Rating: LOW

Council’s policy, as encapsulated in its *Order for Private Works and Services (PWS Order)* document, is to minimise the provision of private works to the public. Council also requires that the customer applying for the private work or service, agrees to pay all costs incurred in the carrying out of the work and/or service within 30 days of receipt of account. This is included as part of the conditions of service on the *PWS Order* and must be signed off before commencement of the works or service.

At the time of this review in late February 2023, the value of private works provided to members of the public, including some Council employees, totalled approximately \$103k (FY2022 - \$27k).

The sundry debtors aged analysis (\$331,337.31 as at the end of February 2023) included two (2) larger balances (Ford - \$65,812.65 and Gulf Savannah - \$960.62) which were for services invoiced in January 2023, and related to the use of Council plant and operators (wet hire).

It is general practice for most Councils to request complete or partial payment from the customer before works commence. While immaterial, a change of payment conditions to payment before commencing the works/service would prevent revenue leakage and mitigate the risk of fraudulent activities and misappropriation of Council’s resources.

Recommendations:

It is recommended that management:

- 3.3.1 Strictly enforces the intent of Council policy and not perform recoverable works for the general public, including Council employees, to support the use of local contractors. If this is not practical, require full up-front payment or a minimum of 50% deposit for all such private works.
- 3.3.2 Third parties receiving private works should sign a Works Received slip that confirms that the works have been physically completed or acquired (and payment is now required if not already paid in full). In addition, Council should include additional lines in the *PWS Order* which clarify any variations to the works prior to continuance and that confirms that the works have been physically completed or acquired. These documents should be retained for filing purposes to support Council's position should future issues arise.

Management Response:

- 3.3.1** Council's Private Works Policy will be reviewed to confirm this is still Council's Policy intent, and to augment processes around management of private works.

Responsibility: Director Corporate Services

Target Implementation Date: 31 Dec 2023

- 3.3.2** Council shall review its Private Works stationary to ensure it meets its needs (legal, financial and record keeping).

Responsibility: Director Corporate Services

Target Implementation Date: 31 Dec 2023

3.4 Monitoring of project costs and margins

Severity Rating: LOW

Determination of the project cost for quotations and costing is based on officer judgement and experiences and varies depending on the types of works. Many recoverable works projects are costed for quotation purposes using unit rate estimates derived from previous year actuals or by making comparisons to similar past projects.

Discussions with officers indicate that Council's profit element is considered to be built into the unit rates (recently reviewed by Mead Perry). Therefore, while quotations include values for project contingencies, no allowance for project margins is made. There

are no departmental directives or work instructions that confirms and formalise this approach.

A clearly documented department-wide position on the costings and expected margins (if any) and how these should be applied to certain projects would reduce reliance on officer discretion and judgement. It would also mitigate the potential risk that the inclusion of margins in the unit cost calculations could compromise revenue recoverability.

Management initiative:

Management have commenced quoting and assessing project costs based on first principles rather than past performance and experience.

Recommendations:

It is recommended that management:

- 3.4.1 Establish and clearly document a directive or work instruction that clarifies:
- The types of margins that exist and how these are to be applied to certain types of projects in the estimating and quotation process.
 - The extent of any discretion available to officers to use lower or non-specific project margins.
 - The approval or authorisation process, if any, that are required if officers divert from the designated project margins set out for such works.
- 3.4.2 In accordance with the management initiative, establish as a Council-wide policy that quotations and estimates will be compiled using the first principle costing.

Management Response:

- 3.4.1** This will be addressed in Council's Private Works Policy, when reviewed.

Responsibility: Finance Manager

Target Implementation Date: 31 Mar 2024

- 3.4.2** This will be addressed in Council's Private Works Policy, when reviewed.

Responsibility: Finance Manager

Target Implementation Date: 31 Mar 2024

3.5 Records Management

Severity Rating: LOW

Council does not have an authorised *Information Management Policy* in place that directs and guides officers on the retention of information, particularly documentation, in MagiQ (Council's record management system).

It was observed during the review that budgets, designs, correspondence and other relevant and important information on the Recoverable Works activities are stored on the Q drive on the main Council server and not transferred to MagiQ until completion of the project.

Accessing documents and information relies on the corporate memory, current employees and is highly key person reliant. The risk of key documentation not being captured to MagiQ after job completion also exists.

Recommendations:

It is recommended that:

- 3.5.1 Council compels the use of the centralised repository by the workforce, as expected practice. This should include the creation of working documentation and saving final versions.

Management Response:

- 3.5.1 Council will enforce record retention within its eDRMS system (InfoXpert/MagiQ) and provide training to staff as part of the organisational induction.

Responsibility: CEO

Target Implementation Date: 31 Sep 2023

3.6 Recoverable Works Invoicing Procedures – notification and timeliness

Severity Rating: LOW

Invoicing of recoverable works is largely driven by legislation, funding or contractual agreements which often stipulate the frequency and timing of the invoice generation by Council.

Upon notification that the Council project is complete or that a claim is due (via a Debtors Invoice Request form), Finance officers will produce the required invoice based on the

costs to date. This effective internal control is reduced by the poor communication between Finance and Engineering.

There is currently no overarching list or register of the expected invoices and consequently Finance is dependent on Engineering to advise them of the requirement for an invoice.

Requests for invoices that may be missed can delay the receipt of income, and if not identified, could also result in missed revenue for Council.

Recommendations:

It is recommended that:

- 3.6.1 Finance, with the assistance of Engineering, develop a listing of the expected invoices to be issued and when based on the known projects upon which Council is engaged. This would enable Finance to monitor and investigate delayed invoice requests or unexpected invoice requests.

Management Response:

- 3.6.1 Finance will work closely with Engineering to improve works programming and managing cash flows, especially the timing between works performed, claim preparation / submission and reimbursement / payment.

Responsibility: Finance Manager

Target Implementation Date: 31 Dec 2023

4. Business improvement opportunity

Internal Audit examined the efficiency and effectiveness of work practices and internal controls in an attempt to identify activities that could be improved or redesigned to enable greater efficiency or effectiveness in managing Council's business process: releasing unproductive activity and/or providing greater effectiveness from existing work performed.

For management consideration, it appeared that the following current activities could be further refined to provide greater insight to management and improve the internal control functionality without adding resource capacity. Management responses for Business Improvement Opportunities are not required, nor are they recorded in Council's Audit Register. If management responses are provided, they are reported below.

4.1 Project performance review process is not formalised or integrated

Severity Rating: **Business Improvement**

Officers indicated that project status reporting occurs on a monthly basis, or more frequently if required. However, once projects are completed and closed there is a limited, informal project performance assessment undertaken. Consequently, there is little opportunity to identify and embed "lessons learned" such as:

- The root cause of poor or strong project performance (at the quotation/estimate, project delivery, or variation management stages) so they can be avoided, corrected, or replicated.
- Feedback on the project performance to individuals or teams, particularly those with responsibilities for quoting and estimating, project planning, variance coordinating and financial control.
- Whether actual costs and maintenance/plant/labour volumes required during project delivery were fairly represented in the estimates used to develop quotations.
- Whether the minimum projected margins anticipated in forming the project budget were preserved.
- Whether variances and re-scoping during construction were approved by the client and fully recovered.

Management Initiative:

Management are in the process of forming an Asset Management Review Committee, the function of which will include, among others, a formal project review process to identify lessons learned.

Opportunity:

By establishing a formal performance review after each major project including key personnel from Finance, and Engineering, management would be able to identify and rectify inefficiencies and weaknesses in the management of its projects.

APPENDIX 1 – Classification of internal audit observations

Pacifica developed the following framework for internal audit severity ratings to prioritise internal audit observations according to their relative significance having regard to the potential or known impact on the organisation’s business process.

Control Effectiveness Rating Scale

INSUFFICIENT	Control procedures are not adequate or are not appropriately designed. The procedures will not prevent or detect errors, anomalies or risks impacting the reliability and integrity of information for decision-making.
DEVELOPING	Control procedures exist in some form and/or are partially effective. The procedures may partially prevent or detect errors, anomalies or risks impacting the reliability and integrity of information used for decision-making, in some circumstances.
FAIR	Control procedures exist and appear to be operating. However, improvements and inconsistencies are evident in some areas. The existing procedures should prevent or detect non-complex or routine errors, anomalies or risks impacting the reliability and integrity of information used in decision-making.
MATURING	Control procedures exist and are operating effectively, with minor inadequacies and inconsistencies being evident. The procedures appear mostly adequate and appropriately designed to prevent or detect errors, anomalies or risks impacting the reliability and integrity of information under all typical conditions. Efficiencies in controls design and/or to ensure threats created from non-traditional risk exposures may require further review.
STRONG	Control procedures exist and are operating effectively. The procedures appear adequate and appropriately designed to prevent or detect errors, anomalies or risks impacting the reliability and integrity of information used for decision-making under all conditions.

Internal Audit Observations – Risk Severity Ratings

EXTREME	Risk is considered extreme if both preventive and detective controls for a specific process or objective are inadequate and the impact of these inadequacies is significant. Unless corrected, these deficiencies could expose the organisation to critical business risks. A formal action plan should be developed within 30 days of the report issue date. Corrective action should begin immediately with the full support of the Executive Management Team.
HIGH	Risk is considered high if either preventive or detective controls for a specific process or objective are inadequate and appropriate compensating controls are not in place. Unless corrected, these deficiencies could negatively impact on the results of the organisation. Firm plans for corrective action should be incorporated into the formal management response within this report. Corrective action to commence within one month of the report issue date.
MODERATE	Risk is considered moderate if controls are in place but there is a possibility that internal control deficiencies could expose the organisation to some financial or business risk. The internal control improvements suggested would ensure that these risk levels are managed, and an appropriate internal control structure established. Firm plans for corrective action should be incorporated into the formal management response within this report. Corrective action to commence within two months of the report issue date.
LOW	Risk is considered low if control deficiencies exist, however, financial or operational risk exposure is currently not significant. The recommendations suggested will further improve controls with little or no additional time or cost to the operations. Firm plans for corrective action should be incorporated into the formal management response within this report. Corrective action to be complete within six months of the report issue date.

[DOCUMENT ENDS]



Etheridge Shire Council

UNCONFIRMED MINUTES

HELD AT COUNCIL CHAMBERS, GEORGETOWN

ON WEDNESDAY, 13th June 2023

COMMENCING AT 9.00AM

ETHERIDGE SHIRE COUNCIL

MINUTES MEETING TO REVIEW ASSET VALUATIONS 2022-23,

HELD AT COUNCIL CHAMBERS, GEORGETOWN

ON Tuesday 13TH June 2023

COMMENCING AT 9.00AM

ATTENDANCE

OFFICERS PRESENT

Mr. Andrew McKenzie, Director Corporate Services
Laurie Hawker Act-Manager Finance, Alan Clarke Act-Director Engineering Services, Jack Parry -Infrastructure Services Operations Manager, Megan Alexanderson -Senior Finance Officer, Pat McGuire Engineer Shepards Services, Tim Munn -Shepards Services Asset Accountant.

APOLOGIES

Ken Timms - Chief Executive Officer, Shane Butler - Town Manager

The Chair declared the meeting open at 9.00am and welcomed all in attendance.

CONSIDERATION OF OPEN SESSION REPORTS

Director Corporate Services

1. Report – Consideration of Indexation of Roads, Water and Building classes of Assets

Shepards Indexation Valuation of Roads, Water and Building reports was circulated to all parties. List of questions from QAO was circulated to all parties. Andrew (AM) noted that council is to be more vigilant in looking at budget allocations to project expenditures. Audit partners have flagged need to be more active in notification of completion of assets, more active in finalising jobs completion and commissioning of assets. Allow final capitalisations to progress in a timely manner, less carry-overs, more up to date recognition of depreciation, etc.

Andrew – To Shepards – Basis of indexation / valuation. We use ADS indexation guidelines, Roads Bridges and Culverts, this year we came up with 9.3%. Big rises in construction costs. North head road good example. Buildings, not many houses built locally, Benchmarks, first principles. Try and match the information to council's needs. Concrete prices through the roof, remote councils such as Etheridge have distance problem. Materials, spray seals, gravel all going up.

Shepards - Water asset classes, same as in general with other classes. Also, we use reference guide from NSW- Dept of Primary Industries – NSW Reference Rates Manual. Our work and resultant Comprehensives and indexations go to 8 different councils.

Allan Clarke – Very good output overall, I all agree with all their assumptions and the benchmarking and guides used, Shepards are doing good job in the field, recommend we accept the report.

All agreed Shepherd's valuation report is accepted.

2 Consideration of Comprehensive Valuation of Terrestrial Collection

Report Andrew – BK Minerals are a specialist in the field, Megan - didn't need 2 quotes, Allen – Specialist area, quote was less than \$7k. Little fluctuations in values. This asset should be with Plant and Equipment, Office Furniture, avoid revaluations. Other councils don't revalue their collections. For example, art and museum contents.

Allan – Propose we accept the valuations in the BK Minerals report dated April 2023.

All agreed.

3 Discussion of ESC Valuation Program 2022-23

Andrew / Allan / Laurie - move to accept all reports, Audit staff have noted need to action end of year activities around finalisation of capitalisations. Have to contact suppliers late May early June to ensure Invoicing is forwarded in a timely manner. Then tidy up and finalise job. Complete WIP register.

Andrew / Alan – Will schedule a comprehensive of roads next year. Been significant movement since last Comprehensive revaluation.

Laurie – Good idea to look at completing the comprehensive in about November / December 2023. Be aware may need adjustments if wet season brings further damage.

Laurie - In general, no need to enter the indexation at the individual level, can accrue depreciation at EOY if necessary. Indexations are reversed at the next comprehensive, creates issues therefore irrelevant.

Noted

4 Next Meeting to Discuss the 2023-24 Valuations Program

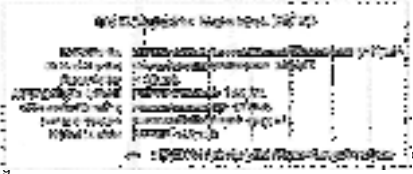
Next meeting to be called as required.

Meeting closed 10.40am.



Etheridge Shire Council Internal/ External Audit Register

REF NO#	Date	Audit Finding	Reccommendation	Management Response	Responsible Officer	Date for completion	Action Taken	Date completed	Status
2018/2019									
18/19 -003 (E) 19FR-3 Debit Balance in Payables Account	01.09.2019	It was noted that the GST suspense account which has a debit balance \$221,855 was included in the payables account. Although the offset of this account did not affect the net assets nor the net results, it understated the receivables and payable accounts.	<u>QAO Recommendation:</u> It is recommended that Council review details of each account balance to ensure significant offsets are identified and adjusted accordingly.	<u>Management response:</u> Not recorded	Ian Kuhn - DCCS		It is understood this has been addressed in subsequent years.	No Date.	Open
18/19 -004 (E) 19FR -4 Emergency Managements & Fire Levy Included in the Revenue	01.09.2019	It is noted that Council includes the net amount of the emergency management and fire levy assessed and collected by the Council in behalf of Queensland Fire and Emergency Service in its revenue account. At 30 June 2019 the balance was Debit of \$48,840 (2018: Credit of \$21,613) which resulted in an understatement/overstatement of the revenue account, respectively.	<u>QAO Recommendation:</u> It is recommended that the Council ensure that net emergency management and fire levy assessed and collected are accounted for properly either in payables or receivables account as appropriate.	<u>Management response:</u> Not recorded	Ian Kuhn - DCCS		It is understood this has been addressed in subsequent years.	No Date.	Open
18/19 - 010 (I) Overall Observations		Our Overall Conclusion is that the Council's Procurement Control Environment is Satisfactory	<u>QAO Recommendation:</u> - Introduce Formal & Regular Staff training on procurement practices - Confirm staff awareness of code of conduct - Promote written quotes rather than verbal quotes - formally document all activities when obtaining quotes - Obtain pre-approval for quote variations due to additional works from the original approver of the requisition. - Obtain CEO approval for Sole suppliers - Regularly monitor use of preferred suppliers.		DCS HR Officers with Purchasing Delegations Officers with Purchasing Delegations Officers with Purchasing Delegations CEO DES		to be commenced training planned for 5th April 2023 Noted this is a requirement under Policy to be addressed with training after review of procurement policy to be addressed through training after review of procurement policy Procurement delegations to be reviewed Superseded through 21/22 and 22/23 Register or Pre-approved suppliers.	Code of Conduct training provided 5th April 2023 Sole Supplier arrangements approved by Council and monitored at Depot	Open
18/19 - 011 (I) Finalisation of Staff Code of Conduct		The Staff code of Conduct is currently noted as 'in consultation'	<u>QAO Recommendation:</u> This documents should be formally finalised and staff required to sign off on their understanding of the policy. Consideration should be given to including this document on Council's Website for the information of the ratepayers and suppliers.		HR		Code of Conduct remains under review. LGMA delivered Code of Conduct training 5th April 2023. Code of Conduct is displayed on Council's website	5th April 2023	Closed
18/19 - 012 (I) Staff Training		Staff Training	<u>QAO Recommendation:</u> Regular formal staff training should occur on fraud awareness, code of conduct, conflicts of interest, procurement practices and policies and responsibilities of financial delegates. Consideration should be given to e-learning, face to face training modules and regional training with neighbouring councils.		FM		Code of Conduct training provided 5th April 2023		Open
18/19 - 013 (I) Losses Register		The Losses Register required to be maintained under S307A of the LGR 2012 currently has no entries.	<u>QAO Recommendation:</u> An appropriate officer should be assigned responsibility for keeping this register up to date.		FM				Open
18/19 - 014 (I) Procurement Policy		Procurement Policy	<u>QAO Recommendation:</u> the following improvements to your procurement policy should be considered: - Include further explanation as to when a sole supplier arrangement is permissible to use and authority required to be obtained (Should require approval of the CEO) - Two Written quotes should be required for small size contracts rather than verbal quotes (refer comparison to other like councils) - Include further explanation as to the approval required for variations to contracts (Should be approved by original requisition approver, threshold should be determined as to when CEO approval is required) - Should note instances where orders are not required I.E. petty cash, corporate card, employee reimbursement & recurring payments- Insurance/Powerbills/Rego/Telephone. - Include definition of a valuable non-current asset (Thresholds should be the same as council's asset recording thresholds)		DCS		Subject to review of Procurement Policy and staff re-induction.		Open
18/19 - 015 (I) Related Parties Declarations		All officers with a delegation are required to complete a related parties declaration. Declarations were not provided to us for the following officers: - J.Borgh, Director of Childcare - J.Bethel, Senior Workshop Advisor - G.Vick, WHS Advisor	<u>QAO Recommendation:</u> Management should ensure these declarations have been obtained.		DCS		Related Party Transaction Declaration Forms were circulated and updated in May 2023 following Audit observation.	22 May 2023	Closed

18/19 - 016 (I) Obtaining Quotes		Obtaining Quotes	<p><u>QAO Recommendation:</u> When Obtaining Quotes management should:</p> <ul style="list-style-type: none"> - Encourage written quotes rather than verbal quotes for larger contract under \$15,000. - Complete a standard request for quote form and assessment of quote form for all quotes (we note these forms are available but not widely used) - Formally notify unsuccessful suppliers who provided quotes. - Ensure all written quotes obtained are attached to supporting documentation (currently a notaion only is made detailing quotes obtained) - Ensure all officers obtaining and assessing quotes complete a conflict of interest declaration on each occasion quotes are obtained. 		Officers with Purchasing Delegations Stores Officer		Subject to review of Procurement Policy and staff re-induction.		Open
18/19 - 017 (I) Sole Supplier Arrangements		All Engagements under a "Sole Supplier Arrangement" should be approved by the CEO as there is no evidence obtained that there are no other suppliers in the region. (An Example where a "sole supplier arrangement" was used was the engagement of Atherton Air Charters in December 2019 at a cost of \$9,900 for dog baiting activities)	<p><u>QAO Recommendation:</u> CEO to approve any Sole supplier arrangement orders transactions.</p>		DCS		Sole Supplier Arrangements have been refined for dry / wet plant hire and are now approved by Council. All other suppliers to be in accordance with Procurement Policy	15 June 2023	Closed
18/19 - 018 (I) Variations to Quotes		Where additional work is performed against the same order this should be pre-approved by the original approver. (That is the officer who signed the requisition not the officer who signed the order). Examples identified where this did not occur follow: - April 19, Huggert Investments, \$22,689 (Quote \$12,186, variation \$2,900, additional work \$7,603) - June 19, Tablelands Tree Loppin, \$68,697 (Quote \$47,000, additional work \$21,697)	<p><u>QAO Recommendation:</u></p>		Officers with Purchasing Delegations DCS		Procurement decision Procurement Policy Review		Open
18/19 - 019 (I) Preferred Supplier Arrangements (Plant Hire and Trades)		<p>The preferred trade suppliers arrangements are only refreshed every 3 years.</p> <p>When choosing a preferred supplier from the preferred supplier lists (Wet & Dry Plant Hire and trades) reasons for choosing the supplier should be documented and included with the requisition form being approved.</p> <p>When choosing a trade supplier, a quote should still be obtained from all suppliers on the preferred suppliers list who provide that service.</p> <p>One officer has sole responsibility for choosing suppliers from preferred supplier lists. A quarterly comparison should be performed of the cumulative total valu of work performed for each preferred supplier. This should be reviewed by a senior Officer not responsible for approving the initial requisition to ensure work has been allocated on a fair and equitable basis.</p> <p>Total Expenditure by supplier for wet & dry plant hire is shown in section 3 context.</p> <p>Total Expenditure by trade suppliers for the period was:</p>	<p><u>QAO Recommendation:</u> As there are a number of one only suppliers on this list, consideration should be given to going to market every 2 years.</p> <p>The only electrical trade supplier on the list - Fox Electrics - was paid over \$100,000 in 2018-19</p>  <p>Other trade suppliers on the listing were not used by council during 2018-19.</p> <p>If practical, quarterly reports should be run showing where there have been significant variations to original quotes. These should be reviewed by a senior officer not responsible for engaging the supplier.</p>		Stores Officer EMT				Open
2019/2020									
19/20 - 004 (I) Implementation of recommendations from the 2019 Procurement Internal Audit	09.04.2021	<p>Most recommendations from the 2019 Procurement internal audit have been implemented by management with the exception of the following:</p> <ul style="list-style-type: none"> - Council's Code of Conduct should be included on its website for the information of ratepayers and suppliers. • Regular formal staff training should occur on fraud awareness, code of conduct and conflicts of interest. • Where additional work is performed against the same purchase order the additional costs should be pre-approved by the original approver. Where the total value of all work is in excess of the original approver's delegation, approval should be obtained from an appropriate delegate. • If practical, quarterly reports should be run showing where there have been significant variations to original quotes and reviewed by a senior officer not responsible for engaging the supplier. • A quarterly comparison should be performed of the cumulative total value of work performed for each supplier used by Council and reviewed by a senior officer to confirm suppliers regularly used are being appropriately engaged. 	Management should revisit the above recommendations to assess the benefits of implementing these practices.	No Further Information Provided	DCS FM Officers with Pruchasing delegations SNR FO Stores Officer		Code of Conduct is displayed on website Balance: Subject to review of Procurement Policy and staff re-induction.	15th April 2023	Open

19/20 - 005 (I) Design of internal controls over quotation variations	09.04.2021	The following controls are recommended where there is a variation to an approved quotation. • Where additional work is performed against the same order the additional costs should be pre-approved by the original approver. Where the total value of all work is in excess of the original approver's delegation, approval should be obtained from an appropriate delegate. • The reason for the additional costs and the amended quote should be recorded on the original order. • If the variation is material (>10%), a new order should be raised for the additional costs.	No Further Information Provided	No Further Information Provided	DCS	Subject to review of Procurement Policy and staff re-induction.		Open
19/20 - 007 (I) Management of Council policies	09.04.2021	We reviewed Council's website and records management system for current Council policies, registers and plans. The following policies, registers and plans could not be located (some are mandated under legislation, others are considered better practice): • Acceptable Requests Guidelines (S170A) • Council and Committee Meeting Procedures (S150F) * • Code of Meeting Practice Policy (S150F) • Councillor Investigation Policy (S150AE)* • Confidentiality Policy • Gifts and Benefits Policy • Gifts Register • Conflicts of Interest Register • Losses Register (S307A) (Refer example Attachment A7) • Business Continuity Plan <i>Sections are references to the Local Government Act 2009 *Must be published on Council's website</i>	For the above mandated policies, management should ensure they are prepared, if they do not currently exist, and are published on the Council's website, where required. For the other policies, registers and plans noted above, management should consider the benefits of preparing these, if they do not currently exist. Attached for your reference are: • A8 Draft Policy Register • A9 Policy Framework Example	No Further Information Provided	CEO CEO CEO CEO DCS DCS EA EA FM DCS		Open	
19/20 - 008 (I) Adequacy of the Fraud and Corruption Management Policy and Plan	09.04.2021	We reviewed your Fraud and Corruption Management Policy and Plan (ESC-C034). The accuracy of the information included in the reviewed document should be confirmed by management. Attached for your reference are: • A5 Sample Fraud Incident Register • A10 Example Risk and Integrity Management Framework	Suggested changes are noted in <i>Attachment A3</i> for management's consideration.	No Further Information Provided	FM	To be commenced	Open	
19/20 -009 (I) Assessment of fraud risks	09.04.2021	We performed an assessment of your fraud risks. This assessment is included as <i>Attachment A4 Draft Fraud Risk Register</i> .	Management should confirm the accuracy of the register and quantify the individual risk levels. Main actions arising from our assessment to be considered by management are: • A portable and attractive items register should be maintained and its accuracy and completeness confirmed annually. • Motor vehicle log books should be maintained to ATO standards and reviewed at least annually. • Annual code of conduct awareness training should be performed for all staff. • A policy should be developed on the use of credit cards and fuel cards. • Monthly reports on overtime incurred should be provided to managers for review. • Staff should be requested to sign a statement that they have read and understood all HR policies and the Code of Conduct on commencement of employment. • The Business Continuity Plan should be regularly reviewed and tested annually. • Rolling inventory stocktakes should be performed during the year with reports of any losses reported and approved by the Finance Manager. • A annual complete inventory stocktake should be undertaken with an independent observer. • A Register of Interests should be maintained for all employees involved in procurement.	No Further Information Provided	FM	To be commenced	Open	
19/20 - 002 (E) 20CR -2 Policies to be updated	Unsure of Date	During the audit it was noted that the following policies have not been updated in the last 12 months in line with council's review program. - Fraud Policy & Management Plan. Implication: Council may not be in compliance with the requirements of the Local Government Act 2009 and/or the Local Government Regulation 2012.	<u>QAO Recommendation:</u> Management Should Address the observations as soon as possible to ensure compliance with the relevant statutory requirements going forward.	<u>Management Response:</u> Noted	Finance Manager	Not Started, Action date 31.03.2021	-	Open
2020/2021								
20/21 - 001 (E) Lack of review of users in Windows and PCS	24.01.2022	<u>Control activities:</u> During review of the IT system and processes, we noted a lack of review of user accounts in windows and PCS to determine if users still require access and the appropriateness of the access provided.	<u>QAO recommendation:</u> We recommend a comprehensive review of the IT policies and controls to ensure Council has sufficient and enforceable controls and processes in place to appropriately protect Council data and resources.	<u>Management response:</u> We thank QAO for the finding and recommendation. I note that Council has recently completed a review of user accounts and access permissions and removed a number of inactive accounts / users. Council also used this review to validate user permissions. The audit finding has been communicated to Human Resource, ICT and Finance personnel to ensure: • user accounts and permissions are reviewed regularly; • policies, procedures and internal controls are reviewed, implemented and adhered to; and • user accounts are deactivated upon employees ceasing employment. New users will be approved for network setup and access using the approved form. Requests for added or expanded access, post commencement, will be approved in writing by myself or Council's Director of Corporate Services.	IT Officer / DCS	Reviw completed	1 February 2023	Closed
20/21 - 002 (E) Management of capital grants	24.01.2022	<u>Control activities:</u> We noted from review of grants that the council does not have a comprehensive grants register detailing grants and funding bodies, total grant amount and annual grant amount, grant conditions, the revenue recognition method applied to the grant and total and annual expenses. A comprehensive grant register would assist the entity in tracking grant funding obligations and calculating applicable contract assets and liabilities, and reconciling these obligations to the general ledger. We note that a prior period error in relation to capital grants and associated contract liabilities was identified during the current year audit. The errors identified related to five different grants and varied in amounts from \$49,501 to \$2,844,000. Further, we noted that Council had submitted a progress claim for a grant program which did not agree to the financial information recorded in the general ledger for the grant program.	<u>QAO recommendation:</u> We recommend that Council consider a comprehensive grant register which details all grants and the funding bodies, total grant amount and the annual amount, grant conditions, the revenue recognition method applied to the grant and total annual expenses. The register should be reconciled to the general ledger on a timely basis.	<u>Management response:</u> We thank QAO for the finding and recommendation. Since audit, Council has implemented a 'Grant Register' to address the audit finding. The register shall be updated with grants, as approved, and reconciled to General Ledger on a monthly basis. Further, a review and re-write of Council's General Ledger and Job Cost subsidiary system (see below) will improve matching of expenses to revenues. As a result, Council shall be better placed to acquit grants and manage project delivery.	FM	Preliminary Grant Register developed. To be reviewed against audit and management requirements		Open

20/21 - 003 (E) Job costing and chart of accounts	24.01.2022	Information and communication: We noted during review of the contracts for recoverable works that there were instances where revenue from contracts did not have associated costs set up in the accounting system and situation where a contract appeared to have costs amalgamated with another. The claims supporting the invoices provided for audit review did not appear to contain detailed job cost breakdown from the accounting system to enable a detailed analysis of the performance of the contract. The structure of the chart of accounts makes it difficult to determine whether each contract and sub-contract generated a surplus or a loss.	QAO recommendation: Our recommendation is to establish a clear pattern for job costing where each contract is assigned a job cost account and an analysis of revenue and expenditure can be performed	Management response: We thank QAO for the finding and recommendation. Since audit, Council has engaged the services of a contract accountant to review and re-write the General Ledger chart of accounts. The review will also examine and correct the reporting connections from job costing to general ledger. As a consequence, it will be simpler to match, report and analyse revenue to expenses arising out of recoverable works contracts, and analyse the profitability of Council's performance.	DCS / SNR FO	Chart of Accounts reviewed and streamlined (Jan 2023) Recoverable Works referred to Internal Audit for review and detailed recommendations to improve controls, oversight and cost recovery.		Open	
20/21 - 004 (E) IT General controls and policies	24.01.2022	Information and communication: During review of the IT systems and processes, we noted the IT policies did not appear to include a number of key elements: • Password requirements • Review of user accounts in Windows and PCS to determine if users still require access; • Third-party management (external users); • Database access and maintenance including backup schedules Password complexity parameters in PCS are very limited which exposes financial data to cyber risk We noted that the Remote Access Policy and the Information Technology Policy were both due for review in 2012.	QAO recommendation: We recommend a comprehensive review of the IT policies and controls to ensure Council has sufficient and enforceable controls and processes in place to appropriately protect Council data and resources.	Management response: We thank QAO for the finding and recommendation. As noted under audit finding 1, Council has reviewed user accounts and permissions. Further attention shall be given to undertake a comprehensive review of IT policies and controls to address this audit finding.	ICT	User accounts and permissions within network and PCS environments has been reviewed. Policy Framework review has commenced	1st March 2023 Under development	Open	
20/21 - 005 (E) Procurement – tender process and retention of documentation	24.01.2022	Information and communication: We noted during our review of six tenders for significant purchases / contracts, that the signed conflict of interest and confidentiality declaration document for responsible officers could not be located and presented for review. Council's procurement policy requires all employees involved in the assessment of quotations and tenders must complete a Conflict of Interest declaration form, attesting that they do not have any conflict of interest in that purchasing decision	QAO recommendation: We recommend that all employees involved in the assessment of quotations and tenders are reminded of their obligations to complete a Conflict of Interest declaration form in compliance with Council's procurement policy.	Management response: We thank QAO for the finding and recommendation. Since audit, Council has reminded staff involved in quotation / tender assessment of their obligation to complete a Conflict of Interest declaration for each quotation / tender they are involved in. Further, Council will review its procurement policy as part of the 2022/23 budget preparation process. Particular consideration will be given to improving quotation / tender probity, record & retention keeping requirements and compliance with legislative and reporting requirements	DCS	To be addressed in review of Procurement Policy		Open	
20/21 - 007 (E) Stocktake procedure	24.01.2022	Control Activities During performance of sample stock counts, we identified a stock item that was noted as counted on the stocktake sheets but the item could not be located in stores. This resulted in the item being incorrectly recorded as inventory	QAO recommendation: We recommend a review of the systems and processes around stocktaking to ensure that stock counts are accurate and reliable.	Management response: We thank QAO for the finding and recommendation. Council shall review systems and processes to ensure better stock control, inventory management, and financial integrity.	Stores Officer	Quarterly rolling stocktakes are being conducted. A review of inventory management is being conducted. Final stocktake completed 21st June 2023.	28th June 2023	Closed	
20/21 - 009 Review of asset revaluations	24.01.2022	Control Activities We note that there was insufficient documentation of management's review and scrutiny of asset valuations. The position paper provided for audit states that the unit rates are similar to those used by other councils, however, there is no documentation of which councils were considered. The position paper refers to found assets not being significant and not material in value, however significance and materiality are not defined. The position paper does not attempt to explain or provide background for any of the movements in valuation.	QAO recommendation: We recommend that in future management prepare a position paper detailing their review of the asset valuations. The position paper should consider materiality and significant assumptions. Guidance is provided on the QAO website here.	Management response: We thank QAO for the finding and recommendation. Council acknowledges merit in QAO's recommendation and will address this as part of the preparation of its 2021/22 Annual Financial Statements.	FM	An internal Asset Management Committee has been created and met to review Asset valuation reports.	13th June 2023	Closed	
20/21 - 011 (E) Non-compliance with Local Government Act and associated Regulations – Policies and documents	24.01.2022	Finding: We have reviewed the information on Council's website against the requirements of the Local Government Act and associated Regulation and identified the following areas for consideration: 1. Debt Policy (s192 LGR) – does not include a 10 year forecast 2. Contract Manual (s222 LGR) – does not appear to be prepared 3. Investigation Policy (s150AE LGA) – does not appear to be published on Council's website 4. Competitive Neutrality complaints process (s48 LGA, s44 LGR) – does not appear to be adopted 5. Roads Map and register (s74 LGA, s57 LGR) – not published on Council's website 6. Disclosure of water charges for Forsyth Rural are omitted from the Revenue Statement (s41 (f) LGR, s172(c) LGR). In addition, we note that the fraud policy and management plan was last reviewed in 30th June 2018.	QAO recommendation: We recommend a review of the requirements under the Local Government Regulation 2012 and adopting and disclosing the relevant items required under the legislation.	Management response: We thank QAO for the finding and recommendation. Council shall attend to the audit findings during.	DCS	- 2022/23 Debt Policy addresses 10 year forward forecast - Council has not implemented a strategic contracting procedure. The requirement for a Contract Manual is not applicable when following the default contracting procedures - Council has not identified, or nominated business activities to which it will apply the Code of Competitive Conduct. Competitive Neutrality complaint process is not applicable. - Water Charges for Forsyth Rural corrected for 22/23 financial year		Closed	
20/21 - 012 (E) Inadequate review of draft financial statements	24.01.2022	Finding: We noted that significant changes were required to the disclosure and presentation of financial statements for the year ended 30th June 2021, including material adjustment for current and prior year, indicating inadequate review prior to providing the financial statements to audit.	QAO recommendation: We recommend that the financial statements are reviewed by a person independent of the preparation of the financial statements to ensure accuracy and adequate presentation and disclosure.	Management response: We thank QAO for the finding and recommendation. Council accepts QAO's observations and will endeavour to be more timely and diligent in preparing its Annual Financial Statements. At the time of writing this response, Council is considering its options in respect of internal audit. We will shortly be going to market for internal audit services, which may also entail an Internal Audit Committee (constituted under the Local Government Act and Regulation). Internal Audit may provide the assistance Council requires to address this audit finding and recommendation.	FM	Council will prepare shell accounts for review prior to year end and conduct a quality review of draft statements prior to presentation at Audit Committee meeting		Open	
External Audit/Audit 2020-21/2022-01-24 Management Response to Audit Findings.docx									
2021/2022									
21/22 - 001 (E) Chart of Accounts	13.12.2022	Observation: During the year the Council engaged a consultant to amend the chart of accounts. The revision to the chart of accounts required significant manual journals to move existing transactions into the new chart. This process was not fully completed, resulting in the two charts both carrying transactions coming into the year-end close and management was unable to accurately and reliably identify which accounts related to each other.	QAO recommendation: Our recommendation is to establish a clear pattern for job-costing where each project is assigned a job-code, a capitalised expenditure account and a contract asset / liability account to allow more accurate tracking of revenue and expenditure associated with each project or funding type. If further changes are planned to the chart of accounts, we recommend doing so in a test environment to minimise disruption to the live accounting system. If future errors are identified these should be corrected prior to audit.	Management response: Council thanks Audit for its recommendation. Council has since engaged the services of another consultant to develop, in consultation with Civica (suppliers of the Practical Plus FMIS) a streamlined Chart of Accounts for General Ledger. Council provided Audit with a copy of the old to new Chart of Account mapping document at time of final visit. Working with Civica, Council and its consultant tested the conversion of the Chart of Accounts in a test environment and upon successful testing, went live Wednesday 26th January 2023. As this conversion was performed within the FMIS, no manual journals were required to move amounts between accounts. In addition, Job Costing has remained unchanged. Council is confident that this audit observation has been resolved.	DCS	30-Jun-23	CA Consulting completed the re-write of GL's Chart of Accounts in 2022. PCS tested and validated account mapping (in a test environment) prior to rolling the COA in January 2023. A copy of the account mapping document was supplied to Audit during the final visit.	1 January 2023	Closed

21/22 - 002 (E) Lack of compliance with Procurement Policy	13.12.2022	<p>Observation: We identified three instances out of a sample of 14 tested where the purchase order was dated after the invoice date. Further instance was identified during our review of payments after year end. We also identified four instances in our review of payments after year end where no purchase order was attached to the invoice.</p> <p>In addition, we note that the Procurement Policy requires two written quotes to be obtained where the purchase is between \$1,500 and less than \$15,000 for one invoice selected for testing no evidence of written quotes could not be provided.</p> <p>In addition, during our review of large contracts Council could not locate the supporting documentation for a tender over \$200,000.</p>	<p>QAO recommendation: We recommend all employees involved in the procurement process are reminded of the requirement to complete purchase orders and have these appropriately approved before committing to a purchase and to obtain the appropriate number of quotes.</p>	<p>Management response: Council thanks Audit for its recommendation. Council acknowledges the need for a review and staff re-induction of its Procurement Policy to ensure more stringent compliance with its legislative and policy requirements.</p>	DCS	30-Jun-23	To be addressed in review of Procurement Policy		Open
21/22 - 003 (E) Contract over \$220,000 not disclosed on Council's Website	13.12.2022	<p>Observation: We reviewed transactions with suppliers over \$200,000 and identified payments totalling over \$200,000 that appeared to be for single contracts. However, the arrangements were not disclosed on Council's website.</p>	<p>QAO recommendation: We recommend that Council disclose this arrangement on its website. We also recommend that Council review its processes for capturing all arrangements that would require disclosure on the website.</p>	<p>Management response: Council thanks Audit for its recommendation. Council will conduct a review of its Creditor system (FMIS) and publish details of contractual arrangements where the total expected value of all procurements with the supplier exceeds \$200,000 (excl. GST) per s224(4) of the Local Government Regulation 2012.</p>	Stores Officer	30-Jun-23			Open
21/22 - 004 (E) Review of Users with General Ledger Access	13.12.2022	<p>Observation: During our review of PCS user access, we noted that there were twelve users that have access to post general journals – three of these are generic accounts.</p>	<p>QAO recommendation: We recommend that the listing of users with general journal access is reviewed and should be restricted to users based on their role requirements. Where generic user accounts are provided they should be given read only access.</p>	<p>Management response: Council thanks Audit for its recommendation. Council will conduct a comprehensive review of user access and permissions to restrict access and permissions to role requirements.</p>	IT Officer / DCS	30-Jun-23	PCS permissions were reviewed 24th January 2023, with unnecessary user permissions removed.	1 March 2023	Closed
21/22 - 005 (E) Management of fixed assets register and capital WIP	13.12.2022	<p>Observation: We noted during review of work in progress (WIP) balances that there were material write-offs of WIP to profit and loss which were made in error. We also noted that there were significant delays in capitalising assets from WIP which required adjustments to depreciation in the 2022 year.</p>	<p>QAO recommendation: When assets are not capitalised on a timely basis this can cause errors in the financial statements due to understatements of depreciation expense.</p>	<p>Management response: Council thanks Audit for its recommendation. The write-off and subsequent re-capitalisation were made in error. Council has re-iterated the AASB definition of an asset to its engineering team and consultant asset management / valuer to minimise the potential for further errors. Further, Council will review WIP accounts to capitalise completed assets earlier than year end.</p>	FM	30-Jun-23	Council has establish an internal Asset Management Committee to review asset capitalisation, valuation, depreciation. Asset recognition thresholds and useful lives adopted at Council's June 2023 meeting	21st June 2023	Closed
21/22 - 006 (E) Plant Hire Rates	13.12.2022	<p>Observation: We note plant hire rates applied in PCS have not been reviewed or updated in a number of years. Council has been unable to provide calculations to support the hire rates applicable to the 2022 period.</p> <p>There is evidence to suggest that plant hire rates may not accurately represent the running costs of the equipment. Particularly given costs have significantly changed in recent years. Note that Council applies these costs to grant-funded projects and acquires these, therefore there should be evidence to support them.</p>	<p>QAO recommendation: We recommend an immediate and comprehensive review of plant hire costs to ensure they are reasonable.</p> <p>A regular process should be implemented to review plant hire costs at least annually to ensure they accurately reflect council costs.</p>	<p>Management response: Council thanks Audit for its recommendation. Council will conduct a comprehensive review of its plant hire rates in 2022/23.</p>	CEO	30-Jun-23	Mead Perry engaged to review Plant Hire Rates	1 March 2023	Closed
21/22 - 007 (E) Out of Date Policies on Council's Website	13.12.2022	<p>Observation: We noted a number of policies published on the Council's website which appear to be out of date and have passed the review date. The following were identified: -Acquisition of Goods & Services and the Carrying out of the Procurement Principles (Due for review 31 January 2021) -Fraud and Corruption Policy and Plan (Due for Review 30 June 2018) -Risk Management Policy (Due for review 15 April 2021) -Community Town Infrastructure Policy (Due for review 30 June 2019) -Register of Delegations from Council to CEO (last reviewed December 2017) -Public Interest Disclosure Policy & Procedure (Due for review 21 August 2021) -Employee Code of Conduct Policies and Procedures Handbook (last reviewed 14 February 2018)</p>	<p>QAO recommendation: We recommend a comprehensive review of the policies published on the website is performed to ensure these are reflective of Council's current obligations under the Local Government Act and Regulations and Council's processes and procedures.</p>	<p>Management response: Council thanks Audit for its recommendation. Council is undertaking a review of its website content, which among other outcomes, will assess Council's compliance against the Department of State Development, Local Government and Planning's publication checklist, and then attend to Policy review and publication.</p>	DCS	30-Jun-23	Have formed working party to review website. Review will focus upon content, with a view of ensuring compliance against statutory reporting requirements.	Policies remain in force until reviewed / replaced. Code of Conduct was reviewed by Council in April 2023	Open
21/22 - 008 (E) Reimbursement of Relocation Expenses	13.12.2022	<p>Observation: During the year payments in relation to reimbursement of relocation expenses were made to executive management. We note that these costs were not covered in the employment contracts and the Council does not currently have a policy regarding such payments.</p>	<p>QAO recommendation: We recommend that details of reimbursements are included in employment agreements detailing amounts and types of expenses to be reimbursed.</p>	<p>Management response: Council thanks Audit for its recommendation. Council will develop a Policy to guide the offer and reimbursement of relocation to employees.</p>	HR	30-Jun-23	In process of drafting Relocation Assistance Policy		Open
21/22 - 011 (E) Landfill and Terrestrial Collection Valuation	13.12.2022	<p>Observation: During the year, the landfill capital asset was disposed of as part of the initial valuation. Following audit queries, it was restated back to the original value but in a new asset class and therefore has not been included in the asset valuation. The mineral collection held at the Terrestrial Centre has not undergone a valuation since 2014/15.</p>	<p>QAO recommendation: We recommend that the above assets are included in the next valuation performed by Council.</p>	<p>Management response: Council thanks Audit for its recommendation. Council will include the Ted Elliott Mineral Collection in its next valuation consultancy.</p>	FM	30-Jun-23	Comprehensive Revaluation undertaken 2022/23	13 June 2023	Closed
21/22 - 012 (E) Write-offs and renewals of Capital Assets	13.12.2022	<p>Observation: We noted during review of asset additions that some significant projects were capitalised on top of existing assets without any corresponding write-offs. Further, we note that Council has not segregated additions and renewals for the purposes of financial reporting.</p>	<p>QAO recommendation: We recommend implementing a process to review existing assets for loss or significant change. Council should segregate capital works into additions and renewals and consider whether a renewal indicate that a write-off of the existing asset should occur to offset the increase in capital value.</p>	<p>Management response: Council thanks Audit for its recommendation. Audit has identified a number of areas Council can improve upon its asset management. As such, Council will conduct a detailed review of its asset management / asset accounting processes to address Audit observations, including distinguishing renewals & replacements from new assets, writing-off replaced components, point in time & timeliness of capitalisation, valuation and depreciation (including review of residual risk and impairment).</p>	FM	30-Jun-23	An internal Asset Management Committee to review asset capitalisation, valuation, depreciation has been established		Open
21/22 - 013 (E) Management of Excessive Leave Balances	13.12.2022	<p>Observation: We identified that there are no processes to review excessive leave balances. We identified 12 employees that had annual leave accrued in excess of 6 weeks and 8 employees who had in excess of 10 weeks long service leave accrued.</p>	<p>QAO recommendation: We recommend that leave balances be reviewed, and the appropriate steps be taken to encourage the reduction of excessive leave balances.</p>	<p>Management response: Council thanks Audit for its recommendation. Council's management review Annual Leave, Long Services Leave, Accrued RDOs and Accrued Time in Lieu monthly. Managers discuss accrued balances with their staff and look at means to reduce accrued balances as well as review workloads / work practices leading to the accrual of time. Executive Management maintains oversight of accrued balances. Council will endeavour to do better to reduce excessive leave balances.</p>	HR	30-Jun-23	Management continues to review leave balances monthly. Notes that leave balances have decreased due to Annual Christmas Closedown	22 May 2023	Closed
21/22 - 014 (E) Plant Assets - Residual Values	13.12.2022	<p>Observation: We noted that there are residual values applied to significant plant items, however our discussions with management indicate that these residual values are not reviewed on an annual basis as required by AASB 116 Property, Plant and Equipment s56.</p>	<p>QAO recommendation: We recommend the annual review of the fixed asset register include a specific review on the validity of depreciation rates, useful lives and residual values.</p>	<p>Management response: Council thanks Audit for its recommendation. Audit has identified a number of areas Council can improve upon its asset management. As such, Council will conduct a detailed review of its asset management / asset accounting processes to address Audit observations, including distinguishing renewals & replacements from new assets, writing-off replaced components, point in time & timeliness of capitalisation, valuation and depreciation (including review of residual risk and impairment).</p>	FM	30-Jun-23	Council established an internal Asset Management Committee to oversee valuations, depreciation etc. The committee noted a report to the June Council meeting reviewing asset recognition thresholds and useful lives	21st June 2023	Closed

2022/2023

22/23 - 1 (IR) Improve Financial Reporting by strengthening month-end and year-end financial reporting process	28.06.2023	Observation: We noted during our review of the interim accounts, that a number of material balances are not being accrued and adjusted on a regular basis, including accrued expenditure, payroll accruals, contract assets and liabilities, asset capitalisations and clearance of work in progress	QAO recommendation: We recommend a review of policies, practices and procedures for the recognition of these balances throughout the year to ensure Council is supplied with accurate information to make decisions, including regular and timely capitalisation and depreciation of new assets, recognition of contract asset and liability balances throughout the year and accrued expenditure at month end. Management should consider performing a re-assessment against the financial statement maturity model available on the QAO website to assess their financial reporting processes and identify areas for improving the timeliness and quality of their financial reports.	Management response: Council thanks Audit for its recommendation. In respect of reviewing policies, practices, and procedures to improve monthly management reports to Council, we note practical financial information management system limitations and lack of staff resources that restrict our ability to implement this recommendation. Management is working with DSDILGP and KPMG to improve monthly reporting. Following conclusion of this year's audit, Council will self-review its performance against the financial statement maturity model. Responsible officer: Finance Manager Status: Work in progress Action date: 31st March 2024	FM	31-Mar-24			
22/23 - 2 (IR) Review of recruitment policy	28.06.2023	Observation: We noted during our review of the recruitment process and policy (documented in the Human Resource Policy), that there is no formal requirement to assess, obtain or document criminal history checks or verify qualifications of employees such as plant operation tickets and construction white cards. The recruitment policy was due for review and update on 30 June 2020.	QAO recommendation: We recommend that consideration is given to including criminal history checks and qualification checks for positions that warrant a higher level of vetting as part of the recruitment process. The recruitment procedure should include guidance in relation to the positions that require additional criminal history checks.	Management response: Council thanks Audit for its recommendation and will assess its position on requiring criminal history and qualification verification when it reviews the Recruitment Policy & Procedure. Responsible officer: Director Corporate Services Status: Work in progress Action date: 31st December 2023	DCS	31-Dec-23			
22/23 - 3 (IR) Insufficient Risk Management and governance procedures	28.06.2023	Observation: We noted during our review of the risk management framework, that the risk register has not been updated for at least two financial years. Following discussions with management, we noted that the governance procedures around risk management are limited. For example, there are limited formal processes for identifying and assessing new risks and managing exposure to existing risks. An essential component of risk management is monitoring and reviewing the risk register.	QAO recommendation: We recommend revisiting the risk management practices ensuring adequate identification and management of operational risk, including regularly monitoring, reviewing and updating the risk register and risk management framework.	Management response: Council thanks Audit for its recommendation. Council is conscious of its statutory obligations toward risk management and corporate governance. The fact remains that our resource base severely constrains our ability to meet our statutory obligations, especially when balanced against competing service priorities and community expectations. Responsible officer: Director Corporate Services Status: Work in progress Action date: 30th June 2024	DCS	30-Jun-24			
22/23 - 4 (IR) Policies not reviewed on a timely basis	28.06.2023	Observation: We have reviewed the information on Council's website against the requirements of the Local Government Act and associated Regulations, and identified the following areas for consideration: [1] Investigation policy – does not appear to be disclosed on Council's website [s150AE LGA]. [2] Fraud & corruption management policy and management plan were due for review on 30 June 2018. [3] Procurement principles policy per Council website was due for review on 31 January 2021. [4] Delegation policy per website is not signed as endorsed and dated December 2017. [5] Entertainment and hospitality expenditure policy was due for review on 31 January 2021. [6] Advertising expenditure policy was due for review on 28 February 2021.	QAO recommendation: We recommend a review of the requirements above and adopting, updating, and disclosing the relevant items on Council's website.	Management response: Council thanks Audit for its recommendation. Council is conscious of its statutory obligations for Policy development. The fact remains that our resource base severely constrains our ability to meet our statutory obligations, especially when balanced against competing service priorities and community expectations. Responsible officer: Chief Executive Officer / Director Corporate Services Status: Work in progress Action date: 30th June 2024	CEO/DCS	30-Jun-24			
22/23 - 3.1 (E) Cost Recovery	Apr-23	Observation: The value and scale of typical recoverable works undertaken, and the organisation's dependence on the external funded income stream to derive net-positive returns for Council, require constant and effective management and monitoring by skilled personnel from both engineering and financial backgrounds. Whilst both business units recognised the importance of recoverable works to the organisation, each performed their roles largely independent of the other, with the Finance unit's involvement limited to the commencement of the project (allocating job codes) and at the end as an invoice processing function. It appears that existing experienced key personnel were in place, and they had adapted business practices within their specific units and expertise. However, the level of coordination, integration and engagement between Finance and Engineering officers about the organisation-wide financial implications of recoverable works projects, was siloed. Consequently, there is a potential that the works and services initiation, delivery and subsequent financial monitoring and oversight of recoverable works may not be	QAO recommendation: To clarify processes, and minimise key person reliance risk in the recoverable works process, it is recommended that management: 3.1.1 Formally establish the roles, responsibilities and reporting structure of Engineering and Finance in the end-to-end recoverable works process. To achieve this the following processes, amongst others, should be considered: • Estimating • Works tender submission • Project performance monitoring • Variation recognition and approval process • Invoice compilation • Notification of finalisation of the project	Management response: Council has established an internal committee to review asset valuations, recognition, depreciation and oversight for asset strategic management. The committee is constituted by both finance and engineering staff. Given the significance of historic internal and external audit observations, the committee shall be directed to map "Recoverable Works" processes for private work, TMR works and DRFA works, addressing the above elements. Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023	DCS	31-Dec-23			
22/23 - 3.2 (E) Escalation protocols for approval of recoverable works variations	Apr-23	Observation: There are currently no formal protocols or guidelines in place covering the escalation and approval process for recoverable works variations that may present a financial risk to Council. Discussions with management indicated that while it is expected that all variations are escalated for approval, officer experience and discretion are the primary mechanisms relied upon to bring forward variance-type matters to management. There is no formal documentation for capturing and seeking approval for project variations either in value or projected timelines. The lack of formal, documented protocols and an inconsistent application of existing informal variations on recoverable works projects ultimately puts at risk Council's works revenue	QAO recommendation: It is recommended that management: 3.2.1 Develop department guidance on the identification, escalation, approval (delegation of authority) and recording of variations/overruns that sets out how variations and changes to the recoverable works programme should be treated. Engineering may wish to coordinate with Finance to ensure that operational and financial efficiencies associated with current work practices are maintained to the extent possible, balanced against an increase in procedural control and appropriately resourced. To achieve the above: • Procedures over works variations should be defined, documented and endorsed by appropriately authorised officers. This is necessary to provide direction to relevant personnel about the extent and limit of their delegated powers and the operational controls required to ensure that ultimate decisions making authority remains with Council management, even where these variations arise on Main Roads programmes or Disaster Recovery Funding Arrangements (DRFA). • Establish limits under which an individual works variations value, and cumulative value of variations per project, can be approved by the works supervisors in the normal course of business without seeking direct approval from the Infrastructure Services Manager or above (e.g., maximum dollar amount, maximum percentage of project value). 3.2.3 For each subsequent identified variations from 3.2.1 above (irrespective of whether it can be recovered), consider further examination of the "root cause" to identify and correct any process deficiencies that could have led to the legitimate variations being "missed" in standard invoicing procedures. Based on outcomes, further work instructions or directives may be required. 3.2.4 Consider the implementation of a variation tracking document (say a Job Management Action Sheet) to document and advise of matters that arise on projects, including changes to works and variations.	Management response: 3.2.1 This will be included in the mapping of Recoverable Works processes, above. Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023 3.2.2 At the completion of significant recoverable works projects (e.g., TMR contracts & DRFA), Management shall conduct a 'project debrief' to review the project's delivery and finances as means to continually improve all aspects of our recoverable works delivery. Responsibility: Executive Management Team (CEO, DCS, DES) Target Implementation Date: Upon the completion / acquittal of major projects. 3.2.3 This observation will be part of the committee's role in mapping Recoverable Works processes. Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023 3.2.4 This observation will be part of the committee's role in mapping Recoverable Works processes. Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023	CEO/DCS & DES	31-Dec-23			

22/23 - 3.3 (E) Private Works Potential for revenue leakage.	Apr-23	<p>Observation: Council's policy, as encapsulated in its Order for Private Works and Services (PWS Order) document, is to minimise the provision of private works to the public. Council also requires that the customer applying for the private work or service, agrees to pay all costs incurred in the carrying out of the work and/or service within 30 days of receipt of account. This is included as part of the conditions of service on the PWS Order and must be signed off before commencement of the works or service. At the time of this review in late February 2023, the value of private works provided to members of the public, including some Council employees, totalled approximately \$103k (FY2022 - \$27k). The sundry debtors aged analysis (\$331,337.31 as at the end of February 2023) included two (2) larger balances (Ford - \$65,812.65 and Gulf Savannah - \$960.62) which were for services invoiced in January 2023, and related to the use of Council plant and operators (wet hire). It is general practice for most Councils to request complete or partial payment from the customer before works commence. While immaterial, a change</p>	<p>QAO recommendation: It is recommended that management: 3.3.1 Strictly enforces the intent of Council policy and not perform recoverable works for the general public, including Council employees, to support the use of local contractors. If this is not practical, require full up-front payment or a minimum of 50% deposit for all such private works. 3.3.2 Third parties receiving private works should sign a Works Received slip that confirms that the works have been physically completed or acquired (and payment is now required if not already paid in full). In addition, Council should include additional lines in the PWS Order which clarify any variations to the works prior to continuance and that confirms that the works have been physically completed or acquired. These documents should be retained for filing purposes to support Council's position should future issues arise.</p>	<p>Management response: 3.3.1 Council's Private Works Policy will be reviewed to confirm this is still Council's Policy intent, and to augment processes around management of private works. Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023 3.3.2 Council shall review its Private Works stationary to ensure it meets its needs (legal, financial and record keeping). Responsibility: Director Corporate Services Target Implementation Date: 31 Dec 2023</p>	DCS	31-Dec-23			
22/23 - 3.4 (E) Monitoring of project costs and margins	Apr-23	<p>Observation: Determination of the project cost for quotations and costing is based on officer judgement and experiences and varies depending on the types of works. Many recoverable works projects are costed for quotation purposes using unit rate estimates derived from previous year actuals or by making comparisons to similar past projects. Discussions with officers indicate that Council's profit element is considered to be built into the unit rates (recently reviewed by Mead Perry). Therefore, while quotations include values for project contingencies, no allowance for project margins is made. There are no departmental directives or work instructions that confirms and formalise this approach. A clearly documented department-wide position on the costings and expected margins (if any) and how these should be applied to certain projects would</p>	<p>QAO recommendation: 3.4.1 Establish and clearly document a directive or work instruction that clarifies: • The types of margins that exist and how these are to be applied to certain types of projects in the estimating and quotation process. • The extent of any discretion available to officers to use lower or non-specific project margins. • The approval or authorisation process, if any, that are required if officers divert from the designated project margins set out for such works. 3.4.2 In accordance with the management initiative, establish as a Council-wide policy that quotations and estimates will be compiled using the first principle costing.</p>	<p>Management response: 3.4.1 This will be addressed in Council's Private Works Policy, when reviewed. Responsibility: Finance Manager Target Implementation Date: 31 Mar 2024 3.4.2 This will be addressed in Council's Private Works Policy, when reviewed. Responsibility: Finance Manager Target Implementation Date: 31 Mar 2024</p>	FM	31-Mar-24			
22/23 - 3.5 (E) Records Management	Apr-23	<p>Observation: Council does not have an authorised Information Management Policy in place that directs and guides officers on the retention of information, particularly documentation, in MagiQ (Council's record management system). It was observed during the review that budgets, designs, correspondence and other relevant and important information on the Recoverable Works activities are stored on the Q drive on the main Council server and not transferred to MagiQ until completion of the project. Accessing documents and information relies on the corporate memory, current employees and is highly key person reliant. The risk of key documentation not being captured to MagiQ after job completion also exists.</p>	<p>QAO recommendation: 3.5.1 Council compels the use of the centralised repository by the workforce, as expected practice. This should include the creation of working documentation and saving final versions.</p>	<p>Management response: Council will enforce record retention within its eDRMS system (InfoXpert/MagiQ) and provide training to staff as part of the organisational induction. Responsibility: CEO Target Implementation Date: 31 Sep 2023</p>	CEO	31-09-2023			
22/23 - 3.6 (E) Recoverable Works Invoicing Procedures - Notification and timeliness	Apr-23	<p>Observation: Invoicing of recoverable works is largely driven by legislation, funding or contractual agreements which often stipulate the frequency and timing of the invoice generation by Council, costs to date. This effective internal control is reduced by the poor communication between Finance and Engineering. There is currently no overarching list or register of the expected invoices and consequently Finance is dependent on Engineering to advise them of the requirement for an invoice. Requests for invoices that may be missed can delay the receipt of income, and if not identified, could also result in missed revenue for Council. Upon notification that the Council project is complete or that a claim is due (via a Debtors Invoice Request form), Finance officers will produce the required invoice based on the</p>	<p>QAO recommendation: It is recommended that: 3.6.1 Finance, with the assistance of Engineering, develop a listing of the expected invoices to be issued and when based on the known projects upon which Council is engaged. This would enable Finance to monitor and investigate delayed invoice requests or unexpected invoice requests.</p>	<p>Management response: 3.6.1 Finance will work closely with Engineering to improve works programming and managing cash flows, especially the timing between works performed, claim preparation / submission and reimbursement / payment. Responsibility: Finance Manager Target Implementation Date: 31 Dec 2023</p>	FM	31-Dec-23			
2023/2024									



Etheridge Shire Council

General Meeting	16 th August 2023
Subject	Review of Administrative Action Complaint Policy
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

A review of Council's Administrative Action Complaint Policy has been completed. No changes are proposed.

RECOMMENDATION

That Council note the completion of a review into the Administrative Action Complaint Policy, and re-adopt the reviewed version.

BACKGROUND

Council is required to prepare an Administrative Action Complaint Policy. Administrative Action Complains are complaints over Council's decisions, actions or inactions. It is not meant to address ordinary customer requests.

The current version of the Policy was last reviewed / adopted around October 2016, and is overdue for review.

Having referred to the Policy to guide processing an Administrative Action complaint made in June, the existing Policy remains relevant and sufficient to deal with administrative action complaints and satisfy statutory requirements. For this reason, no changes are proposed.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organisational excellence.

Outcome 5.3: Council operations support quality service provision and good governance.

BUDGET & RESOURCE CONSIDERATIONS

Nil

CONSULTATION

Nil

LEGAL CONSIDERATIONS

The Policy was originally prepared in compliance with statutory requirements. It remains compliant with these requirements.

POLICY IMPLICATIONS

Council’s Administrative Action Policy has been reviewed, and found relevant and sufficient to deal with administrative action complaints.

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk is assessed as Low.

Report Prepared By:	Report Authorised By:
Andrew McKenzie, Director Corporate Services	Ken Timms, Chief Executive Officer
Date: 27 th July 2023	Date:



ADMINISTRATIVE ACTION COMPLAINTS POLICY

1. BACKGROUND AND CONTEXT

Complaints to be welcomed

- Anyone who is dissatisfied about a decision or other action of the council, a council officer can easily and simply lodge a complaint.
- Complainants are to be provided with information on the complaints process and, if necessary, assistance to make their complaint.
- Each complaint is initially assessed in terms of its seriousness, safety implications, complexity and degree of urgency.
- Council officers will receive complaints in a professional manner and welcome valid feedback as an opportunity for improvement of the council's administrative practices.
- Complaints are to be responded to as quickly as possible and in accordance with the timeframes set out in the complaints process.
- Complainants will not suffer any reprisal from council or its officers for making a complaint.
- Complaints are properly monitored with a view to continuous improvement of the council's business processes.
- If a complainant is not satisfied that a complaint has been satisfactorily resolved, he/she will be informed of any statutory right of review and, if they request, be provided with details of any further review mechanism that is available.

2. PURPOSE AND SCOPE

The complaints process has been established for resolving complaints by affected persons about administrative action of the council.

However, the complaints process does not apply to a complaint-

- that relate to competitive neutrality issues;
- about official misconduct that should be directed to the Crime and Corruption Commission; made under the *Public Interest Disclosure Act 2010*; or relate to actions of an elected member of Council.

What constitutes a Complaint?

The following represents the variety of feedback that Council receives.

Compliment: Positive feedback about a product or service.

Suggestion: Suggested service or product improvement.

Request for information: An enquiry or request for information about Council services, policies and or procedures.

Request for service: Request for action to be taken in relation to a service or product.

Complaint: Dissatisfaction with a product or service.

This policy specifically deals with complaints only which are further defined as follows:-

“A complaint is a statement of dissatisfaction regarding the unsatisfactory delivery of a product or service offered by Council or the unsatisfactory conduct of Council officers. A complaint may be received in person, over the phone or by written or documented communication including electronic communication”

A complaint should not be confused with an action request. For example:-

A person may phone and request a pothole in a road be repaired. This is a request for service. If they phone to complain that he/she had requested a pothole be repaired weeks ago and nothing had been done, then this constitutes a complaint.

3. DEFINITIONS

Terms used in the complaints process have the following meanings:

- *administrative action* – an administrative action of the council, being an action about a matter of administration, including each of the following-
 - (a) a decision and an act;
 - (b) a failure to make a decision or do an act, including a failure to provide written reasons for a decision;
 - (c) the formulation of a proposal or intention;
 - (d) the making of a recommendation.
- *affected person* – a person who is apparently directly affected by–
 - (a) an administrative action; or
 - (b) an alleged minor breach.
- *CEO* – the chief executive officer of the council.
- *complainant* – the affected person or organisation making a complaint.
- *complaint* – an expression of dissatisfaction by a person regarding a decision or other action of the council.
- *council* – Etheridge Shire Council.
- *council officer* – includes a permanent, temporary, casual or contract member of council's staff.
- *director* – a council director who is generally responsible for various functions of the council and who reports directly to the CEO.
- *Executive Management Team (EMT)* – the CEO and all directors and senior managers
- *General Complaints Process* – the statutory complaints process described in Section 306 of the Local Government Regulation 2012.
- *request for service* – a request for the council to take action to satisfy the needs of a customer or ratepayer. This may be of a physical nature, such as a request to fill a pothole or to collect a stray dog, or a request for information.
- the Act – *Local Government Act 2009*

4. POLICY PROVISIONS

Complaint handling framework

The following framework describes the model adopted by the council for handling complaints:

Stage 1

Preliminary Procedures Review of complaint in council service area where administrative action occurred

Stage 2

Complaint Process

- Internal review by a council officer; or
- External review by a person who is not a council officer

Further review by council, if deemed necessary

Stage 3

Complainant informed of other review options if not satisfied with council decision on complaint eg complaints agency such as the Queensland Ombudsman, other avenues of appeal or review or alternative dispute resolution

STAGE 1 – PRELIMINARY PROCEDURES

Preliminary procedures before a complainant makes a complaint

This section applies if a person makes a complaint about an administrative action of the council.

When a person makes a complaint without having contacted the relevant service area of the council to try to resolve the complaint, the person may be requested to take this initial step before the complaint will be registered and dealt with under the complaints process.

If the complaint is not resolved by the relevant service area, the complaint will be dealt with in accordance with the complaints process.

Compliance with this section is not a pre-requisite to the submission of a formal written complaint under the complaints process where it is clear on the face of the document or by the nature of the verbal statements that a complaint has been made. In those circumstances the complaint will be dealt with under the complaints process, unless it is earlier resolved to the complainant's satisfaction or is withdrawn by the complainant.

The way a complainant may make a complaint

A complainant may make a complaint in any of the following ways-

- Orally, either by telephone or in person to a council officer
- By email to info@etheridge.qld.gov.au
- In writing (by letter, fax, or by completing the council's complaint form, whether signed or unsigned).

All written and electronic complaints should be addressed to the CEO but a failure to meet this requirement does not invalidate the complaint. The complainant's contact details should be identified so the council can contact the complainant to meet the response obligations of Council but a failure to meet this requirement does not invalidate the complaint. If an oral complaint is received the CEO, or delegate, may request that the complaint be put in writing if it is of a complex nature or contains complex material.

The council officer who receives an oral complaint will record details in the Council's electronic records management system and, if the complaint is not resolved to the complainant's satisfaction, will refer the complaint for action under the complaints process.

All written complaints will be referred to the CEO, or delegate, who will arrange for the complaint details to be recorded in the Council's electronic records management system.

If necessary, assistance may be provided by a council officer to a complainant on how to make a complaint, including how it should be documented. The aim is to clarify the matter of concern to the complainant and the outcome/s sought.

Complaints by agents

If a complaint is lodged on behalf of a person by a professional advisor eg a solicitor or accountant, the council will respond direct to that advisor. A complaint lodged by a person as agent for an affected person will be responded to directly to the affected person and not to the agent, unless a letter of authority is provided indicating the agent is acting on behalf of the affected person and the council considers that the appointment as agent has been validly made.

STAGE 2 – COMPLAINT PROCESS

Process for selecting and appointing a complaints officer to investigate complaints

The council, by resolution, may–

- a) Select and appoint the CEO as a complaints officer for the internal review of any complaint, subject to requirements of relevant legislation;
- b) Delegate to the CEO the power to select and appoint a person or persons to be a complaints officer to investigate complaints.

The CEO may delegate his/her powers under (b) to another employee of the council. The investigation is to be undertaken either by way of internal review or external review. Relevant criteria to be applied in making the decision about the method of review are:

Internal review

An internal review of a complaint will be conducted where the administrative action in question was undertaken by a council officer. The review will be conducted by the CEO, or an officer appointed by the CEO or the CEO's delegate, as the complaints officer for the complaint. The complaints officer must not be less senior than the officer who took the administrative action that is being reviewed.

External review

An external review of a complaint will be conducted where the administrative action in question was taken by-

- a) The council or a committee of the council, at a meeting;
- b) The mayor or the chairman of a standing committee acting under statutory or delegated authority;
- c) The CEO; or
- d) A council officer and the requirement that an internal review be conducted by a council officer who is no less senior than the officer who took the administrative action cannot be met (for whatever reason).

Appointment of reviewer

The CEO, or delegate, will assess the nature of the complaint and determine whether the complaint is to be investigated by means of internal review or external review; based on the review criteria, appoint a suitable person as the complaints officer for the complaint from a panel established by the CEO for that purpose; and give the person appointed as the complaints officer an instrument of appointment that also stipulates the date by which the complaints officer must complete the report on the investigation if the complaint is not earlier resolved to the complainant's satisfaction or is withdrawn by the complainant.

The person appointed as a complaints officer for a complaint must have the appropriate knowledge, qualifications, skill and experience, including the relevant investigative, analytical and report-writing skills, to conduct an investigation into the complaint, make findings, formulate recommendations (where appropriate) and prepare a report on the outcome of the investigation for consideration by the council or its delegate. The complaints officer appointed to investigate a complaint by way of internal or external review must not have been involved with the administrative action in question.

Sending complaints to, and their investigation by, the complaints officer

The CEO, or officer authorised by the CEO (“authorised officer”), after the oral or written complaint has been recorded, will arrange for the complaint and other materials, including relevant documents from the council’s records, to be forwarded to the complaints officer for assessment of the complaint as soon as practicable after the officer’s appointment.

The instrument of appointment of a complaints officer must indicate the timeframe for dealing with the complaint. The timeframe for dealing with a complaint will depend on an assessment of the following factors by the CEO or authorised officer:

- the urgency of the situation in terms of loss or damage likely to be suffered if the complaint is not quickly resolved;
- the likelihood that the complaint can be quickly resolved;
- the complexity of the complaint issue/s;
- whether the complaint requires internal review or external review in accordance with the criteria for the selection of a complaints officer for the complaint as set out in the complaints process.

In general terms, the council will endeavour to meet to the following timeframes for dealing with a complaint-

- for urgent matters—within (14) days;
- for non-urgent complaints that are not considered to be complex or where the complaint is to be investigated under the internal review mechanism— within 30 days;
- for complex complaints or where the complaint is to be investigated under the external review mechanism—within 45 days.

If the nominated timeframe for dealing with a complaint cannot be met for any reason, the CEO or delegate may, once only, extend the time for dealing with the complaint and notify the complainant in writing of the extension before the expiry of the initial timeframe. In determining any extension of time, the CEO, or delegate, must consult with the complaints officer for the complaint and fix a date that is reasonable in all the circumstances, but in no case more than 3 months from the date the complaint was received by the council.

The complaints officer will acknowledge receipt of the complaint and any other material, indicating the date of receipt.

If a complaint is resolved to the complainant’s satisfaction before it is sent to a complaints officer for investigation, notice that the complaint has been resolved may be given to the complainant in the same medium by which the complaint was initially made eg an oral response may be given to a complaint that was made orally. However, the council may give a formal written response to a complaint irrespective of the medium by which the complaint was made. The council will make a record of any oral advice given to a complainant that the complaint has been resolved.

As a condition of appointment, an external reviewer will be required, when forwarding his/her investigation report to the CEO, to return all records and documents relating to the investigation.

The timeframe for dealing with a complaint is measured from the date of receipt of a complaint to the date the complainant is informed of the outcome of the complaint.

Opportunity for complainant to provide further information about the complaint

The complaints officer will invite the complainant to provide further information after the initial assessment of the complaint material to assist in fully understanding the complainant’s concerns, the issue/s to be investigated (if an investigation is to be undertaken) and the outcome or remedy sought by the complainant.

Seeking further information from the complainant at this stage of the complaints process may be undertaken by informal means such as telephone, e-mail or face-to-face discussion. The complaints

officer will record a fair summary of any oral information received and will confirm with the complainant in an appropriate manner that the summary accurately reflects the information provided by the complainant.

The complaints officer will attempt to resolve the complaint informally, for example, by providing an explanation for the council's or the councillor's action in the particular case. A complaint may be resolved or withdrawn by the complainant at any time during the complaints process. A complaint is taken to be resolved to the complainant's satisfaction, or is taken to be withdrawn, if the complainant gives a clear indication to that effect to the complaints officer. Written notice that the complaint has been resolved, and the general manner in which it was resolved, will be given to both the council and the complainant.

If in the opinion of the complaints officer, resolution of a complaint about an administrative action merely involves rectification of an obvious error or a remedy of a similar nature, the complaints officer will discuss the issue with the relevant council officer with a view to resolving the complaint.

Grounds for refusal to investigate complaint

In assessing a complaint (including any further information provided by the complainant) the complaints officer will consider whether there is a statutory ground on which the complaint may be refused. The complaints officer may refuse to investigate a complaint or, having started to investigate a complaint, refuse to continue the investigation if the officer reasonably considers that-

- a) the complaint is trivial; or
- b) the complaint concerns frivolous matter or was made vexatiously; or
- c) the complainant does not have a sufficient direct interest in the administrative action or alleged minor breach the subject of the complaint; or
- d) both of the following apply-
 - i. the complainant has a right of appeal, reference or review, or another remedy, that the person has not exhausted;
 - ii. it would be reasonable in the circumstances to require the complainant to exhaust the right or remedy before the officer investigates, or continues to investigate, the complaint;
- e) in the circumstances, investigating the complaint is unnecessary or unjustifiable.

A right or remedy mentioned in paragraph (d) does not include a right to make an application to the Supreme Court under the *Judicial Review Act 1991*.

The complaints officer will give both the council and the complainant written notice of a decision made by the officer to refuse to investigate the complaint, or to continue the investigation, and the reasons for the decision.

Investigating a complaint

The investigation of a complaint will be undertaken by the complaints officer in an independent, impartial and objective manner. A complaints officer may, if the officer considers appropriate in the circumstances, undertake mediation between the parties with a view to resolving a complaint, but will not act as an advocate for either the complainant or the council or for any council officer the subject of the complaint.

The investigation of a complaint will typically involve the following stages-

- preparation of an action plan for conducting the investigation;
- information gathering, including discussions and interviews with the complainant, council personnel and third parties (where relevant) and examining relevant laws and council policies and procedures;
- analysis of all relevant information obtained;
- formulation of findings and any recommendations for the council's consideration;

- preparation of a report on the results of the investigation or the outcome of the complaint if it was resolved during the complaints process or was withdrawn by the complainant.

The complaints officer will adhere to the following principles when conducting an investigation of a complaint:

- Procedural fairness/natural justice;
- Establishment and maintenance of a complete document trail (to facilitate any subsequent review that may be undertaken of the investigation conducted by the complaints officer);
- Council and other policies are designed for administrative guidance only, and should not be rigidly applied irrespective of the merits of a particular case. An administrative policy may be departed from if the merits of a particular case warrant that course of action.
- Lawfulness of a particular action is not necessarily decisive of the issue in dispute. The complaints officer will also assess whether the action was unfair, unreasonable or wrong.
- The civil standard of proof applies for administrative investigations. This means that allegations have to be established on the balance of probabilities – that is, it must be more probable than not that the allegation is made out.
- Confidentiality about the investigation must be maintained to the extent that it can reasonably be achieved, subject to other legal requirements about the disclosure of information.

Obligation of complaints officer on completion of investigation

If a complaint is not resolved during the investigation process to the satisfaction of the complainant or is not withdrawn by the complainant, the complaints officer will give the council and the complainant a written report on the results of the investigation and any recommendations. The complaints officer must give the report to both the council and the complainant within the time stipulated in the instrument of appointment, subject to any approved extension of time.

The report will typically address the following matters to the extent each matter is relevant in the particular case;

- the complaint issue/s;
- a concise summary of the material facts and circumstances of the matter;
- any relevant legislation;
- any relevant council or other policy;
- persons interviewed and/or consulted and relevant information obtained during any interviews and consultations;
- results of any relevant research;
- analysis of complaint issues to the extent necessary;
- findings on material questions of fact and law;
- whether the complaint is sustained and reasons for that finding;
- if the complaint is sustained, any recommendation/s to the council to redress the complainant's grievance, whether by way of benefit to the complainant and other affected persons (if any) and/or systemic improvements to the council's administrative practice with a view to preventing a recurrence of similar complaints.

The report will contain any recommendations that the complaints officer considers to be appropriate in the circumstances. In some cases, it will be appropriate to make a recommendation for procedural improvement even where the complaint has not been sustained.

A recommendation may relate to-

- a specific remedy or remedies that is/are available under legislation to redress the complainant's grievance; and/or
- the proposed amendment of a relevant council policy, procedure or practice to address any systemic issue raised by the complaint with a view to preventing similar complaints in the future.

Remedies

The council has adopted a range of remedies for addressing administrative actions that it considers to be unfair or wrong. Remedies include, but are not limited to-

- an explanation for the action in question
- an admission of fault
- an apology
- revocation or amendment of the decision
- rectification, including repairing or replacing the matter in dispute
- revision of relevant policy, procedure or practice
- provision of technical assistance
- reimbursement of costs incurred as a result of the action in question
- financial compensation, including an *ex-gratia* payment
- waiver of debt.

More than one remedy may be applied in the particular case if the circumstances justify that course of action.

Consideration of report by council

Report about an administrative action

A complaints officer's report prepared under the above process, including any recommendation(s), on a complaint about an administrative action will be considered-

- (a) by the council by resolution if the administrative action in question was taken by-
 - i. the council, or a committee of the council, at a meeting;
 - ii. the mayor or the chairman of a standing committee acting under statutory or delegated authority;
 - iii. the CEO; or
 - iv. another council officer where the requirement that the complaints officer be no less senior than the officer who took the administrative action, cannot be met;
- b) by the CEO under delegated authority if the administrative action in question was taken by a senior officer who reports directly to the CEO;
- c) by another council officer under delegated authority if the administrative action in question was taken by a council officer who is not more senior than the delegate.

A council officer exercising delegated authority to deal with the complaint, by accepting or rejecting the findings of the complaints officer, has authority to provide any lawful remedy for the complainant that is available under the above provisions of the complaints process, irrespective of whether the remedy has been recommended by the complaints officer.

Where the complaints officer's report includes a recommendation that a suitable policy be made to address the complaint issue, or an existing policy be appropriately amended, the recommendation will be referred to the council for consideration by resolution.

Notice to complainant about outcome of complaint

Written notice of the outcome of a complaint will be given to the complainant following the council's consideration of, and decision on, the complaints officer's report and recommendations (if any).

The notice to the complainant will generally include the following advice-

- whether the complaint is sustained;
- if the complaint is not sustained, the reasons for the decision;
- if the complaint is sustained, any remedy to be made available to the complainant
- if applicable, the circumstances and timeframe in which the remedy will be made available; and/or
- whether the investigation identified the need to revise council policy, procedure or practice to prevent similar complaints arising, details of the proposed revision and the timeframe for implementation.

Implementation of remedy, etc

The council, through the CEO or delegate, will take action in a timely manner to implement any remedy to be made available to a complainant and/or any revision of its policy, practice or procedure.

Council review if complainant dissatisfied with outcome of complaint

If a complainant is dissatisfied with the outcome of the consideration of the complaints officer's report and any recommendation, the complainant may request a review of the decision on the complaint. The complainant may submit new information with the request for review and seek reconsideration of the complaint on the basis of the new information or on any other basis.

The council will-

- undertake the review as requested and advise the complainant accordingly; or
- decline the review on the basis that the complainant has not provided any reasonable basis for the review.

Any review undertaken will generally be in accordance with the complaints process. The reviewer will be independent of the original decision maker and the complaints officer.

STAGE 3 – REVIEW BY OMBUDSMAN OR OTHER COMPLAINTS ENTITIES

Review by other complaints entities

If the council decides not to undertake a review, it will inform the complainant that a complaint may be lodged with the Queensland Ombudsman or other relevant complaint entity (giving contact details).

COMPLAINTS MANAGEMENT SYSTEM

Reporting on complaint trends

Every (6) months, commencing from the date the complaints process commenced, the CEO, or delegate, will complete a report on all complaints (oral and written) received through the complaints process, being complaints about administrative actions of the council.

The report will include details for the particular (6) months and the financial year to date and, to the extent details are available, draw comparisons with corresponding periods for the (2) immediately preceding financial years.

Each report will set out-

- details of complaints received and resolved during the period;
- whether timeframes were met;

- how each complaint was dealt with (pre-complaint stage, by complaints officer, council decision on complaints officer's report, or still not resolved to complainant's satisfaction);
- a brief description of the outcome, including any remedy given to a complainant; and
- details of any service delivery or business improvements that have been effected as an outcome of the council's consideration of complaints.

The report will also-

- contain details of any systemic issues that have been identified and/or whether there is any trend in the complaints received; and
- suggest whether any other action should be taken to change service delivery and/or improve business activities, services, systems and staff skills, etc.

The CEO will discuss the report with the executive team and will thereafter submit it to the council for consideration, together with any comments from the executive team.

Details about complaints concerning administrative actions will be provided in the council's annual report, as required by legislation.

6. AUTHORITIES AND ACCOUNTABILITIES

All employees are accountable for the implementation of the policy. Chef Executive Officer is accountable for compliance and reporting.

The council will take appropriate steps to publicise the complaints process. For example, the process will be included on Council's website, included in the induction process for new employees and in other appropriate staff training forums.

7. RELATED DOCUMENTATION

All council policies and procedures must be taken into consideration when considering or investigating a complaint under the complaints process.

8. APPROVAL TABLE

Approved by Council		Meeting number and date	
20 th April 2011 (Resolution No.2011/GM281)			
17 th Oct 2016 (Resolution No. 2016/GM1857)		Resolution number	
16 th August 2023			
Approval by CEO			
Effective date		Review date	
17 th August 2023		30 th September 2026	
Policy Author			
Chief Executive Officer			
Current incumbent			
Ken Timms			
Implementation Officer			
Chief Executive Officer			
Current incumbent		Contact number	Official file no.
Ken Timms, Chief Executive Officer		4079 9005	

Attachment 1 – External Agency's

Queensland Ombudsman

The Ombudsman investigates complaints about the actions and decisions of Queensland public agencies and their staff that may be unlawful, unreasonable, unfair, improperly discriminatory or otherwise wrong.

Phone: (07) 3005 7000 or 1800 068 908 (Toll Free)

Fax: (07) 3005 7067

Email: ombudsman@ombudsman.qld.gov.au

Postal: GPO Box 3314 Brisbane QLD 4001

Crime and Corruption Commission (CCC)

The CCC investigates both crime and corruption, has oversight of both the police and the public sector, and protects witnesses.

Phone: (07) 3360 606 or 1800 061 611 (Toll Free)

Fax: (07) 3360 6333

Email: mailbox@ccc.qld.gov.au

Postal: GPO Box 3123 Brisbane QLD 4001

Online Contact Form: <http://www.ccc.qld.gov.au/about-the-ccc/contact-form>

Queensland Civil & Administrative Tribunal (QCAT)

QCAT is an independent tribunal. They actively resolve disputes in a way that is fair, just, accessible, quick and inexpensive.

Phone: 1300 753 228 (Toll Free)

Fax: (07) 3221 9156

Email: enquiries@qcat.qld.gov.au

Postal: GPO Box 3123 Brisbane QLD 4001

Office of the Information Privacy Commissioner Queensland (OIC)

The OIC is Queensland's independent statutory body established under the *Right to Information Act 2009* (Qld) and the *Information Privacy Act 2009* to promote access to government-held information, and to protect people's personal information held by the public sector.

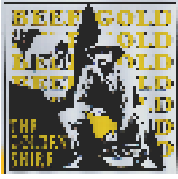
Phone: (07) 3234 7373

Fax: (07) 3405 1122

Email: enquiries@oic.qld.gov.au

Postal: PO Box 10143 Adelaide Street Brisbane QLD 4000

Attachment 2 – Complaints Form



Etheridge Shire
Council

Complaint Form

42 St George Street, Georgetown Qld 4871
Phone: (07) 40799090 Fax: (07) 40621265
info@etheridge.qld.gov.com.au

Please note: this form should ONLY be used to lodge a complaint and NOT a request for service

IMPORTANT NOTICE

Etheridge Shire Council is collecting your personal information for the purposes of assessing your complaint and to ensure that Council is able to remain in contact with you regarding the status of your complaint. Your personal information will only be accessed by employees and or Councillors of Etheridge Shire Council. Some of this information may be given to an external investigator for the purposes of investigation, the person complained about where the rules of natural justice requires, the Queensland Ombudsman in the event that a review of Council's decision is requested, Council's solicitor or insurance broker and or underwriter where legal or insurance advice is required, the Crime & Corruption Commission and Queensland Police Service in the event that the matter involves criminal conduct or official misconduct and other authorised government agencies as required to process your complaint. Subject to the above disclosures, your personal information will not be given to any other agency unless you have given us permission or we are authorised or required by law to do so.

SECTION A: Customer Details.

Title: Mr. Mrs. Ms. Miss. Other.
Surname: _____ First Name: _____

SECTION B: Contact Details.

Address: _____

Suburb: _____ Postcode: _____

Phone (H/M): _____ Phone (W): _____

Email Address: _____

Preferred Contact Method: Telephone Mobile Letter Email

SECTION C: Complaint Details.

Have you previously lodged a complaint with Council regarding this matter? Yes No

If YES, what date was this complaint made: _____ / _____ / _____

Have you been notified of progress, or the outcome? Yes No

If NO, have you previously lodged details of your complaint with any other agency authority? Yes No

If YES, to Whom: _____

When did it happen? _____

Where did it happen? _____

Who was involved? _____

Please provide details of your complaint below. Any relevant supporting information which may be of assistance when assessing your complaint should also be attached.

Please include details such as grounds of the complaint (why the action/ decision was wrong), and any detriment suffered (how you were effected).



Etheridge Shire Council

General Meeting	16 th August 2023
Subject	Land Use Study – Mt Surprise
Classification	Closed
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

Council commissioned its consulting Town Planner to conduct a land use compliance study in the Township of Mt Surprise. Council's planner conducted an inspection of Mt Surprise and has produced an initial report for Council's consideration.

RECOMMENDATION

That Council receive Ms Taylor's Mt Surprise Land Use Survey Report, and adopt the following recommendations made therein, specifically: -

1. the recommendations for Category 1, Category 2, Category 3, Category 4, Category 5, Category 6 and Category 7, outlined in the report, where appropriate; and
2. Council make enquiries with the State government in relation to Lot 11 SP252513, area 3.58 hectares, Reserve for Township and Trucking with Council as Trustee, to determine if the Occupation Lease (352OL454) can be cancelled and the lot transferred to Council as freehold land, to facilitate future development opportunities afforded by the Industrial Precinct designation of the lot, which was supported by the State, when preparing the 2020 Planning Scheme for the Shire.

BACKGROUND

On receipt of a number of community submissions, Council resolved to commission a similar land use compliance report to that conducted in Georgetown approximately 12 months ago.

To this end, Council commissioned Mrs E Taylor, Consulting Town Planner to prepare a Land Use Study. Council received Mrs Taylor's planning report on Friday 9th June 2023. The Report was tabled at Council's June 2023, with the recommendation to hold it over to the next workshop for further consideration. As a result, Liz Taylor did discuss the report in detail at a Councillor Briefing (workshop) on the 12th July 2023. Council is now in a position to consider, and if appropriate, adopt the Report's recommendations.

LINK TO CORPORATE PLAN

Corporate Aim No. 4: Quality Social infrastructure that makes the Shire a desirable place to live.

Strategy No. 4.1.3.: Enhance and improve the aesthetics of each town.

BUDGET & RESOURCE CONSIDERATIONS

Administration costs can be absorbed into Council's existing budget.

Survey, legal and title registration costs will need to be assessed (and budgeted) to provide lawful access to landlocked blocks, in accordance with guidance from the State.

CONSULTATION

To occur with affected land-owners.

LEGAL CONSIDERATIONS

Actions proposed to remedy identified building & town planning issues will result in better overall compliance with legislation (Building act & Planning Act)

POLICY IMPLICATIONS

Essentially, this is a matter of compliance with Council's Town Planning Scheme.

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk assessment is Low to Medium: Unlikely to Possible likelihood of adverse impacts, of minor consequence.

Report Prepared By:	Report Authorised By:
Andrew McKenzie, Director Corporate Services	Ken Timms, Chief Executive Officer
Date: 28 th July 2023	Date:

**MT SURPRISE
LAND USE SURVEY**

**PREPARED BY
ELIZABETH TAYLOR
TOWN PLANNER**

FOR

ETHERIDGE SHIRE COUNCIL

JUNE 2023

1.0 INTRODUCTION AND BACKGROUND

The Council determined that a Land Use Survey (LUS) of Mt Surprise was necessary to identify any non-compliant land use issues associated with all land within the township.

The project involved a ground-truthing exercise of all sites within the township boundary, to identify all land uses and cross reference them with the current Planning Scheme zoning/precinct designations of each site, to identify potential issues of non-compliance and a cross referencing exercise with a list of development approvals found in Council's record system.

It is unknown if Etheridge Shire, prior to 2005, operated under an Interim Development Control Regulation (IDCR) but it is likely to have done so. The IDCR's were very simple planning documents, and all included the following (or similar) clause, relating to "Existing lawful uses":

"Existing lawful use - lawful use made of land, building or other structure in existence prior to the date upon which the relevant part of this regulation was approved by the Governor in Council as interim development control provisions in the area of the local government concerned, is an existing lawful use and does not require an application be made for the consent of the local government to allow such use to lawfully continue."

In considering all potentially non-compliant land uses identified during the LUS, careful consideration has been given to identifying any land uses which may fall within the "Existing lawful use" category.

Ground-truthing in Mt Surprise was undertaken on 15 and 16 May 2023 with the assistance of Council's Records Management/Administration Officer, Mr Glen Hudson, who prepared a tabulated list of lots and approvals (not all but some) in Mt Surprise and an accompanying Plan showing their location.

The findings of the Survey were then transcribed onto a Zoning Plan of Mt Surprise and cross-referenced with the tabulated list provided by Glen to identify issues of non-compliance.

During this cross-referencing exercise, mapping errors relating to the current Planning Scheme Zoning Plan were also identified.

A Workshop was held with Councillors and senior Council Officers on 17 May 2023, to discuss the preliminary findings of the LUS.

The assistance of Council Officers and Councillors, who provided assistance, guidance and advice, is gratefully acknowledged.

2.0 LAND USE SURVEY GENERAL OVERVIEW OF FINDINGS

Under the current Planning Scheme all land within the Mt Surprise township boundary is zoned Township.

Within the Township Zone some land is designated under one (1) of three (3) of the following Precincts:

- Commercial Precinct;
- Industrial Precinct; or
- Residential Precinct.

There is no land in Mt Surprise that is designated in the Rural Residential Precinct.

Some land in the Township Zone, primarily land developed for community purposes, is included in the Township Zone but is not included in a Precinct.

Mt Surprise, within the boundaries of the township, has approximately 79 lots of various sizes with differing tenure and a mix of different land uses; ranging from community/public uses, such as parks, primary school, community hall, rail museum, to commercial uses, such as cafes, shops, services stations, motel and caravan parks and residential uses.

The search of Council's records, which informed the study identified the following status of the 79 lots in Mt Surprise:

- 14 lots have some sort of approval (planning/building/plumbing);
- 48 lots have no (found) approvals in Council's system; and
- 17 lots are either vacant reserves or land developed for community purposes.

The ground-truthing/cross referencing exercise identified 28 lots that are potentially developed with non-compliant development or require clarification/status of development on the site: equating to 33% of all lots in Mt Surprise.

The issues of potential non-compliance can be grouped into the following seven (7) categories (not listed in any order of importance):

1. Industrial storage/large sheds/tanks/abandoned buildings on land in the Residential Precinct or on adjacent road reserve – 7 lots;
2. Industrial storage on land in the Commercial Precinct – 1 lots;
3. Living in a shed or demountable building on land in the Residential Precinct – 10 lots;
4. Stand-alone shed on land in the Residential Precinct - 1 lot;
5. Sites developed just with sheds with caravans' underneath, which may or may not be occupied – 3 lots;
6. Sites containing a multitude of buildings/sheds - 2 lots;
7. Sites that contain (possible) compliant development or partially development under the Precinct but with approval status unknown – 4 lots.

A copy of an annotated Zoning Plan – ZM- 3 Etheridge Shire Planning Scheme – Mt Surprise Zones and Precincts, identifying the 28 sites, attached to this report at Appendix 1.

The implications to Council and landowners of these seven (7) categories of non-compliance are discussed below.

Category 1 -Industrial storage/large sheds/tanks/abandoned buildings on land in the Residential Precinct or on adjacent road reserve.

Total – 7 lots

and

Category 2 – Industrial storage on land in the Commercial Precinct.

Total – 1 lot.

The purpose of designating Precincts within a Township area, under a Planning Scheme, is to separate incompatible land uses and to ensure a level of amenity is provided, commensurate with a particular Precinct designation.

Amenity can be described as, all those factors/elements (such as landscaping/vegetation, noise, dust, traffic, density of development (or lack of), views/vistas) which combine to form the character of an area; and when considered together, allow the community to have an understanding that the amenity of a certain area; such as a residential area, or a commercial area, or an industrial area, or a rural area, are distinctly different.

Therefore, residents living on land in a Residential Precinct should be able to have an expectation that the residential amenity of the area will be protected from the incursion of industrial storage.

In terms of industrial storage on land in the Commercial Precinct, the impact on amenity is less significant and if allied to a lawfully operating commercial use, can be tolerated; provided the industrial storage is not the dominant land-use and provided the industrial storage is well-managed/safely stored and does not pose a threat to human life/safety, associated with extreme weather events.

In the Township Zone – Industrial Precinct, *Low-impact industry, Medium impact industry and a Transport depot are “Accepted development subject to requirements”, which means that land in the Industrial Precinct can quite easily be developed for these purposes and made available for sale or lease.

(*Note: Low-impact industry includes industrial storage.)

However, the only land designated in the Industrial Precinct within the Township Zone at Mt Surprise is two (2) undeveloped/vacant lots; one (1) lot owned by Ergon Energy and one (1) lot which is a Reserve; and so, there is no land currently available in Mt Surprise for Industrial development.

RECOMMENDATIONS FOR CATEGORY 1 AND 2:

1. Council issue letters to landowners asking for the lots to be tidied up and the industrial/abandoned equipment etc. to be removed and Council provide a reasonable period (say 12 months) for the necessary action to be taken.
2. Council should set to a timeframe, for the landowner to confirm with Council that action is being taken to progress the clean-up.
3. Council correspond with the State government to freehold the Reserve land designated Industrial to facilitate industrial development opportunities in Mt Surprise.

Category 3 – Living in a shed or demountable building on land in the Residential Precinct.

Total – 10 lots.

AND

Category 4 – Stand-alone shed on land in the Residential Precinct.

Total – 1 lot.

AND

Category 5 – Sites developed just with sheds with caravans' underneath, which may or may not be occupied.

Total - 3 lots

It is unlawful to live in a shed which is classified under the Building Code of Australia as a Class 10 building, which is defined as: “*a non-habitable building or structure*”. In addition, some demountable buildings are not habitable, depending upon their building classification.

All Class 10 buildings and demountable buildings, if they are to be used for habitation, must be upgraded, or meet the standards, under the Building Code, for a Class 1a building which is defined as – “*a single dwelling being a detached house, or one or more attached dwellings, each being a building, separated by fire-resistant wall, including a row house, terrace house, townhouse or villa unit.*”

Unfortunately, an upgrade from a Class 10 shed and some demountable buildings to a Class 1a building is often not an “easy fix” as it can require:

- structural upgrades;
- slab/footing upgrades; and
- full internal lining, among other things.

The implication is, if Council is aware that people are living in a Class 10 shed or a demountable building that has not been upgraded to a Class 1a building under the Building Code and Council does nothing to ensure the building is upgraded, Council is potentially liable, should the shed or demountable building be damaged and/or destroyed and human life lost or compromised.

RECOMMENDATIONS FOR CATEGORY 3:

1. Council prepares an Information Sheet for the reclassification of a Class 10 building to a Class 1a building – Conversion of a shed to a dwelling. The Information Sheet should be uploaded to the Council website and should

be provided to all landowners of sites identified as having a shed/Class 10 building that is being occupied, whether permanently or temporarily/short term.

2. Council determines a timeframe for an amnesty for all landowners in Category 3, providing a reasonable period (say 12 months) for the reclassification to occur before legal action is instigated by the Council.

During this period Council should identify and specify key milestones, set to a timeframe, for the landowner to prove to Council that action is being taken to progress the matter; and all Category 4 landowners be advised accordingly in writing of Council's amnesty, timeframe and expected milestones during the timeframe period.

3. Council issue letters to the landowners attaching the Information Sheet and details of action required, in line with item 2 above.

RECOMMENDATION FOR CATEGORY 4:

Council to prepare a standard letter to all Building Certifiers operating in the Shire alerting them to this issue. This will ensure no further Building Permits are issued for sheds on vacant residential land, which in turn should reduce future Category 4 and 5 non-compliances, outlined above. It would also ensure that Building Certifiers cannot state they were unaware of the issue, if Council clearly articulates in writing that sheds in the Shire on vacant residential land cannot be approved unless they are ancillary to an existing dwelling.

Given that Category 3 – Living in shed or demountable building, Category 4 – Stand- alone shed on land in the Residential Precinct and Category 5 – Shed with caravan underneath comprise, potentially, over 40% or non-compliant land uses in Mt Surprise, the simple action of writing to all Building Certifiers who work in the Shire should ensure that these three (3) Categories of non-compliance will no longer be an issue in the Shire in the future.

RECOMMENDATION FOR CATEGORY 5:

It is unclear if anyone is permanently living in the caravans underneath the sheds or if the sheds have building approval, so Council should write to the landowners seeking clarifying in relation to these two issues and explaining the implications of unlawful occupation and building work and seeking a response from landowners to rectify, if necessary.

Category 6 - Sites containing a multitude of buildings/sheds.

Total - 2 lots.

Given the lack of industrial land available for development in Mt Surprise this is a difficult issue to tackle.

RECOMMENDATION FOR CATEGORY 6:

Council write to the landowners seeking clarifying in relation to the status of building approvals and use/purpose of buildings on the sites and explaining the implications of unlawful building work and unlawful use of land and seeking a response form landowners to rectify, if necessary.

Category 7 - Sites that contain (possible) compliant development or partially development under the Precinct but with approval status unknown

Total – 4 lots

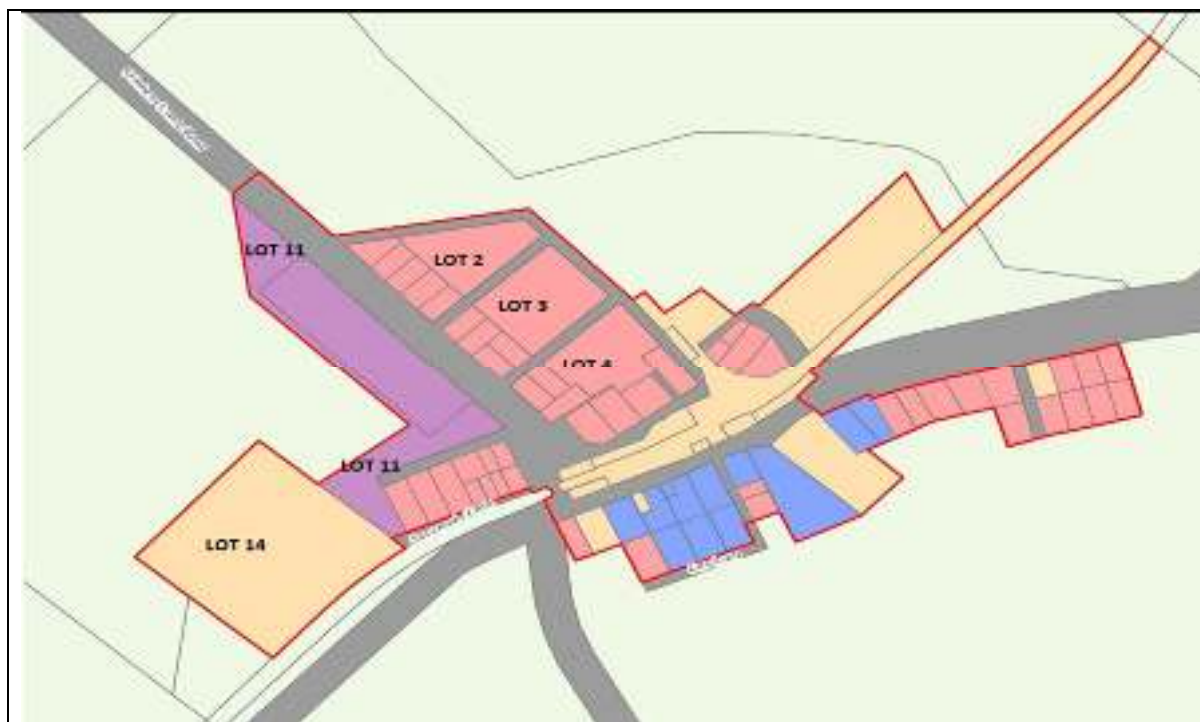
Council's planning, building and plumbing approval records for Mt Surprise appear to be incomplete or perhaps, in some cases, may not yet have been digitised and so it may be that some of the lots identified as developed but having no approvals, may have current approvals, it is hard to say. Therefore, an investigative approach should be adopted with landowners.

RECOMMENDATION FOR CATEGORY 7:

Council write to the landowners seeking advice in relation to any development applications or approvals applying to the land and then appropriate action be taken depending upon the findings of the investigation.

Mapping Errors on Zoning/Precinct Plan

Large tracts of Reserve land surround the township and some of the land is included in the Rural Zone and some is included in the Township Zone/Precinct, refer annotated extract of the zoning/precinct map, below.



Reserve land in the Township Zone includes, as shown above:

- Lot 14 SP129833 (352OL454)- area 9.11 hectares - Reserve for Stock and Trucking, with Council as Trustee;
- Lot 11 SP252513 (352OL454)- area 3.58 hectares – Reserve for Township and Trucking with Council as Trustee;
- Lot 2 SP252513 (352OL454)– area 1.768 hectares – Reserve.
- Lot 3 SP252513 – area 2.448 hectares – Reserve.
- Lot 4 SP252513 – area 2.012 hectares – Reserve.

All four (4) lots above also include Occupation Licence – 3520OL454 – Mt Surprise Station. This Occupation Licence is also on large tracts of rural land surrounding Mt Surprise.

An Occupation Licence (OL) is described in, “A Guide to Land Tenure- under the Land Act 1994, as follows:

Occupation Licence

An occupation licence is a licence to occupy unallocated State land. Although the *Land Act 1994* makes no provision for the issue of an occupation licence, previously existing licences continue under this Act.

No term applies to the licence, which the Minister may cancel in whole or part on giving three months notice. No compensation is payable for the cancellation. The Minister must approve all improvement or development work the licensee wishes to undertake.

It is understood, following discussions with the Director of Corporate and Community Service, Mr Andrew McKenzie that it may not be as simple as requesting the Minister to cancel the OL over Lots 14, 11, 2, 3 and 4, located within the Township Zone of Mt Surprise, but from a strategic forward-planning perspective it can certainly be justified.

Lot 11 is very irregular in shape, refer annotated extract of the zoning/precinct map above, and is of little benefit other than for industrial development to benefit the township of Mt Surprise. The freeholding of this land should be explored.

Currently the railway line to the east of Mount Surprise Road is zoned Township. The railway line should be in the Rural zone outside the township area and in the Township Zone (with no precinct designation) within the township area, between O'Brien Creek Road and Mount Surprise Road.

Amending a Planning Scheme can take time, so there is a benefit in waiting to identify other amendments that come to light during the day-to-day implementation of the new 2020 Planning Scheme and initiating an amendment process that includes other amendments as well as the mapping amendments identified during the Mt Surprise and Georgetown LUS processes.

3.0 SUMMARY OUTCOMES/CONCLUSION

During the ground-truthing exercise in Mt Surprise and following a cross referencing exercise of a list of lots with various planning, building and plumbing approvals, it has been determined that 28 lots in Mt Surprise may potentially contain non-compliant development or at least should be investigated further.

It has also been identified that Mt Surprise has no available vacant land in the Township Zone – Industrial Precinct for industrial development or for the relocation of industrial activities currently occurring on land in the Township Zone – Residential or Commercial Precincts of Mt Surprise.

Due to the lack of complete records and the lack of availability of vacant Industrial Precinct land for relocation of noncompliant industrial activities on land in other Precincts within the township, caution and the adoption of an “even-handed” approach is recommended when corresponding with landowners of the 28 lots.

RECOMMENDATION

1. Council resolve to adopt and action the Recommendations for Category 1, Category 2, Category 3, Category 5, Category 5, Category 6 and Category 7, outlined above in this report, where appropriate.

AND

2. Council resolve to make enquiries with the State government in relation to Lot 11 SP252513, area 3.58 hectares, Reserve for Township and Trucking with Council as Trustee, to determine if the Occupation Lease (352OL454) can be cancelled and the lot transferred to Council as freehold land, to facilitate future development opportunities afforded by the Industrial Precinct designation of the lot, which was supported by the State, when preparing the 2020 Planning Scheme for the Shire.

Elizabeth Taylor
Town Planner

Email: liz@elizabethtaylor.net.au
Mobile: 0407584966



Etheridge Shire Council

General Meeting	16 th August 2023
Subject	Snap Send Solve
Classification	Open
Author	Andrew McKenzie, Director Corporate Services

EXECUTIVE SUMMARY

Council resolved to trial Snap Send Solve late 2022, with a review to be conducted after a 6-month period. Accordingly, this report has been prepared to assist with Council's review of the implementation of Snap Send Solve.

RECOMMENDATION

That Council receive the report and note management's recommendation to retain Snap Send Solve as a reporting channel for customer requests and to improve the functionality of its existing corporate eDRMS (InfoXpert) to better manage customer service requests (regardless of the communication medium) and provide further training to staff in InfoXpert's use.

BACKGROUND

What is Snap, Send Solve?

Snap Send Solve is a free mobile app where members of the public can take snap shots of defects from their mobile phone and forward them to Council via the Snap Send Solve app \ service.

Once a person ("snappee") snaps a photo, the app forwards the task to Council's info@etheridge.qld.gov.au email account where it is then registered into InfoXpert (Council's electronic records & document management system [eDRMS]) by the Records Officer and allocated to a workflow to the relevant Council Officer to action the request.

The assigned Officer will then click on the email, open the link to Snap Send Solve to view the task and then deal with it. Once the assigned Officer has attended to the task, they mark it completed in both InfoXpert and Snap Send Solve.

How has Snap Send Solve been integrated into Council's work request system?

Firstly, Snap Send Solve is not a work request management system suitable for all Council work requests. It is an exceptional reporting tool but duplicates an existing system and adds additional processing steps to access, retrieve and close out the work request. Further it has demonstrated that it is not sufficiently flexible to allow tailored communication to Snappees. It also doesn't capture work requests that come in via other communication channels.

To explain further, it will never act as a complete work request management system as it: -

- requires screening – it reports work requests to a single email account, meaning someone needs to read the work request and forward it to the responsible officer.
- is limited in its reporting back to the Snappee. The opening of the email from Snap Send Solve automatically assigns an "In Progress" status within the app. This status won't change until our staff (discussed below) close it out as actioned.

- fully closing out a task is subject to the Snappees' consent, which may never happen for example they are tourists (who just wished to report a defect and have no interest of wanting ongoing communication with Council) or people wholly unsatisfied with Council's action, regardless of how complete or reasonable it may be in the circumstances.
- fails to capture work requests by any other channel, such as telephone, email, in-person or letter.
- does not capture sufficient records or evidence of Council's actions to support an external investigation (eg Ombudsman) or legal defence for negligence;
- has ultimately introduced a duplicate customer record management system.

To address the above, it was determined our best approach was to use Snap Send Solve as a reporting channel into our eDRMS for work request management. This means Snap Send Solve referrals are handled like any other customer request – in other words they are treated consistently as any other customer request. InfoXpert has in-built work flows that allow task on-forwarding to the responsible officer, an escalation protocol where overdue and incomplete tasks are reported to Supervisors (for oversight), Officers can write notes against the task as they progressively attend to tasks (particularly helpful for complex tasks), allows the linking of additional documents to the work request, which will serve as evidence in external investigations and / or legal cases. InfoXpert IS our corporate system to manage our responsibilities under the Public Sector Records Act.

So why isn't Snap Send Solve and Council's existing work request system not meeting Councillor, community, management expectations?

As noted previously, Snap Send Solve is not a fit for purpose, holistic customer request management system. In fact, feedback has been as critical of Council's performance in managing customer complaints after implementation of Snap Send Solve as to before. Initial feedback on Snap Send Solve was possibly more critical, likely on the unmet expectation it would improve feedback reporting to customers. As such, the comments below suggest some observations where our customer request management processes are falling short of expectations: -

1. Snap Send Solve has a feature of allowing feedback to the snappee – one of the primary reasons it has been trialled. Regrettably, there are limited responses within the app. Once the request has been opened (at the point of registering it into InfoXpert), the snappee is notified their request has been received and in progress. This can create an expectation of immediate action, and for simple cases, this is the result. However, some work requests are complex, require investigation and coordination and will take time to be actioned. Some requests may never be actioned. Available feedback options within Snap Send Solve does not cater for the wide variety of work requests we receive – nor does it provide a solution for all other request channels.
2. The importance and complexity of work requests will dictate how quickly a request can be actioned. As most work requests require the coordination of other resources, a Snap Send Solve task may remain "In Progress" for a period of time, at least until the right resources can be programmed to respond. Please note that the assigned responsible officer is prioritising the task against competing priorities.

It has been observed that the assigned officer closes out the work request once they have coordinated a future action, rather than waiting until the future action takes place. For instance, a work request for a sign to be erected along a road may be closed out in Snap Send Solve once the Foreman schedules his team to replace it, which may be some days / weeks later. However, by closing it out in Snap Send Solve the snappee will get a message to say their request has been completed, when in fact it has been programmed to happen later. By the time the work crew replace the sign, the responsible officer is unlikely to return to the task to close it out then.

3. Organisational Culture and HR – Council is running very lean in its management & support personnel for the work program & work demands upon Council. Best intentions and endeavours are applied to managing the breadth of Council's operations, but during peak times / work loads non-critical / urgent tasks (not solely work requests) will be delayed until time permits. Further there is some resistance to fully utilising InfoXpert (promotion, training, configuration, enforcement). Implementing another stand-alone customer request

management system to deal with just Snap Send Solve requests creates further resistance given its duplication of a system that is not widely embraced.

The way forward?

It is proposed that Council retain Snap Send Solve purely for the quality and timeliness of its reporting. However, Snap Send Solve should be seen purely as a complimentary, reporting mechanism to our corporate system and not as a customer request management system. To achieve this outcome, it is recommended that the feedback mechanism within Snap Send Solve be deactivated, if possible.

Further, greater emphasis be placed (and resourced) on reconfiguring InfoXpert to act as Council's corporate record & customer request management system. This recognises that InfoXpert will capture and manage all forms of inward correspondence, customer requests and complaints, with in-built task workflows and escalation protocols. This will involve engaging the supplier (MagiQ) to review & customise workflows, create pre-populated template responses within the workflows (acknowledgements, completion notices etc) and provide staff training. Staff training can also be used as a foundation for management to influence organisational culture toward customer service. As a side note, this will also address a number of audit observations.

LINK TO CORPORATE PLAN

Corporate Aim No. 5: Best practice corporate governance and organisational excellence.

BUDGET & RESOURCE CONSIDERATIONS

For the Normal version of Snap Send Solve is free.

CONSULTATION

At the time of writing (June 2023), Council has received around 42 emails from the public about incidents throughout the shire.

Several implementation review meetings have been held with Records & IT Officers, who remain in contact with end users.

LEGAL CONSIDERATIONS

The Public Sector Records Act requires Councils to comply with record keeping requirements. Further, Council's record keeping practices are instrumental to good governance.

POLICY IMPLICATIONS

A customer service charter, together with a customer request handling procedure (similar to that of the Administrative Action Complaint Policy) would compliment the desired cultural change and allow consistency in the handling of complaints & customer requests.

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Risk assessment is Low to Moderate. Individual customer request management systems are low risk, but their failure to meet organisational requirements can lead to moderate (or higher) corporate risks.

Report Prepared By:

Andrew McKenzie, Director of Corporate Services with the assistance of Jason Karsten, IT Officer; Glen Hudson, Records Officer
Date: 8th August 2023

Report Authorised By:

Ken Timms, Chief Executive Officer
Date:

Doc Id	Location	sent in	Staus	Description	Status in InfoXpert	Date of completion	Days to complete in InfoXpert
164962	Georgetown	24/11/2022	Solved	Pavement Damage	Task Completed	24/11/2022	0
164987	Mt Surprise	25/11/2022	Closed	Fallen Tree	Task Completed	2/12/2022	7
164994	Mt Surprise	25/11/2022	Viewed	Wrong Sign	Task Completed	29/01/2023	65
166500	Routh Rd	18/01/2023	Viewed	Damaged Road	Task Completed	31/01/2023	13
166575	Einasleigh	21/01/2023	Viewed	gutter issue	Task Completed	23/01/2023	2
166586	Einasleigh	21/01/2023	Viewed	Damaged Road	Task Completed	1/02/2023	11
166587	Einasleigh	21/01/2023	Viewed	Bridge damage	Task Completed	1/02/2023	11
166591	Einasleigh	21/01/2023	Viewed	Damaged Road	Task Completed	1/02/2023	11
166599	Forsayth	20/01/2023	Viewed	Drainage Issue	Task Completed	2/04/2023	72
166606	Forsayth	5/01/2023	Viewed	Drainage Issue	Task Completed	2/04/2023	87
166614	Stockman Crk Rd	20/01/2023	Viewed	Fallen Tree	Task Completed	1/02/2023	12
166615	Einasleigh	20/01/2023	Viewed	Damaged Road	Task Completed	1/02/2023	12
167144	Georgetown	28/01/2023	Viewed	Overgrown Vegetation	Task Completed	6/04/2023	68
167157	Kennedy Development Road	30/01/2023	Viewed	Damaged Road	Task Completed	31/01/2023	1
167532	Routh Road	18/01/2023	Viewed	Damaged Road	Task Completed	3/02/2023	16
167623	Gillbert River	4/02/2023	Closed	Damaged Road	Task Completed	6/02/2023	2
167626	Einasleigh	5/02/2023	Closed	Damaged Road	Task Completed	14/02/2023	9
167631	Gillbert River	5/02/2023	Viewed	Fence Damage	Task Completed	13/02/2023	8
167782	Forsayth	9/02/2023	In Progress	Damaged Road	Task Completed	2/04/2023	52
167783	Forsayth	9/02/2023	Viewed	Damaged Road	Task Completed	2/04/2023	52
167789	Lyndhurst	9/02/2023	Closed	Damaged Road	Task Completed	14/02/2023	5
167826	Stratmre Road	12/02/2023	Viewed	Damaged Road	Task Completed	14/02/2023	2
167849	Kennedy Development Road	30/01/2023	Viewed	Damaged Road	Task Completed	14/02/2023	15
167850	The Lynn	13/02/2023	Viewed	Overgrown Vegetation	Task Completed	14/02/2023	1
167928	Georgetown	16/02/2023	Viewed	Drainage Issue	Task Completed	18/02/2023	2
167932	Lyndhurst	5/02/2023	Closed	Damaged Road	Task Completed	17/02/2023	12
167960	Georgetown	21/02/2023	Viewed	Repairs to building	Task Completed	23/02/2023	2
167961	Georgetown	22/02/2023	Closed	Repairs to building	Task Completed	22/02/2023	0
167962	Georgetown	22/02/2023	Viewed	Repairs to building	Task Completed	1/03/2023	7
167981	Georgetown	22/02/2023	Viewed	Repairs to building	Task Completed	23/02/2023	1
167990	Georgetown	22/02/2023	Solved	Test from CEO	Pending	Ken	
168017	Lyndhurst	9/02/2023	Closed	Damaged Road	Task Completed	27/02/2023	18
168040	Gillbert River	4/02/2023	Closed	Damaged Road	Task Completed	27/02/2023	23
168041	Gillbert River	24/02/2023	Viewed	Drainage Issue	Task Completed	2/04/2023	37
168197	Forsayth	27/02/2023	Closed	general repairs	Task Completed	27/02/2023	0
168198	Forsayth	27/02/2023	In Progress	Overgrown Vegetation	Task Completed	27/02/2023	0
168199	Forsayth	27/02/2023	Solved	Building maintenance	Task Completed	9/05/2023	71
168652	Forsayth	9/02/2023	In Progress	Damaged Road	Task Completed	2/04/2023	52
168824	Einasleigh	8/03/2023	In Progress	Damaged Road	Task Completed	2/04/2023	25
168988	Kutchera	22/02/2023	In Progress	Damaged Road	Task Completed	2/04/2023	39
169058	Einasleigh	27/03/2023	In Progress	Overgrown Vegetation	Pending	Andrew	
197963	Georgetown	22/02/2023	In Progress	Damaged Road	Task Completed	2/04/2023	39



Etheridge Shire Council

General Meeting	16 August 2023
Subject	Preferred Supplier Plant Hire
Classification	Open
Author	Allan Parry Infrastructure Services Operations Manager

EXECUTIVE SUMMARY

The preferred suppliers plant hire tender is an important part of Councils operations there needs to be an emphasis on the contractual, workplace health and safety and fatigue management areas of this contract.

Consideration of a two-year contract with construction industry rate increase on the second year would be beneficial to Councils resources as this would free up staff over the two-year period.

Fatigue Management is a legislated requirement to work any sort of roster over 6-day period the paperwork required to be collected collated and checked against the seven elements of the advanced fatigue management is quite onerous on Councils resources.

RECOMMENDATION

That Council resolves to accept the following.

1. Preferred Suppliers Plant Hire Tender is a two-year tender
2. Second year Construction Industry Standard rate increase is implemented in the tender
3. Review fatigue management system responsibilities is it Councils or the tenderers responsibility to implement

BACKGROUND

The preferred suppliers plant hire contract expires December 2023 with this in mind Senior Council Staff are reviewing the contract documentation so this tender can be put out to tenders earlier September closing late September with the review carried out through October and a report going to Council in November for resolution.

There are a couple of area for consideration these relate to the implementation of the Fatigue Management System, Workplace Health and Safety and a general review of the contract documents. The fatigue management system is quite onerous on Council staff to implement and control there has been discussion whether this responsibility can be transferred back to the tenderer thus freeing up Council resources.

There have been discussions on whether this contract would run for one year or two years and how this would work. As there is a large amount of data and review of the preferred supplier list which take a significant amount of time and resources to get through the two-year option would be favourable. There would need to be consideration in the tender for the second year increase to rates this would need to be based on construction industry standard increase.

Corporate Aim No. 1 – A sustainable transport network that meets community needs.

Strategy No.	Strategy	Performance Measure
1.1.1	An asset management strategy to support the monitoring, maintenance, replacement, and enhancement of council’s road assets.	Asset management strategy adopted
1.2.1	Maintain relationship with the Department of Transport and Main Roads to undertake road construction and maintenance (Road Train Corridors).	% of works program completed

BUDGET & RESOURCE CONSIDERATIONS

This report and the recommendation contained with will have no impact on the 22/23 budget.

LEGAL CONSIDERATIONS

Local Government Act 2009.

Environmental Act 1994

POLICY IMPLICATIONS

The procurement process conducted in accordance with Council’s Procurement Policy

RISK ASSESSMENT

CONSEQUENCE					
LIKELIHOOD*	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
A (Almost certain)	H	H	E	E	E
B (Likely)	M	H	H	E	E
C (Possible)	L	M	H	E	E
D (Unlikely)	L	L	M	H	E
E (Rare)	L	L	M	H	H

OUTCOME

Low (E2)

Report Prepared By:	Report Authorised By:
Allan Parry Infrastructure Services Operations Manager	Ken Timms, Chief Executive Officer
Date: 09/08/2023	Date:

ATTACHMENTS

Nil



Etheridge Shire Council

FOR YOUR INFORMATION

Green Hills Cattle Company Pty Ltd



Greg and Carol Ryan

Green Hills Station ~ GEORGETOWN QLD 4871 ~ AUSTRALIA

Home Phone (07) 40 625365 ~ Email greenhillscattlecompany@gmail.com

Greg Mobile 0457 406 253 Carol Mobile 0407 965 051

Mr Ken Timms
Chief Executive Officer
Etheridge Shire Council
St George Street
GEORGETOWN QLD 4871

17th July 2023

Dear Ken,

We are writing to request a meeting with yourself, the Mayor and the Engineer from the Etheridge Shire Council to discuss the possible installation of a permanent crossing over the Gilbert River on Green Hills Road.

The current crossing does not allow full access to the three properties on the Western side of the river for approximately 4 to 5 months of the year. The existing crossing has soil cement approaches to the main channel, which is large rocks covered annually with gravel, and this results in no access as soon as the river runs and the gravel washes away. The soil cement approaches over the last four years have been slowly washing away and are badly in need of immediate repair. One section on the Eastern side is completely gone and the rock buffer wall has also been washed away.

This road closure coincides with the time of year when cattle prices are at their highest resulting in us not being able to access these markets at the most lucrative time.

A more permanent structure would lead to less annual maintenance costs to Council and we believe it would certainly pay for itself over time.

We understand that there are regulatory processes the Council need to abide by and we are accepting of those.

The three properties affected, being Green Hills, Carnes and Heliman, are prepared to contribute in-kind, if possible, to assist in the process of getting a more permanent and reliable crossing across the river.

We look forward to meeting with you at a convenient time for all the parties involved.

Yours sincerely

Greg and Carol Ryan



Every Queensland
community deserves
to be a liveable one

21 July 2023

Cr Barry Hughes
Mayor
Etheridge Shire Council

mayor@etheridge.qld.gov.au

Ken Timms
Chief Executive Officer
Etheridge Shire Council

ken.timms@etheridge.qld.gov.au

Dear Mayor,

Dear Ken,

RE: Update on 2022 Annual Conference Motions

I would like to formally provide an update in relation to the motions your council brought to conference last year, which are also attached for your reference.

As a member-led organisation, motions form the bedrock of the LGAQ's advocacy.

They outline the priorities of members, they signal to State and Federal governments the issues most important to communities through their elected council representatives and they are aimed at helping build the liveability of towns and regions across Queensland.

As you and your council now consider what motions to put to council to then bring to the 2023 Annual Conference for debate, we would like to provide the below update on the motions submitted by your council last year.

[Resolution #118 Long Term Investment in Operational and Capital funding for Water and Sewerage Networks to Ensure Water Security](#)

A request for increased water funding was included in both the 2023/24 State and Federal Budget submissions.

The Federal Budget submission focused on a fair share of water infrastructure funding for Queensland. Despite another slight reduction in overall funding for vital water infrastructure – Queensland's share of national funding sits at just over 42 percent, with increased allocations in FY 25/26 and 26/27. Ongoing advocacy will explore expanded program options for urban water in regional and remote areas and for water infrastructure for First Nations communities.

The State Budget submission asked for a Sewerage and Water Infrastructure Development Scheme (SWIDS) similar to the TIDS (Transport Infrastructure Development Scheme) program - a dedicated ongoing investment in transport infrastructure. While there was no SWIDS announced in the State budget, there was significant investment (\$2.6M) in research to potentially support such a program through the Urban Water Risk Assessment.

The LGAQ hopes to work with the Department on this research to ensure that the findings inform an evidence-based ongoing funding program such as SWIDS where local government can partner with the Department to quantify, prioritise and address the identified risks.

I would also like to take this opportunity to remind you that the motions process for this year has opened, and motions can be submitted [here](#) or via the QR code below.



LGAQ officers look forward to helping with any motions your council may be considering putting forward at the AGM in Gladstone in October.

Once again, as your member organisation, we pride ourselves on working hard to assist our members to achieve the funding and policy setting you need to support your local communities.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alison Smith', positioned below the 'Yours sincerely,' text.

Alison Smith
CHIEF EXECUTIVE OFFICER



Hon Steven Miles MP

Deputy Premier

Minister for State Development, Infrastructure,

Local Government and Planning

Minister Assisting the Premier on Olympic and Paralympic Games Infrastructure

Our ref: MC23/3332

1 August 2023

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Website www.statedevelopment.qld.gov.au

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Mr Ken Timms
Chief Executive Officer
Etheridge Shire Council
ken.timms@etheridge.qld.gov.au

Dear Mr Timms

I refer to the Etheridge Shire Council's letter of 2 April 2023 requesting approval for the council to conduct the 2024 quadrennial Local Government election by full postal ballot.

I wish to advise that, pursuant to section 45(1) of the *Local Government Electoral Act 2011*, I have approved the council's application to conduct its 2024 quadrennial Local Government election by full postal ballot.

Please note, I have also written to Mr Pat Vidgen PSM, Electoral Commissioner, advising of my decision.

If you require further information, I encourage you to contact Ms Louisa Lynch, Director, Governance and Capability, Local Government Division in the Department of State Development, Infrastructure, Local Government and Planning on 0499 833 689 or by email at louisa.lynch@dasilgp.qld.gov.au.

Yours sincerely

STEVEN MILES MP
DEPUTY PREMIER
Minister for State Development, Infrastructure,
Local Government and Planning
Minister Assisting the Premier on
Olympic and Paralympic Games Infrastructure