



## **SOUTHERN DOWNS REGIONAL COUNCIL GENERAL MEETING OF COUNCIL**

Dear Councillors

Your attendance is hereby requested at the General Meeting of Council to be held in the Council Chambers, Southern Downs Regional Council, 64 Fitzroy Street, Warwick on **Wednesday, 27 February 2019 at 9:00AM.**

Notice is hereby given of the business to be transacted at the meeting.

**David Keenan**

**CHIEF EXECUTIVE OFFICER**

21 February 2019

### **Attendance**

**10:15am    Presentaton of Casual for a Cause Donation to the ZONTA Warwick**

**10:15am    Presentation of Badges to Southern Downs Youth Council Members followed by Morning Tea**







## ORDER OF BUSINESS:

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## WEDNESDAY, 27 FEBRUARY 2019 General Meeting of Council

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## **ACKNOWLEDGEMENT TO COUNTRY**

- 1. PRAYER & CONDOLENCES**
- 2. ATTENDANCE**
- 3. APOLOGIES**
- 4. READING AND CONFIRMATION OF MINUTES**
- 4.1 General Council Meeting - 23 January 2019**

### **Recommendation**


THAT the minutes of the General Council Meeting held on Wednesday 23 January 2019 be adopted.



## 5. ACTIONS FROM COUNCIL MEETINGS

### 5.1 Actions from Previous Council Meeting

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Chief Executive Officer	<b>File Ref:</b> 13.42

#### Recommendation

THAT Council receive the report and note the contents.

#### Report

The purpose of this report is to provide a summary of Actions resulting from resolutions from the January 2019 General Council Meeting.

A copy of the Actions report is attached.

#### Attachments


1. Actions from January 2019 General Council Meeting [View](#)




	<b>ACTIONS FROM PREVIOUS GENERAL COUNCIL MEETING</b>	<b>Date From:</b> 23/01/2019 <b>Date To:</b> 23/01/2019
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MEETING DATE	ITEM NUMBER	AGENDA ITEM	ACTION OFFICER	ACTION TO DATE	COMPLETED
23 January 2019	5.1	Actions from Previous Council Meeting	David Keenan	13 Feb 2019 - 2:43 PM - Marion Seymour Noted	13/02/2019
23 January 2019	6.1.1	Conflict of Interest - Cr Pennisi - Agenda Item 10.3	David Keenan	13 Feb 2019 - 2:43 PM - Marion Seymour Noted	13/02/2019
23 January 2019	7.1	Mayoral Minute - December 2018	Tracy Dobie	13 Feb 2019 - 2:44 PM - Marion Seymour Noted	13/02/2019
23 January 2019	8.1	Correspondence	David Keenan	13 Feb 2019 - 2:44 PM - Marion Seymour Noted	13/02/2019
23 January 2019	6.1.2	Conflict of Interest - Cr Pennisi - Agenda Item 8.1	David Keenan	13 Feb 2019 - 2:44 PM - Marion Seymour Noted	13/02/2019
23 January 2019	8.1.1	Correspondence - Item 6	David Keenan	13 Feb 2019 - 2:45 PM - Marion Seymour Noted	13/02/2019
23 January 2019	10.1	Financial Report as at 31 December 2018	Andrew Page	13 Feb 2019 - 2:45 PM - Marion Seymour Noted	13/02/2019
23 January 2019	10.2	Quarterly Human Resources Report	Brook March	13 Feb 2019 - 2:45 PM - Marion Seymour Noted	13/02/2019
23 January 2019	10.3	Proposal to Separate from the Southern Downs Regional Council	David Keenan	13 Feb 2019 - 2:45 PM - Marion Seymour Noted	13/02/2019
23 January 2019	10.4	Local Government Remuneration & Discipline Tribunal Report 2018	Andrew Page	13 Feb 2019 - 2:45 PM - Marion Seymour Noted - copy of resolution provided to Finance Department	13/02/2019
23 January 2019	10.5	Change of Date: April 2019 General Council Meeting	David Keenan	13 Feb 2019 - 2:55 PM - Marion Seymour Noted - website updated	13/02/2019
23 January 2019	11.1	Infrastructure Services Directorate Monthly Report	Graham O'Byrne	13 Feb 2019 - 3:25 PM - Barb Fagan Noted	5/02/2019
23 January 2019	11.2	Bridge Replacement	Mike Holeszko	19 Feb 2019 - 10:07 AM - Barb Fagan noted - correspondence to the Minister to be sent	5/02/2019



<div>  <b>ACTIONS FROM PREVIOUS GENERAL COUNCIL MEETING</b> <div> <b>Date From:</b> 23/01/2019  <b>Date To:</b> 23/01/2019 </div> </div>					
23 January 2019	11.3	Stanthorpe Fitness Centre	Michael Bell	13 Feb 2019 - 3:33 PM - Barb Fagan Noted	5/02/2019
23 January 2019	12.2	Submission - Developing a 10-year Roadmap for the Arts, Cultural and Creative sector	Jane Stroud	30 Jan 2019 - 12:22 PM - Allison Bilbrough Council Resolution noted.	24/01/2019
23 January 2019	12.3	Maryvale Urban Design Framework	Jane Stroud	30 Jan 2019 - 12:23 PM - Allison Bilbrough Council Resolution noted, and an annual report be prepared.	24/01/2019
23 January 2019	12.4	Pest Management Advisory Committee Minutes – 8 November 2018	Craig Magnussen	30 Jan 2019 - 12:25 PM - Allison Bilbrough Council Resolution noted.	24/01/2019
23 January 2019	12.5	Operational Plan Quarterly review October to December 2018	Jason Aspinell	30 Jan 2019 - 12:28 PM - Allison Bilbrough Council Resolution noted	24/01/2019
23 January 2019	12.1	Quarterly Report on Development Approvals for the October to December quarter 2018	Wayne Jarrell	30 Jan 2019 - 12:29 PM - Allison Bilbrough Council Resolution noted	24/01/2019
23 January 2019	12.6	Application for Conversion to Freehold Term Lease - Denderoo	Cathy Cockram	30 Jan 2019 - 12:06 PM - Allison Bilbrough Letter emailed to DNRME advising of Council's resolution	30/01/2019
23 January 2019	12.7	Application for tenure - Tannymorel	Cathy Cockram	30 Jan 2019 - 12:06 PM - Allison Bilbrough Letter emailed to DNRME advising of Council's resolution	30/01/2019
23 January 2019	16.1	Regional Arts Development Fund Applications Round One 2018/19	Michael Bell	13 Feb 2019 - 3:32 PM - Barb Fagan Noted - Correspondence sent 25 January advising of Council resolution	25/01/2019
23 January 2019	16.2	RFT 19_077 Relining of Wastewater Mains - Warwick and Stanthorpe	Renee Wallace	19 Feb 2019 - 10:05 AM - Barb Fagan Noted	5/02/2019
23 January 2019	16.3	December 2018 Monthly Report from Warwick Indoor Recreation and Aquatic Centre from YMCA Brisbane	Graham O'Byrne	13 Feb 2019 - 3:28 PM - Barb Fagan Noted	5/02/2019
23 January 2019	16.4	Proposed Trustee Lease over Fred Rogers Camp, Storm King Dam	Kate Duell	13 Feb 2019 - 3:23 PM - Kate Duell Action completed by: Kate Duell Noted and currently on going.	13/02/2019
23 January 2019	16.5	Renewal of Trustee Lease between Council and the Warwick Sailing Club Incorporated	Kate Duell	24 Jan 2019 - 12:06 PM - Kate Duell Action completed by: Kate Duell	24/01/2019



 <b>ACTIONS FROM PREVIOUS GENERAL COUNCIL MEETING</b>					<b>Date From:</b> 23/01/2019 <b>Date To:</b> 23/01/2019
				Lessee notified	
23 January 2019	16.6	Renewal of Trustee Lease between Council and the Warwick & District Rugby Union Club Incorporated	Kate Duell	24 Jan 2019 - 2:35 PM - Kate Duell Action completed by: Kate Duell Lessee notified	24/01/2019
23 January 2019	16.7	Update on Statement of Claim Against Council - Court Number M17/2018	Kate Duell	24 Jan 2019 - 11:47 AM - Kate Duell Action completed by: Kate Duell No further actions required	24/01/2019
23 January 2019	16.8	Audit and Risk Management Committee Meeting Minutes - 7 December 2018	Jody Collins	14 Feb 2019 - 8:40 AM - Allison Blibrough Actions to Resolution: 1. Noted. 2. Noted. 3. The amended Risk Register has been updated within Council's Technology One Performance Planning module which all risk owners (Manager) have access to. 4. The Fuel Management Internal audit has recently been completed and a draft report is currently being reviewed by key staff. 5. Council's Governance staff are continuing to implement the recommendations from Business Continuity Desktop Exercise Firestorm After Action Review report.	14/02/2019
23 January 2019	16.9	Clarification of Temporary Relaxation of Recycled Water Charges	Renee Wallace	13 Feb 2019 - 3:25 PM - Barb Fagan Noted	5/02/2019
23 January 2019	16.10	2019-21 Local Government Grants and Subsidies Program	Jason Aspinell	13 Feb 2019 - 3:12 PM - Allison Blibrough Contractor engaged to complete Asset Management and W&WW Infrastructure. Corporate Services is currently working on the Aerodromes submission.	13/02/2019




## **6. DECLARATIONS OF CONFLICTS OF INTEREST**



## 7. MAYORAL MINUTE

### 7.1 Mayoral Minute - January 2019

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Mayor	<b>ECM Function No/s:</b>

#### Recommendation

THAT Council receive the Mayoral Minute for January 2019.

#### Report

The majority of meetings I have attended this last month since the January General Council Meeting have been with people getting on with doing business. This includes meetings with those in the private sector and those in community groups such as the Killarney RSL Museum looking at how they can attract more business and more visitors to all parts of our region.

Also throughout this month there were a large number of events including Australia Day celebrations with citizenship ceremonies and community awards, school captains' and school leaders' inductions and the Emergency Services Day. A highlight was the Emergency Services Ball celebrating and recognising the amazing contribution made by our volunteers and staff in the QFES, Ambulance, Rural Fire Service, Police, Hospitals, SES, Salvation Army and others.

In addition, it is Agricultural Show season and the Stanthorpe, Allora and Killarney Shows all saw high quality exhibitions across many different classes. It is this high quality of agriculture, horticulture and livestock production in our region that will be further enhanced by the opening of the new Agricultural Science and Engineering Precinct in Toowoomba at the University of Southern Queensland. I attended this opening and can see the tremendous opportunities for our primary producers this Precinct will offer.

Other events across the region were the Allora Heritage Weekend, the 50<sup>th</sup> Anniversary of SPELD, Great Australian Bites, Art Gallery Exhibition openings in Stanthorpe and Warwick, along with community and sporting events such as markets, the Filipino SAYAW festival, and visits from the Brisbane Lions AFL team and Brisbane Broncos Rugby League team.

Our region also received a visit from the Drought Commissioner Mark O'Brien who met with primary producers, State and Federal government agency representatives, charities, business people and community group representatives to gauge the impact of the drought on the Southern Downs. The Drought Commissioner will report to the Premier on further steps that can be taken to provide assistance.

Southern Downs continues to be impacted by this severe drought and the lack of rain and high temperatures are taking their toll on the well-being of our residents. The new <https://farmhub.org.au/> is a welcome outcome from the work undertaken by the Federal Drought Coordinator.



**Attachments**


Nil



## 8. READING AND CONSIDERATION OF CORRESPONDENCE

### 8.1 Correspondence

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Chief Executive Officer	<b>ECM Function No/s:</b>

#### Recommendation

THAT the report of the Chief Executive Officer in relation to Correspondence be received.

#### Report

1. **Office of the Coordinator General** confirming receipt of the written notice made under section 27AE of the *State Development and Public Works Organisation Act 1971*, acknowledging that Council is no longer the proponent for the Emu Swamp Dam project, and that Emu Swamp Dam Pty Ltd is now the proponent for the project (copy attached).

**Action:** Noted.

2. **Letter from Council to Marion Carrick and Corinne Butler** requesting them to facilitate a meeting of the former or existing Board of Destination Southern Downs to undertake formal closure of the organization so the remaining funds of approximately \$20,000 can be distributed (copy attached).

**Action:** Noted

3. **Granite Belt Growers Association** introducing the new agricultural association and explaining the group's objectives, together with a reply from Council (copy attached).

**Action:** Noted.

4. **Senator Bridget McKenzie** advising that funding has been approved under the Drought Communities Programme Extension for Council for Water Dispensing Stations, Water Carting Project and Leyburn Auxiliary Water Treatment (copy attached).

**Action:** Referred to appropriate Directorates.

5. **Premier of Queensland** thanking Council for participation in the 2019 Australia Day celebrations through the Ambassador Program and Great Australian Bites (copy attached).

**Action:** Noted.

#### Attachments

1. Office of Coordinator General [View](#)



2. Council Letter to Marion Carrick and Corinne Butler [View](#)
3. Granite Belt Growers Association Inc [View](#)
4. Council Letter to Granite Belt Growers Association Inc [View](#)
5. Senator Bridget McKenzie [View](#)
6. Premier of Queensland [View](#)





Office of the  
Coordinator-General

Our ref: DGC18/1619

22 JAN 2019

Mr David Keenan  
Chief Executive Officer  
Southern Downs Regional Council  
PO Box 26  
Warwick QLD 4370

SOUTHERN DOWNS REGIONAL COUNCIL WARWICK BRANCH			
RECEIVED			
29 JAN 2019			
	Action Officer:		File
Tsk			
Dst			
Fwd			

Dear Mr Keenan

Thank you for your letter of 13 December 2018 to the Coordinator-General advising of a change of proponent for the Emu Swamp Dam project.

I am writing on behalf of the Coordinator-General to confirm receipt of the written notice made under section 27AE of the *State Development and Public Works Organisation Act 1971* for a change of proponent for a coordinated project.

I acknowledge that Southern Downs Regional Council is no longer the proponent for the Emu Swamp Dam project. I also acknowledge that Emu Swamp Dam Pty Ltd is now the proponent for the Emu Swamp Dam project.

If you require any further information, please contact Ms Karen Oakley, A/Executive Director, Coordinated Project Delivery, Office of the Coordinator-General, Department of State Development, Manufacturing, Infrastructure and Planning on (07) 3452 7414 or [karen.oakley@coordinatorgeneral.qld.gov.au](mailto:karen.oakley@coordinatorgeneral.qld.gov.au), who will be pleased to assist.

Yours sincerely

Sonya Booth  
A/Assistant Coordinator-General  
Coordinated Project Delivery

1 William Street  
PO Box 15517 City East  
Queensland 4002 Australia  
Telephone +61 7 3452 7100  
[www.dsdmp.qld.gov.au](http://www.dsdmp.qld.gov.au)  
ABN 29 230 178 530

Southern Downs Regional Council



\*DOC0308567\*





**Please address all  
communications to:**

The Chief Executive Officer  
Southern Downs  
Regional Council  
PO Box 26  
Warwick Qld 4370.

mail@sdrc.qld.gov.au  
www.sdrc.qld.gov.au

abn 59 786 792 651

**Warwick Office**  
64 Fitzroy Street  
Warwick Qld 4370

**Stanthorpe Office**  
61 Marsh Street  
Stanthorpe Qld 4380

t 1300 MY SDRC  
(1300 697 372)

f 07 4661 0333

DK:MES

1 February 2019

Marion Carrick  
[marion@alurestanthorpe.com.au](mailto:marion@alurestanthorpe.com.au)

Corinne Butler  
[corinne@tweakhr.com.au](mailto:corinne@tweakhr.com.au)

Dear Ms Carrick and Ms Butler

There have been a number of queries in relation to the funds that remain from the former Destination Southern Downs organisation. It is understood that these funds are in the order of \$20,000. It is noted that these funds are public money, which in normal circumstances would have been returned to "like" organisations upon the cessation of Destination Southern Downs. It is presumed that Destination Southern Downs has not yet formally ceased operating.

As you would be aware, the Southern Downs Region is severely impacted by drought and a number of tourism operators are experiencing lower numbers of visitors. It would be appropriate and advantageous if these funds could be expended on initiatives that would increase visitation to the region.

As such it would be appreciated if you, as the former or current Chief Executive Officer of Destination Southern Downs, could facilitate a meeting of your former or existing Board to undertake the formal closure of the organisation, so as these funds can be distributed to "like" organisations.

It is suggested that these funds could be distributed to organisations such as Granite Belt Wine and Tourism, the Killarney Area Promotion Association, Southern Downs Regional Council, Jumpers and Jazz in July Committee or like organisations, however the decision is for the existing or former Board.

It is important that public funding is managed and distributed appropriately and it would be disappointing to enter a fourth year without these funds being directed back into the purpose they were originally dedicated to.

Yours faithfully

David Keenan  
Chief Executive Officer

[lewis.vonstieglitz@warwickcu.com.au](mailto:lewis.vonstieglitz@warwickcu.com.au)

[martintthewhizz@hotmail.com](mailto:martintthewhizz@hotmail.com)

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6 February 2019

Southern Downs Regional Council  
PO Box 26  
WARWICK QLD 4370  
[tracy.doble@sdrc.qld.gov.au](mailto:tracy.doble@sdrc.qld.gov.au)  
cc: [david.keenan@sdrc.qld.gov.au](mailto:david.keenan@sdrc.qld.gov.au)

Dear Tracy,

I am writing to introduce the Granite Belt Growers Association Inc - a new agricultural association formed in late 2018 with over 50 founding members. While geographic location is not a prerequisite for membership, our members mainly live and work around Stanthorpe and adjoining townships.

One of our objectives is to provide considered and apolitical advocacy for our members who grow a diverse range of horticultural produce in the Granite Belt area and immediate surrounds. We are a not for profit group and seek to represent our grower member's needs only.

Horticulture is a diverse industry, and there is no better example of that than the Granite Belt Region. Our members produce apples, stone fruit, strawberries, a wide range of summer vegetables, turf, wine grapes and winter vegetables. Industry related service providers are welcomed as associate members.

Despite the diversity in production, our members have identified a range of common issues that affect all members and the GBGA will endeavour to provide representation, leadership and information on the following industry related issues:

- Agri technologies
- Best management practices
- Branding & Marketing
- Industrial relations
- Natural resources
- Quality assurance & Compliance

Further to these industry related issues, GBGA has a strong desire to provide connectivity for its members and the wider community. Enjoying each other's company is always important, and can provide important social and emotional support - particularly during this current drought.

We look forward to the opportunity to work productively with our Local Council on issues concerning agriculture mainly, but also concerning rural residents and the wider community.

If you have any questions or need to contact GBGA in the future please see our contact list below:

President – Angus Ferrier (0438 856 154)

Vice President – Nathan Baronio (0409 811 582)

Secretary – Deon Kirstein (0499 191 750) [granitebeltgrowers@gmail.com](mailto:granitebeltgrowers@gmail.com)

Kind regards,

Angus Ferrier - Granite Belt Growers Association





TD:MES

7 February 2019

Mr Angus Ferrier  
President  
Granite Belt Growers Association

Email: [granitebeltgrowers@gmail.com](mailto:granitebeltgrowers@gmail.com)

Please address all  
communications to:

The Chief Executive Officer

Southern Downs  
Regional Council

PO Box 26  
Warwick Qld 4370

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t 1300 MY SDRCL  
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Dear Angus

Thank you so much for writing and updating me on what is happening with the Granite Belt Growers Association Inc. I am aware of course that the Association has formed and that Council's Economic Development Officer based in Stanthorpe, Jenny Sherrin, has asked to attend your meetings.

I have already taken the opportunity to spread the word about the proactive approach taken by your Association. I have done this with the Minister for Agriculture, Mark Furner when he was here promoting the opening of the strawberry season, and more recently with representatives from the University of Southern Queensland (USQ) and the Queensland State Government attending the launch of the new Agricultural Science and Engineering Precinct in Toowoomba. The Council has been advocating for some time for USQ to expand their involvement on the Granite Belt beyond wine and tourism and I see this as a great opportunity.

I have been in contact with Rick Humphries regarding the Managing Climate Risk in Agriculture Workshop he is organising for Stanthorpe, and have been in discussions with two of the proposed presenters, making them aware of the issues we face here. I will be attending that workshop and look forward to seeing what ensues. Local government does have a role to play in economic development and we will do whatever we can to support you.

I am a strong believer in the need for businesses to be resilient; and there is no better way to achieve that than by working together. The establishment of the Association provides an excellent means via which to engage with myself and Councillors on any issues that are of concern.

I would value the opportunity to attend one of your meetings to answer any questions that your members may have regarding Council. The 2019/20 Council Budget process includes a series of community presentations and meetings throughout April and it may be worthwhile to give this same presentation to your members. If you feel this would be worthwhile please call me on 0413741602 or respond via email.

Kind regards

Tracy Dobie  
Mayor



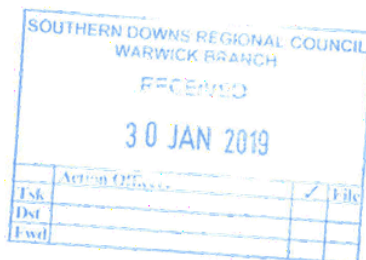


**Senator the Hon Bridget McKenzie**

Deputy Leader of The Nationals  
Minister for Regional Services  
Minister for Sport  
Minister for Local Government and Decentralisation  
Senator for Victoria

Ref: MS19-000080

Mr David Keenan  
Chief Executive Officer  
Southern Downs Regional Council  
PO Box 26  
WARWICK QLD 4370



21 JAN 2019

Dear Mr Keenan

I am pleased to advise that funding has now been approved under the Drought Communities Programme Extension (DCP Extension) to the Southern Downs Regional Council for the:

- Water Dispensing Stations project - \$200,000;
- Water carting project - \$150,000; and
- Leyburn Auxiliary Water Treatment - \$200,000.

I am proud the Liberal National Government has boosted the DCP Extension by \$81 million and that the Southern Downs Regional Council will soon be receiving all of their \$1 million to support their community during this severe drought event.

If the Southern Downs Regional Council has existing infrastructure spending provided by the Liberal National Government and would like to consider bringing forward expenditure or changing the schedule of project construction, I welcome, indeed urge, a proposal be provided to the Department of Infrastructure, Regional Development and Cities for consideration.

For any further information, your Council is welcome to contact Ms Diana Hallam, Executive Director of the Drought Taskforce at the Department, who can be contacted on [diana.hallam@infrastructure.gov.au](mailto:diana.hallam@infrastructure.gov.au) or 02 6274 6460.

Southern Downs Regional Council



\*DOC0309878\*

Parliament House, Canberra ACT 2600

Telephone (02) 6277 7495



I have written to the Hon David Littleproud MP, Minister for Agriculture and Water Resources, Minister Assisting the Prime Minister for Drought Preparation and Response and Member for Maranoa, advising of the approval for Water Dispensing Stations, Water Carting and Leyburn Auxiliary Water Treatment projects.

I look forward to working with you on these projects.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Bridget McKenzie', written over the typed name.

Bridget McKenzie





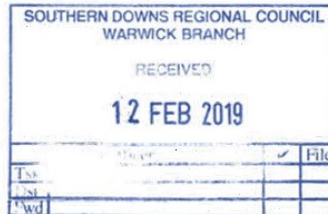
Premier of Queensland  
Minister for Trade

For reply please quote: EC/AC – TF/18/12561 – DOC/18/159089

- 7 FEB 2019

Councillor Tracy Dobie  
Mayor  
Southern Downs Regional Council  
PO Box 26  
WARWICK QLD 4370

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Dear Councillor Dobie

Thank you for your participation in the 2019 Australia Day celebrations through the Ambassador Program and Great Australian Bites Warwick.

This year 48 ambassadors were hosted by 36 councils throughout Queensland. Ambassadors travelled as far west as Boulia and as far north as Thursday Island. I appreciate your hospitality while hosting Mr Tim Baker. I understand they thoroughly enjoyed their time with you.

Great Australian Bites showcases the best of Queensland produce and gives local talent the opportunity to shine, as patrons celebrate Australia Day. This year, the Great Australian Bites program was entirely regionally focussed, and I am pleased your Great Australian Bites event was a success and well attended by the local community.

Only through partnerships with councils can we offer local communities wonderfully inclusive opportunities to enjoy Australia Day together.

I would like to thank Mr Jonno Colfs from your council for his efforts in making Australia Day Ambassadors feel so welcome, and Great Australian Bites Warwick such a successful event.

If you have any feedback, please contact Events and Engagement within my department by email at [australiaday@premiers.qld.gov.au](mailto:australiaday@premiers.qld.gov.au) or on telephone (07) 3003 9200.

Thank you again for your support of these great initiatives.

Yours sincerely

ANNASTACIA PALASZCZUK MP  
PREMIER OF QUEENSLAND  
MINISTER FOR TRADE

Southern Downs Regional Council



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Document Set ID: 3024032  
Version: 1, Version Date: 12/02/2019



**9. RECEPTION AND READING OF PETITIONS AND JOINT LETTERS**


Nil



## 10. EXECUTIVE

### 10.1 Financial Report as at 31 January 2019

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Manager Finance & Information Technology	<b>ECM Function No/s:</b> 12.13

#### Recommendation

THAT Council receive and note the Financial Report as at 31 January 2019.

#### Report

Council's operating performance against forecast shows that the net operating position (before capital items) is \$15.2m.

The general rates, fire levy and waste utility charges have been raised for all of the financial year. The second water consumption and water and sewerage utility charges due to be issued in April 2019.

#### Income Statement

Total operating revenue of \$53.5m has been recognised for the financial year and capital revenue of \$4.4m has been received for the year.

Overall operating expenditure of \$38.3m is \$5.9m under the year to date estimate of \$44.2m with materials and services being \$5.2m under the year to date estimate.

#### Balance Sheet

As at 31 January 2019 Council had \$56.2m in cash at bank and investments. Total loans owing (including the current and non-current portions) amount to \$21.5m. The next loan payments are due to be made in March 2019.

#### Capital Works in Progress

Capital works expenditure to 31 January 2019 is \$11.9m which is 29.2% of the capital works budget of \$40.6m. A further \$4.4m has been committed meaning \$16.3m has been spent and committed; this represents 40.2% of the budget.

Year to date capital expenditure by area is as follows:



	Approved Annual Budget	Carryover & Amendments	Total Budget	YTD Expenditure	% Spent	Committed	Spent & Committed	% Spent & Committed
Land & Land Improvements	-	-	-	8,353	-	3,550	11,903	-
Buildings	1,439,086	162,354	1,601,440	206,926	12.9%	310,379	517,305	32.3%
Plant & Equipment	3,800,000	328,367	4,128,367	1,194,908	28.9%	592,297	1,787,206	43.3%
Roads, Drains & Bridges	18,727,171	1,194,019	19,921,190	8,433,790	42.3%	1,909,713	10,343,503	51.9%
Water	8,060,000	1,313,959	9,373,959	878,432	9.4%	576,462	1,454,894	15.5%
Wastewater	1,070,000	401,265	1,471,265	330,616	22.5%	43,580	374,196	25.4%
Other Assets	3,362,230	738,823	4,101,053	805,233	19.6%	1,013,773	1,819,006	44.4%
<b>Total</b>	<b>36,458,487</b>	<b>4,138,787</b>	<b>40,597,274</b>	<b>11,858,258</b>	<b>29.2%</b>	<b>4,449,755</b>	<b>16,308,013</b>	<b>40.2%</b>

## Budget Implications

The second quarter budget review will be presented to Council at the February 2019 general meeting.

## Policy Consideration

Operational Plan 2018/19

Deliver the 2018-19 Budget

## Community Engagement

Nil

## Legislation/Local Law

Local Government Act 2009 and Local Government Regulation 2012

## Options

1. Council receive and note the Financial Report as at 31 January 2019.
2. Council not receive and note the Financial Report as at 31 January 2019.

## Attachments

1. Performance Report as at 31 January 2019 [View](#)





## **Performance Report**

**January 2019**



## Southern Downs Regional Council Income Statement

January 2019

Audited 2018 Actual \$		Annual 2019 Budget \$	Phased 2019 YTD Budget \$	Phased 2019 YTD Actual \$
<b>Revenue from ordinary activities</b>				
30,539,997	General Rates	32,096,968	32,128,297	31,739,391
285,382	Rural fire brigade levy	286,832	286,832	286,882
25,118,447	Utility Rates and Charges	25,345,056	14,904,713	15,168,258
(1,805,644)	Less Discounts	(1,813,500)	(1,813,500)	(1,809,079)
(602,154)	Rates on Council properties	(603,479)	(329,963)	(350,130)
<b>53,536,028</b>		<b>55,311,877</b>	<b>45,176,379</b>	<b>45,035,322</b>
4,858,801	Fees and Charges	4,281,048	2,497,278	2,811,005
1,574,039	Interest	1,401,994	816,830	1,100,873
3,605,084	Contract & Sales Revenue	3,252,797	1,897,465	1,275,475
960,627	Rent and Other Income	865,848	513,724	753,146
7,760,239	Government Grants and Subsidies	8,615,441	2,766,503	2,514,759
<b>72,294,818</b>	<b>Total Operating Revenue</b>	<b>73,729,005</b>	<b>53,668,179</b>	<b>53,490,580</b>
<b>Expenses from ordinary activities</b>				
21,512,468	Employee Costs	23,272,002	14,357,765	13,971,024
27,368,570	Materials and Services	33,216,864	19,825,482	14,660,432
16,094,398	Depreciation and Amortisation	15,530,081	9,164,584	8,927,465
1,705,529	Finance Costs	1,587,371	819,727	742,626
<b>66,680,965</b>	<b>Total Operating Expenses</b>	<b>73,606,318</b>	<b>44,167,558</b>	<b>38,301,547</b>
<b>5,613,853</b>	<b>Operating Surplus/(Deficit) before capital items</b>	<b>122,687</b>	<b>9,500,621</b>	<b>15,189,033</b>
<b>Other Capital Amounts</b>				
15,258,589	Capital Grants, Contributions and Donations	16,196,895	358,750	4,428,530
(713,406)	Other capital income and (expenses)	929,000	(70,000)	(793,182)
<b>20,159,035</b>	<b>Net Result Surplus/(Deficit)</b>	<b>17,248,582</b>	<b>9,789,372</b>	<b>18,824,381</b>

### Explanation

#### Income Statement

This Statement outlines:

- all sources of Council's YTD income (revenue).
- all YTD operating expenses incurred. These expenses relate to operations and do not include capital expenditure. However the depreciation of assets is included.

The Net Result Surplus/(Deficit) for the reporting period is a good measure of council's financial performance.

This figure is determined by deducting total expenses from total revenue.



## Southern Downs Regional Council Balance Sheet

January 2019

Audited 2018 Actual \$		Annual 2019 Budget \$	Phased 2019 YTD Actual \$
<b>Current Assets</b>			
50,270,960	Cash assets & Investments	37,261,999	56,155,369
7,781,732	Receivables (includes Rates & Utilities receivable)	5,999,001	11,290,797
10,500	Assets held for sale	636,215	413,500
890,778	Inventories	263,785	539,095
<b>58,953,970</b>		<b>44,161,000</b>	<b>68,398,760</b>
<b>Non-Current Assets</b>			
742,000	Investment Property	742,000	742,000
718,855,107	Property, plant and equipment	792,217,266	733,791,749
147,690	Other Financial Assets	286,394	106,392
30,414,390	Capital works in progress	-	35,409,595
1,124,884	Intangible Assets	1,416,340	945,670
<b>751,284,071</b>		<b>794,662,000</b>	<b>770,995,406</b>
<b>810,238,041</b>	<b>TOTAL ASSETS</b>	<b>838,823,000</b>	<b>839,394,166</b>
<b>Current Liabilities</b>			
8,643,857	Creditors and other payables	7,817,000	3,222,735
6,474,969	Provisions	4,215,000	6,236,706
1,469,729	Interest bearing liabilities	1,505,000	1,469,729
<b>16,588,555</b>		<b>13,537,000</b>	<b>10,929,169</b>
<b>Non-Current Liabilities</b>			
20,782,859	Interest bearing liabilities	19,328,998	20,085,424
4,566,373	Provisions	4,417,000	4,620,306
<b>25,349,232</b>		<b>23,745,998</b>	<b>24,705,730</b>
<b>41,937,787</b>	<b>TOTAL LIABILITIES</b>	<b>37,282,998</b>	<b>35,634,900</b>
<b>768,300,254</b>	<b>NET COMMUNITY ASSETS</b>	<b>801,540,002</b>	<b>803,759,266</b>
<b>Community Equity</b>			
183,477,525	Asset Revaluation Reserve	203,599,002	203,623,742
584,822,729	Retained surplus	597,941,000	600,135,524
<b>768,300,254</b>	<b>TOTAL COMMUNITY EQUITY</b>	<b>801,540,002</b>	<b>803,759,266</b>

### Balance Sheet

The Balance Sheet outlines what Council owns (its assets) and what it owes (liabilities) at a point in time.

Council's net worth is determined by deducting total liabilities from total assets - the larger the equity, the stronger the financial position.



Key Ratios				Key Ratios			
	Budget	YTD Actual	On Target?		Budget	YTD Actual	On Target?
<b>Working Capital Ratio</b>				<b>Interest Coverage Ratio</b>			
(Current Assets / Current Liabilities)	3.26 : 1	6.26 : 1	✓	(Net Interest Expense / Total Operating Revenue) (%)	0.25%	0.01%	✓
Target Ratio	> 1:1	> 1:1		Target Ratio Upper Limit (%)	10.0%	10.0%	
This is an indicator of the management of working capital (short term financial capital). Measures the extent to which a Council has liquid assets available to meet short term financial obligations.				This ratio indicates the extent to which a Council's operating revenues are committed to interest expenses. As principal repayments are not operating expenses, this ratio demonstrates the extent to which operating revenues are being used to meet the financing charges associated with debt servicing obligations.			
<b>Operating Surplus Ratio</b>				<b>Asset Sustainability Ratio</b>			
(Net Operating Surplus / Total Operating Revenue) (%)	23.4%	35.2%	✓	(Capital Expenditure on the Replacement of Assets (renewals) / Depreciation Expense)	261.4%	182.7%	✓
Target Ratio	0.0% to 15.0%	> 0.0% to 15.0%		Target Ratio Lower Limit (%)	> 90%	> 90%	
This is an indicator of the extent to which revenues raised cover operational expenses only or are available for capital funding purposes.  A positive ratio indicates the percentage of total rates available to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt.				This is an approximation of the extent to which the infrastructure assets managed by the Council are being replaced as these reach the end of their useful lives. Depreciation expense represents an estimate of the extent to which the infrastructure assets have been consumed in a period. Capital expenditure on renewals (replacing assets that the Council already has) is an indicator of the extent to which the infrastructure assets are being replaced.			
<b>Net Financial Liabilities Ratio</b>				<b>Comments on Ratio Results.</b>			
((Total Liabilities - Current Assets) / Total Operating Revenue)	-12.9%	-61.3%	✓	The reported ratios are taken from the Department of Local Government guidelines on sustainable financial management. When looking at ratios it is important to acknowledge that they represent a snapshot in time and that anomalies in the reported results are not taken in isolation. The targets are those provided by the Department as a preferred range and results outside those ranges will require further consideration.			
Target Ratio Upper Limit (%)	<=60%	<=60%		Whilst changes to the legislation have amended the required ratios, the ratios listed will continue to be reported on.			
This is an indicator of the extent to which the net financial liabilities of a Council can be serviced by its operating revenues.  A positive value of less than 60 per cent is the benchmark as determined by the Department of Local Government. It indicates that Council has the capacity to fund liabilities and to have the capacity to increase its loan borrowings. A positive value greater than 60 per cent but less than a 100% indicates that Council has the capacity to fund liabilities but has limited capacity to increase its loan borrowings.  A ratio less than zero (negative) indicates that current assets exceed total liabilities and; therefore, Council has the capacity to increase its loan borrowings.				The Asset Sustainability Ratio is under the target lower limit as there has not been a full year of activity for assets.			



Executive Services Operating Statement			
	FY Budget \$	YTD Budget \$	YTD Actual \$
<b>Operating Revenue</b>			
Rates and Utility Charges	30,443,440	30,444,711	30,281,073
Fees and Charges	952,138	555,414	687,221
Operating Grants and Subsidies	4,608,804	1,142,562	1,311,104
Interest Received	1,401,994	816,830	1,100,873
Leasing and Rent	1,400	817	1,425
Recoverable Works	2,797	1,632	16,029
Sundry Revenue	26,600	17,600	50,599
<b>Total Operating Revenue</b>	<b>37,437,173</b>	<b>32,979,566</b>	<b>33,448,324</b>
<b>Operating Expenditure</b>			
Employee Costs	4,524,942	2,813,916	3,235,791
Materials	2,638,084	1,546,541	1,680,025
Contracts and Services	1,548,980	900,643	277,805
Finance Costs	312,500	182,292	94,401
Depreciation and Amortisation	393,724	237,488	262,351
Plant Hire	186,260	108,652	109,044
Other Expenses	1,239,169	714,515	885,768
Rates on Council Properties	19,763	10,465	28,796
<b>Total Operating Expenses</b>	<b>10,863,422</b>	<b>6,514,512</b>	<b>6,573,981</b>
<b>Operating Surplus/(Deficit)</b>	<b>26,573,751</b>	<b>26,465,054</b>	<b>26,874,343</b>

Engineering Services Operating Statement			
	FY Budget \$	YTD Budget \$	YTD Actual \$
<b>Operating Revenue</b>			
Fees and Charges	756,254	441,148	552,399
Operating Grants and Subsidies	2,534,051	764,932	740,295
Leasing and Rent	22,150	20,067	21,838
Recoverable Works	3,250,000	1,895,833	1,259,445
Sundry Revenue	155,000	90,417	155,781
<b>Total Operating Revenue</b>	<b>6,717,455</b>	<b>3,212,397</b>	<b>2,729,758</b>
<b>Operating Expenditure</b>			
Employee Costs	9,860,488	6,083,257	5,480,941
Materials	6,454,110	3,831,148	3,136,548
Contracts and Services	5,089,580	2,968,921	1,805,769
Finance Costs	386,202	193,101	196,179
Depreciation and Amortisation	9,397,013	5,544,851	5,348,907
Plant Hire	(2,782,304)	(1,623,011)	(2,104,250)
Other Expenses	1,011,815	722,309	643,626
Rates on Council Properties	471,321	249,303	235,171
<b>Total Operating Expenses</b>	<b>29,888,225</b>	<b>17,969,879</b>	<b>14,742,891</b>
<b>Operating Surplus/(Deficit)</b>	<b>(23,170,770)</b>	<b>(14,757,482)</b>	<b>(12,013,133)</b>



Planning, Environment and Corporate Services Operating Statement			
	FY Budget	YTD Budget	YTD Actual
	\$	\$	\$
<b>Operating Revenue</b>			
Rates and Utility Charges	200,000	200,000	(15,753)
Fees and Charges	1,322,030	771,184	709,123
Operating Grants and Subsidies	472,586	275,675	238,361
Leasing and Rent	463,148	270,170	325,971
Sundry Revenue	80,000	46,667	62,022
<b>Total Operating Revenue</b>	<b>2,537,764</b>	<b>1,563,696</b>	<b>1,319,724</b>
<b>Operating Expenditure</b>			
Employee Costs	5,801,841	3,567,998	3,276,713
Materials	1,850,578	1,323,479	1,111,616
Contracts and Services	1,235,494	720,707	567,417
Finance Costs	3,125	1,563	1,583
Depreciation and Amortisation	174,172	102,956	105,685
Plant Hire	503,604	293,769	418,793
Rates on Council Properties	59,769	40,845	61,761
<b>Total Operating Expenses</b>	<b>9,628,583</b>	<b>6,051,317</b>	<b>5,543,568</b>
<b>Operating Surplus/(Deficit)</b>	<b>(7,090,819)</b>	<b>(4,487,621)</b>	<b>(4,223,844)</b>

Water Services Operating Statement			
	FY Budget	YTD Budget	YTD Actual
	\$	\$	\$
<b>Operating Revenue</b>			
Rates and Utility Charges	12,046,909	6,017,288	6,230,060
Fees and Charges	528,541	308,316	235,289
Operating Grants and Subsidies	1,000,000	583,333	225,000
Sundry Revenue	15,000	8,750	24,689
<b>Total Operating Revenue</b>	<b>13,590,450</b>	<b>6,917,687</b>	<b>6,715,038</b>
<b>Operating Expenditure</b>			
Employee Costs	1,528,296	937,071	1,094,957
Materials	3,383,350	1,964,261	1,203,998
Contracts and Services	926,447	563,597	351,597
Finance Costs	313,162	156,581	158,611
Depreciation and Amortisation	2,848,921	1,678,333	1,712,089
Plant Hire	290,604	169,519	218,885
Rates on Council Properties	10,177	6,998	6,548
<b>Total Operating Expenses</b>	<b>9,300,957</b>	<b>5,476,360</b>	<b>4,746,685</b>
<b>Operating Surplus/(Deficit)</b>	<b>4,289,493</b>	<b>1,441,327</b>	<b>1,968,353</b>



<b>Wastewater Services Operating Statement</b>			
	<b>FY Budget</b>	<b>YTD Budget</b>	<b>YTD Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Operating Revenue</b>			
Rates and Utility Charges	8,760,637	4,379,974	4,419,931
Fees and Charges	160,785	93,791	57,163
<b>Total Operating Revenue</b>	<b>8,921,422</b>	<b>4,473,765</b>	<b>4,477,094</b>
<b>Operating Expenditure</b>			
Employee Costs	1,234,140	757,541	763,443
Materials	1,273,485	739,324	686,812
Contracts and Services	1,303,621	760,446	511,971
Finance Costs	440,987	220,494	225,040
Depreciation and Amortisation	2,606,787	1,536,854	1,443,382
Plant Hire	196,456	114,599	160,507
Rates on Council Properties	32,069	16,930	12,377
<b>Total Operating Expenses</b>	<b>7,087,545</b>	<b>4,146,188</b>	<b>3,803,532</b>
<b>Operating Surplus/(Deficit)</b>	<b>1,833,877</b>	<b>327,578</b>	<b>673,562</b>

<b>Waste Services Operating Statement</b>			
	<b>FY Budget</b>	<b>YTD Budget</b>	<b>YTD Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Operating Revenue</b>			
Rates and Utility Charges	4,464,370	4,464,370	4,470,141
Fees and Charges	561,300	327,425	569,810
Sundry Revenue	102,550	59,238	110,821
<b>Total Operating Revenue</b>	<b>5,128,220</b>	<b>4,851,033</b>	<b>5,150,772</b>
<b>Operating Expenditure</b>			
Employee Costs	322,295	197,983	119,178
Materials	110,110	64,231	36,477
Contracts and Services	6,585,500	3,841,545	2,878,692
Finance Costs	131,395	65,698	66,813
Depreciation and Amortisation	109,465	64,101	55,050
Plant Hire	171,920	100,287	79,331
Rates on Council Properties	10,381	5,423	5,478
<b>Total Operating Expenses</b>	<b>7,441,066</b>	<b>4,339,268</b>	<b>3,241,019</b>
<b>Operating Surplus/(Deficit)</b>	<b>(2,312,846)</b>	<b>511,766</b>	<b>1,909,753</b>

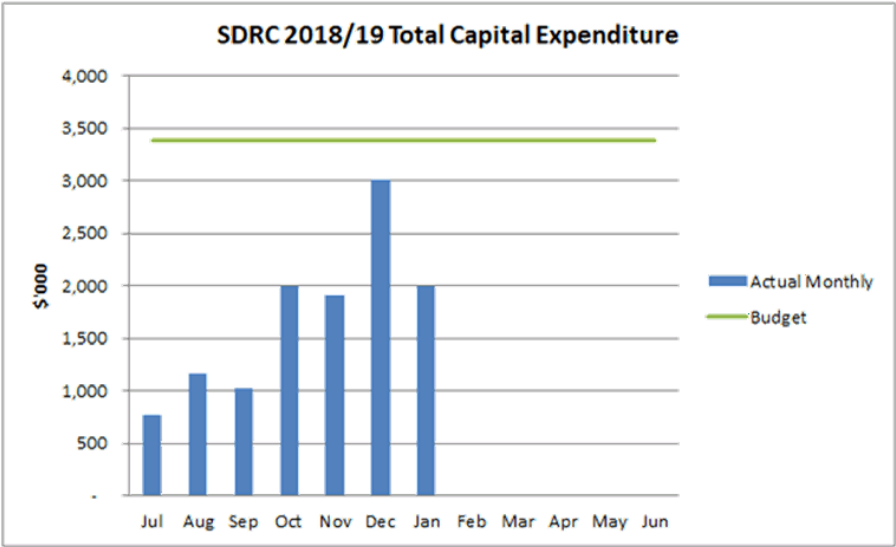


**Southern Downs Regional Council  
Capital Works Projects by Asset Class  
As At 31 January 2019**

	Approved Annual Budget	Carryover & Amendments	Total Budget	YTD Expenditure	% Spent	Committed	Spent & Committed	% Spent & Committed
Land & Land Improvements	-	-	-	8,353	-	3,550	11,903	-
Buildings	1,439,086	162,354	1,601,440	206,926	12.9%	310,379	517,305	32.3%
Plant & Equipment	3,800,000	328,367	4,128,367	1,194,908	28.9%	592,297	1,787,205	43.3%
Roads, Drains & Bridges	18,727,171	1,194,019	19,921,190	8,433,790	42.3%	1,909,713	10,343,503	51.9%
Water	8,060,000	1,313,959	9,373,959	878,432	9.4%	576,462	1,454,894	15.5%
Wastewater	1,070,000	401,265	1,471,265	330,616	22.5%	43,580	374,196	25.4%
Other Assets	3,362,230	738,823	4,101,053	805,233	19.6%	1,013,773	1,819,006	44.4%
<b>Total</b>	<b>36,458,487</b>	<b>4,138,787</b>	<b>40,597,274</b>	<b>11,858,258</b>	<b>29.2%</b>	<b>4,449,754</b>	<b>16,308,012</b>	<b>40.2%</b>

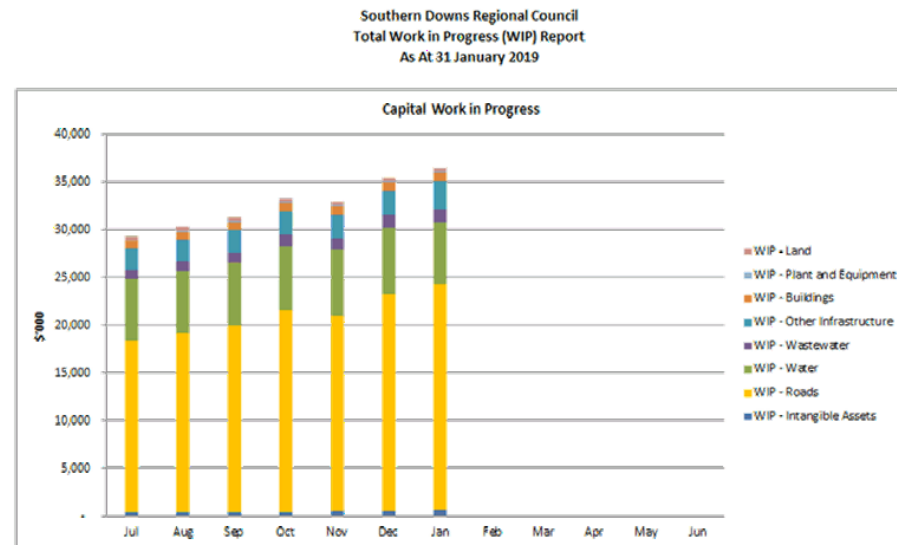


Southern Downs Regional Council  
Capital Expenditure  
As At 31 January 2019



The total committed expenditure for capital works up to 31 January 2019 is \$4.4 million

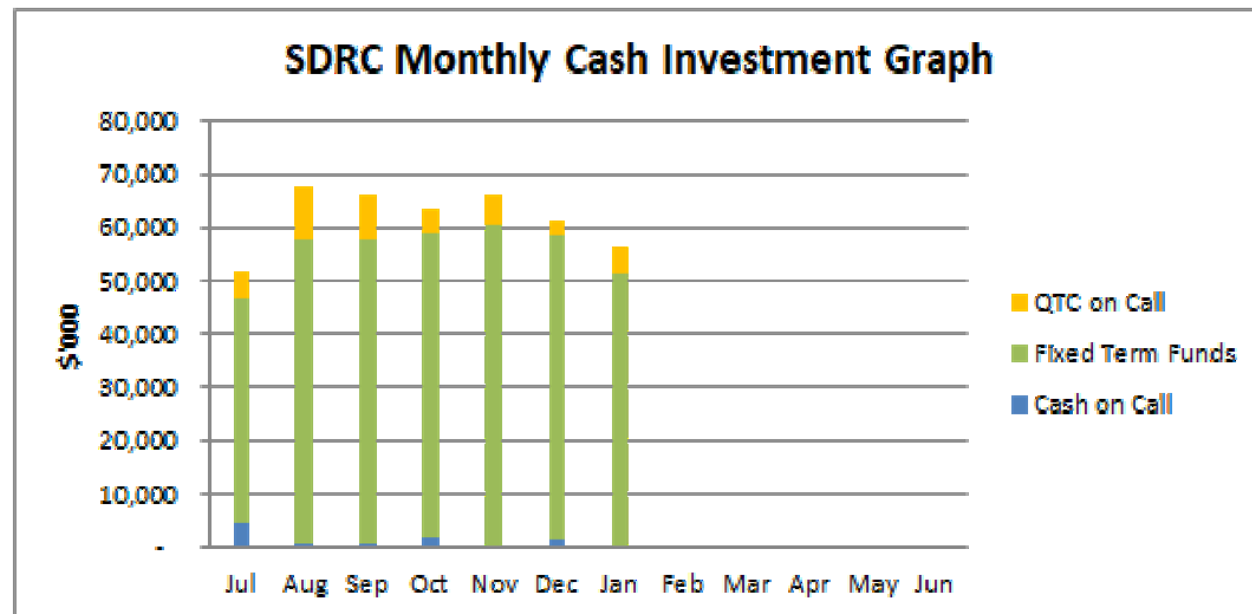




	Jul-18 \$'000	Aug-18 \$'000	Sep-18 \$'000	Oct-18 \$'000	Nov-18 \$'000	Dec-18 \$'000	Jan-19 \$'000	Feb-19 \$'000	Mar-19 \$'000	Apr-19 \$'000	May-19 \$'000	Jun-19 \$'000
Intangible Assets	402	415	451	468	499	551	617	-	-	-	-	-
Roads	18,028	18,785	19,563	21,105	20,505	22,737	23,654	-	-	-	-	-
Water	6,381	6,428	6,510	6,722	6,898	6,936	6,557	-	-	-	-	-
Wastewater	1,002	1,027	1,104	1,194	1,200	1,284	1,281	-	-	-	-	-
Other Infrastructure	2,210	2,325	2,351	2,389	2,459	2,498	2,938	-	-	-	-	-
Buildings	775	815	835	938	959	976	986	-	-	-	-	-
Plant and Equipment	79	79	79	79	79	79	79	-	-	-	-	-
Land	421	421	421	421	373	373	375	-	-	-	-	-
	29,297	30,294	31,314	33,316	32,972	35,434	36,467	-	-	-	-	-



**Southern Downs Regional Council  
Total Monthly Cash Investment Register  
As At 31 January 2019**





**Southern Downs Regional Council  
Borrowings Report  
As At 31 January 2019**


**QTC Loan Account Balances:**

	\$
<b>Fund Name: Southern Downs Regional Council</b>	
CBD Redevelopment Stage 2	924,283.67
Market Square Pump Station	431,332.38
General	3,121,253.47
General 2009	1,477,978.42
General 2009/10	224,604.74
General 2010/11	3,394,599.31
General 2011/12	4,150,707.41
General 2012/13	2,345,384.09
Warwick Sewerage Treatment Plant	894,010.10
Allora Water Main	4,208,689.67
Stanthorpe Sewerage	382,309.61
<b>Total Loan Balance</b>	<b><u>21,555,152.87</u></b>



## 10.2 Endorsement of the Response to the Minister for Immigration, Citizenship and Multicultural Affairs

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Manager Economic Development & Tourism	<b>ECM Function No/s:</b>

### Recommendation

THAT Council endorse the response to the Minister for Immigration, Citizenship and Multicultural Affairs regarding the proposed changes to the Australian Citizenship Ceremonies Codes.

### Report

The Southern Downs Regional Council took the opportunity to respond to the Minister for Immigration, Citizenship and Multicultural Affairs regarding proposed changes to the Australian Citizenship Ceremonies Codes.

The response is attached to this report and it informs the Minister that the Southern Downs Regional Council will continue to conduct its Citizenship Ceremonies in the same way they always have.

### Budget Implications

Nil

### Policy Consideration

Australia Day Policy

Shaping Southern Downs - Theme to Grow – Preservation of the region's rural character and lifestyle

### Community Engagement

Feedback was sought from Council

### Legislation/Local Law

Nil

### Options

1. Council endorse the response to the Minister for Immigration, Citizenship and Multicultural Affairs regarding the proposed changes to the Australian Citizenship Ceremonies Codes.
2. Council not endorse the response to the Minister for Immigration, Citizenship and Multicultural Affairs regarding the proposed changes to the Australian Citizenship Ceremonies Codes.



## **Attachments**

1. Submission for Feedback on Proposed Citizenship Ceremonies Code [View](#)



19 February 2019

The Honourable David Coleman  
Minister for Immigration, Citizenship and Multicultural Affairs  
PO Box 6022  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Minister

The Southern Downs Regional Council is pleased to make a submission to the review of the Australian Citizenship Ceremonies Code.

The key changes outlined in the proposed Code were:

- *Local Government Councils will be required to hold a citizenship ceremony on Australia Day (26 January) and Australian Citizenship Day (17 September).*
- *Federal members of Parliament, if attending a ceremony, should read the Minister's message at citizenship ceremonies.*
- *There will be a recommended standard of dress for ceremonies, which will be set by Councils. The attire of attendees at citizenship ceremonies should reflect the significance of the occasion. Conferees may wear national or cultural dress if they wish.*
- *Ceremonies must be scheduled to avoid parliamentary sitting days.*

Upon review of the Code, Southern Downs Regional Council appreciates the opportunity to offer feedback, but notes the changes are in line with the way citizenship ceremonies have been conducted and will continue to be conducted in our region in the future.

Councillors noted that over many years of viewing our local citizenship ceremonies, there has never previously been a need to stipulate a dress code to conferees, as the overwhelming majority treated the occasion with the required reverence, respect and appropriate dress. Citizenship ceremonies are held on the Southern Downs throughout the year, including on Australia Day. Council notes the requirement, and is prepared to host a citizenship ceremony in the region on Australian Citizenship Day (September 17).

The Hon David Littleproud, the region's Federal MP, is usually the first dignitary to be invited to any local ceremony and did attend the Australia Day Citizenship Ceremony in 2018.


Yours sincerely

Tracy Dobie  
Mayor



## 10.3 Regional Promotion and Visitor Numbers 2017/18

### Document Information

 Southern Downs REGIONAL COUNCIL	Report To: General Council Meeting	
	Reporting Officer:	Meeting Date: 27 February 2019
	Manager Economic Development & Tourism	ECM Function No/s:

### Recommendation

THAT Council receive the report of figures from the regional promotion activities and the Visitor Information Centre figures.

### Report

This report outlines the regional promotion activity undertaken by the Economic Development and Tourism Department and the results thereof. It also reports on the number of visitors through the Stanthorpe and Warwick Visitor Information Centres (VICs).

### Spring/Early Summer Tourism Marketing Campaign

From October-December 2018, Council delivered a spring/early summer marketing campaign, highlighting our key hero experiences and events. This was delivered to some of our key target markets in South East Queensland.

#### Key campaign highlights:

- The campaign advertising budget was spent across social media (Facebook and Instagram), and through online search and native channels Google and Taboola.
- A total of **9.47 million impressions** were delivered with **19,400 click throughs** to the website from the advertisements.
- In addition to a digital advertising component, our popular 'Spring and Summer' A5 booklet (x6,000 copies) was produced and distributed throughout VICs, tourism operators and at events.
- The primary Spring advertisement, which highlighted '3 Must Do Spring Break Getaways' and included stunning Spring imagery and videos, received the most engagement on social media with a high click through rate(CTR) of 3.56% (average CTR for Facebook advertising is around 0.90%). The blog post on our website was read by 8,961 people.
- Our 'Ultimate 4 Day Family Country Road Trip' itinerary on our website was read by 4,467 people.
- Compared with the same period last year, our website visitors increased a massive 712%. This number is expected to be high, considering the website was only seven months old in October 2017.
- During the campaign period, our events calendar received 6,664 views (does not include views on particular events pages) while our accommodation pages received 3,064 views.
- The Spring edition of our tourism consumer eNewsletter (*Due South*) was sent to over 3,000 subscribers, promoting the Spring Breaks, 4 Day Family Itinerary, Fireflies at Queen Mary Falls and upcoming events. This had an open rate of 28% and a click through rate of 14%.
- During the campaign period the tourism website had in excess of 23,000 unique visitors and around 40,000 website page views.



- During the campaign period our Facebook followers grew by 18% and our Instagram followers grew by 11%.

With the full operation of the tourism website, suite of videos, growing image gallery, blog posts, itinerary development and commitment to social media, Council continues to grow its online visitors, reaching them at multiple stages of the online travel process.

A second phase of the summer campaign is being delivered from Jan-Feb 2019. Results will be available shortly.

In addition to these dedicated seasonal campaigns, the Economic Development and Tourism Unit continues to deliver other marketing functions including collateral development and promotion of visitor information services, support to journalists on famils and support to event organisers and tourism operators.

<b>Stanthorpe Visitor Information Centre Yearly Stats</b>						
<b>Month</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>January</b>	2,786	2,306	2,078	2,013	1,861	1,674
<b>February</b>	1,727	1,591	1,270	1,701	1,539	1,072
<b>March</b>	2,700	2,128	1,791	2,903	2,053	2,035
<b>April</b>	3,451	3,452	2,713	2,416	2,208	2,828
<b>May</b>	1,895	2,040	1,970	2,083	2,118	2,286
<b>June</b>	2,756	2,185	1,964	1,870	2,075	1,752
<b>July</b>	2,661	2,892	3,380	2,786	2,782	2,606
<b>August</b>	2,060	2,040	1,822	1,600	1,901	1,527
<b>September</b>	2,554	2,371	1,856	1,962	1,972	1,816
<b>October</b>	2,509	2,343	1,905	1,676	1,603	1,762
<b>November</b>	1,860	1,927	1,350	1,318	1,298	1,460
<b>December</b>	2,099	1,719	1,773	1,525	1,557	1,285
<b>TOTAL</b>	<b>29,058</b>	<b>26,994</b>	<b>23,872</b>	<b>23,853</b>	<b>22,967</b>	<b>22,103</b>

<b>Warwick Visitor Information Centre Yearly Stats</b>						
<b>Month</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>January</b>	2,224	1,232	943	1,071	1,522	1440
<b>February</b>	1,276	832	625	751	802	1019
<b>March</b>	1,646	1,011	993	1,067	969	929
<b>April</b>	2,193	1,459	1,285	1,118	1,335	1,242
<b>May</b>	1,620	1,020	854	1,029	1,163	1,136
<b>June</b>	1,701	1,163	971	859	1,338	1,077
<b>July</b>	4,596	4,790	4,874	4,218	3,671	2,430
<b>August</b>	1,520	1,057	864	1,126	1,254	1,089
<b>September</b>	1,416	1,333	846	1,354	1,517	1,310
<b>October</b>	1,914	1,170	1,152	1,516	1,381	1,312
<b>November</b>	935	778	736	910	1,107	853
<b>December</b>	1,007	758	756	897	935	868
<b>TOTAL</b>	<b>22,048</b>	<b>16,603</b>	<b>14,899</b>	<b>15,916</b>	<b>16,994</b>	<b>14,705</b>



The figures at both VICs indicate fewer people visited the Centres in 2018 than in previous years. ED&T contacted the VICs at Goondiwindi, St George, Dalby, Kingaroy and Toowoomba and they have all reported lower visitor numbers in their VICs. This demonstrates that the issue is not isolated to the Southern Downs.

So far for 2019, figures for January in the Warwick VIC show the highest numbers in the above reporting period (since 2013), with 2249 visitors flocking to the Centre, attracted to a later than usual sunflower crop which was driven with enormous success on council's social media platforms as well as regional and state news media.

The other point that needs to be made is that the number of visitors in the VICs is not a reliable indicator of the success of the Council's tourism marketing. While the patronage of VICs is encouraging, it is trending lower. The tourism figures from Southern Queensland Country Tourism (SQCT) and Tourism Research Australia suggest that the Region has seen an increase in visitor numbers but this has not been reflected in the VIC numbers from right across the SQCT Region. Council's campaigns have been successful as indicated in the campaign analytics listed above.

### **Budget Implications**

The operation of the VIC's and money for Regional Promotion is provided in the Economic Development and Tourism Budget. The Economic Development and Tourism Department ensure that the community receives value for money by utilising transparent and diligent procurement practices.

### **Policy Consideration**

Nil

### **Community Engagement**

N/A

### **Legislation/Local Law**

N/A

### **Options**

1. Council receive the report of figures from the regional promotion activities and the Visitor Information Centre figures
2. Council does not receive the report of figures from the regional promotion activities and the Visitor Information Centre figures


### **Attachments**

Nil



## 10.4 Asset Roadmap Update Report

### Document Information

 Southern Downs REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Asset Management Coordinator	<b>ECM Function No/s:</b>

### Recommendation

THAT Council endorse the revisions to the Asset Management Policy and note the contents of this report.

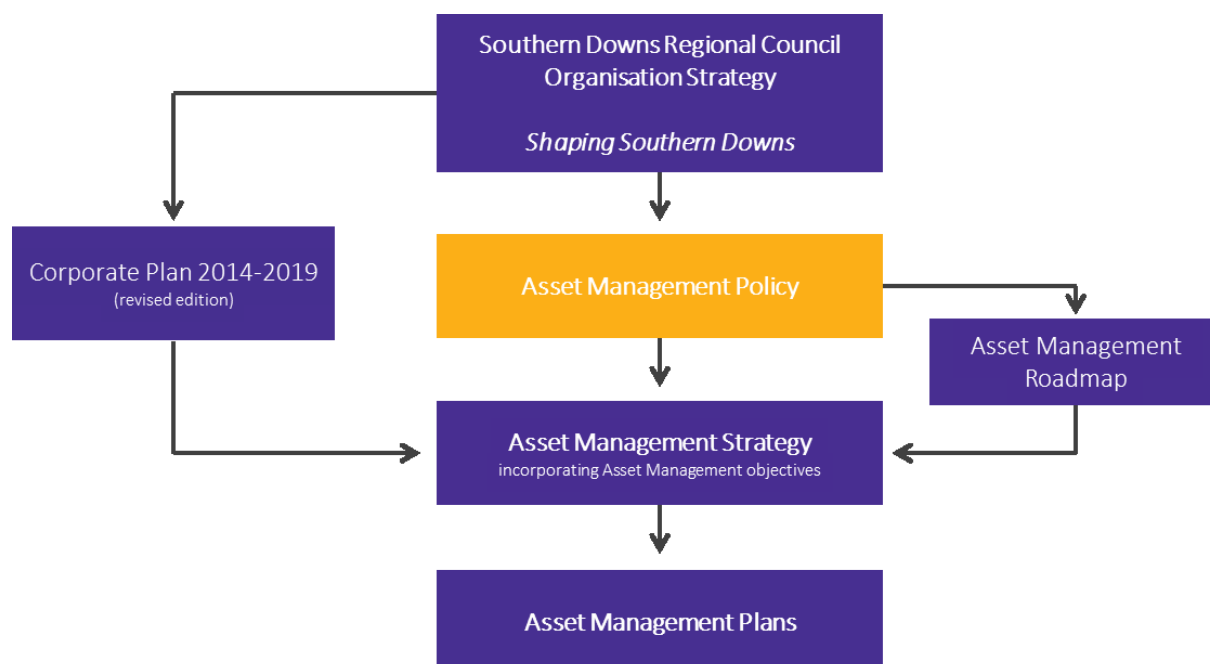
### Report

This report submits a revised Asset Management Policy for endorsement by Council. This report also provides an update on the progress of Asset Management Roadmap activities as at the end of January 2019.

### Asset Management Policy

The Asset Management Policy sets out the Council's expectations regarding Asset Management outcomes and provides the overarching direction for the development of the Asset Management strategy and objectives. It establishes the framework for implementing consistent asset management principles, practices and processes across Council. The relationship between Council's Organisational Strategy, Asset Management Policy, and other Asset Management documents is shown in Figure 1.

**Figure 1**





A revised Asset Management Policy is provided as attachment A. The proposed revisions to the Asset Management Policy aim to strengthen the policy to provide clear guidance on:

- the organisational context for and intention of Asset Management, and
- how Asset Management practices will be integrated into the organisation's business process.

The Asset Management Policy was last revised in September 2016 and has not been reviewed since the development of the Asset Management Strategy in March 2017.

## **Asset Management Roadmap Activities**

### ***Stormwater Asset Classification***

The Specification Phase of the Stormwater Asset Classification project was completed in January. The implementation of an asset classification hierarchy enables strategic asset management, service level planning, management reporting and cost performance reporting.

The purpose of the Specification Phase activities was to:

- agree, document and validate the asset classification hierarchy for the Stormwater financial asset class,
- determine, agree and document the Stormwater specific attribute structures, and
- specify the work order assets for the Stormwater financial asset class.

### ***Process***

- Four workshops were held with key stakeholders over the course of 6 weeks to validate the Stormwater asset classification hierarchy and agree Stormwater specific asset attributes that would be captured moving forward.
- The TechnologyOne OneCouncil standard asset specific attribute structures for Stormwater assets were used as the basis for discussion of attributes being captured within the SDRC technical asset register.

### ***Outcomes***

At the workshops the following items were determined:

- That Southern Downs Regional Council will adopt the OneCouncil Standard for Stormwater Assets. A diagrammatic representation of the asset classification hierarchy for Stormwater assets is attached at attachment B
- The asset specific attributes that will be captured for stormwater assets moving forward, and
- That each asset will be a work order asset for the Stormwater asset class due to the small number of discreet assets within the classification hierarchy.

### ***Post-Phase Learning's***

Throughout the Specification Phase the following items were noted:

- Implementing an asset classification hierarchy provides the opportunity to methodically assess what asset data is being captured, the gaps and data that should be captured going forward.
- Business rules for data collection should be developed as part of the scope for the Specification Phase activities. Business rules ensure a consistent understanding across the organisation of the data that is being collected, why it is collected and how it is measured or calculated. This will be incorporated into the specification scope for future asset classes.



## Revised Scope and Resourcing

The scope for the Development Phase has been revised following the completion of Specification Phase activities. The revised scope and implementation approach is included at attachment C. The resourcing requirements and estimated timeframes are outlined below. Managers are assessing resource allocations so as to continue concurrently with existing workloads.

Task	Estimated Time	Est. Resource Draw
<b>Classification Configuration</b>		
Configuration of TechOne attribute options & selection codes	2 weeks	2.5 people
Build of TechOne input sheets	0.5 week	2 people
Populate input sheets	1.5 weeks	2 people
- Map existing (GIS) attribute fields to TechOne attribute fields	2 weeks	1 person
- Evaluate GIS data structure against agreed asset classification hierarchy and determine if there is value in restructuring GIS data		
<b>Business Processes</b>		
Develop business process to maintain up to date and accurate asset data (synchronisation of Technical Database and TechOne)	4 weeks	Finance staff Assets & GIS staff Asset Owners
Develop business process for the input of new assets and as-constructed asset data including:	6 weeks	Finance staff Assets & GIS staff Asset Owners
- Specifying the use of each asset detail and attribute field in TechOne (eg, Parent Asset ID)		
- Specifying attributes that will not be synchronised between databases or cannot be edited (eg, results of condition inspections are to be maintained in the SLQ database and will not be synchronised)		
- process for the disposal and part disposal of assets		
- skeleton process for field data updates		
- consultation with other local governments		

The following tasks have been moved/added into Scope for the Testing phase:

Task	Reason
Preparation of data for migration	New task
Migration of data into TechOne	Minimise re-work. This task will be completed following receipt of the Stormwater revaluation so all data can be uploaded in one go
Develop TechOne reports to enable extraction and use of attribute data	Reports to be developed following upload of data into Testing.

## Related Activities: Establish Draft Levels of Service for Stormwater

A significant body of work has been completed over the past 3 years to conditionally assess stormwater assets. Following the completion of Specification Phase activities, Council is well placed to develop draft levels of service for Stormwater Assets. The establishment of customer and technical levels of services for Stormwater will feed into the development of Stormwater Asset and Service Management Plan.

It is anticipated that this activity would occur in parallel to the Stormwater Asset Classification Development Phase activities. Engagement with Council regarding Stormwater Levels of Service is anticipated to begin in late March 2019.



## **Next Steps**

- Allocate resourcing, scheduling of development phase activities and update timeline.
- Scope and schedule planning activities for Draft Stormwater Levels of Service.
- Commence development phase and Stormwater levels of service activities.

## **Asset Management Roadmap Status**

A status update on Asset Management Roadmap is provided as attachment D.

## **Budget Implications**

Nil

## **Policy Consideration**

### ***Shaping Southern Downs***

*Grow: Strong Governance*

Improve the relationship between Council policy, service delivery, infrastructure, advocacy and community priorities.

### ***Corporate Plan***

#### ***8.13 Continue to review and expand Asset Management Plans***

Develop and implement improvements to the corporate asset management processes and systems

### ***Asset Management Policy***

Council's Asset Management Policy sets the guiding principles for the way Council will manage its long term infrastructure assets. A revision to the Asset Management Policy has been proposed as part of this report.

## **Community Engagement**

Nil

## **Legislation/Local Law**

Nil

## **Options**

1. Council endorse the revisions to the Asset Management Policy and note the contents of this report.
2. Council not endorse the revisions to the Asset Management Policy and not note the contents of this report.

## **Attachments**

1. Attachment A: Revised Asset Management Policy [View](#)
2. Attachment B: Stormwater Asset Classification Hierarchy [View](#)
3. Attachment C: Revised Scope and Implementation Approach [View](#)
4. Attachment D: Asset Management Roadmap - Status Update [View](#)





## Asset Management Policy

<b>Policy Number:</b>	PL-ES030
<b>Department:</b>	Engineering Services
<b>Section:</b>	Works Construction & Assets
<b>Responsible Manager:</b>	<a href="#">Manager Works Construction, Workshops &amp; Assets Asset Management Coordinator</a>
<b>Date Adopted:</b>	7 September 2009
<b>Date to be Reviewed:</b>	<a href="#">December 2017 July 2020</a>
<b>Date Reviewed:</b>	<a href="#">December 2016 February 2019</a>
<b>Date Rescinded:</b>	

### REVISION RECORD

Date	Version	Revision description
07/09/2009	1	Policy Initially adopted
August 2010	2	Policy reviewed no changes
16/09/2016	3	Major changes policy rewritten
<a href="#">January 2019</a>	<a href="#">4</a>	<a href="#">Major changes. Policy rewritten.</a>

Asset Management Policy

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## 1 Purpose

~~Set the guiding principles for the way Council will manage its long term infrastructure assets. To ensure they provide appropriate services to the community which are affordable, meets community requirement and are sustainable through the application of appropriate "Asset Management" practices. A key issue facing local government is the management of aging infrastructure assets and the need for maintenance, renewal and replacement of these assets to ensure the services these assets provide are sustainable in the future.~~

The purpose of this policy is to set guidelines for implementing consistent asset management principles, practices and processes throughout Southern Downs Regional Council.

This policy aims to:

- Achieve adequate provision for the long-term replacement of the assets used to deliver Council's essential service, public infrastructure and community services.
- Ensure the provision of services and infrastructure in a financially sustainable manner, with the appropriate levels of service to the ratepayers, community and the environment.
- Safeguard assets, including physical assets and employees, by implementing appropriate asset management strategies and allocating appropriate financial resources for those assets.
- Create an environment where all employees take a central role in the overall management of assets by creating and sustaining asset management awareness throughout Southern Downs Regional Council and adopting an attitude of continuous improvement.
- Comply with legislative and regulatory requirements for asset management
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated.
- Establish transparent and responsible asset management processes that align with demonstrated best practice.

## 2 Scope

~~This policy applies to all Council Infrastructure Assets in general, however the more specific application of Asset Management principles, practices and systems will be to Council's major long life infrastructure asset classes such as Roads, Stormwater, Water, Wastewater and Building Assets.~~

This policy applies to all assets and services owned or controlled by Southern Downs Regional Council.

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### 3 Policy Details

~~Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management practices across the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery. The asset management methodology and systems will be primarily based on the "International Infrastructure Management Manual", 2015, Institute of Public Works Engineers Australia.~~

~~An Asset Management Strategy will be developed by 28 February 2017 which will outline a high level action plan to develop and implement appropriate, fit for purpose asset management practices across Council in accordance with this policy. Asset management principles will be integrated within Council's planning and operational processes.~~

~~Asset Management Plans will be developed for major service/asset categories to inform the annual budget and long term financial forecast process. It is Council's goal to achieve a "core" level of asset management maturity in most elements of its asset management systems prior to July 2019 for its major asset classes. Initially the asset management process will seek to understand and document current levels of service before undertaking formal community consultation on service levels and affordability.~~

~~Operational budgets and forecasts relating to infrastructure assets will be based on maintaining adopted service levels with due consideration of the risk consequences associated with service level and lifecycle cost implications.~~

~~Asset renewals required to meet adopted service levels and identified in adopted asset management plans and long term financial plans will form the basis of annual budget and long term financial forecast estimates with the service and risk consequences understood and considered.~~

~~Council will seek to understand and consider the future life cycle costs in all decisions relating to the creation of new/upgraded services and assets. Generally replacement and renewal of assets will have priority over the creation of new or upgraded assets unless significant benefit can be derived from the new/upgraded assets and the future lifecycle costs are affordable.~~

Southern Downs Regional Council is committed to implementing asset management principles and practices that improve the relationship between Council policy, service delivery, infrastructure, advocacy and community priorities.

Sound Asset Management principles and practices enable sustainable service delivery by integrating community values, priorities and an informed understanding of the trade-offs between risks, costs and service performance.

Sustainable service delivery ensures that services are delivered to the community in a socially, economically and environmentally responsible manner in such a way that does not compromise the ability of future generations to make their own choices.

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Southern Downs Regional Council's sustainable service delivery needs will be met by ensuring adequate provision is made for the long-term planning, financing, operation, maintenance, renewal, upgrade, and disposal of assets used to provide essential, public and community services by:

- Ensuring that the Council's assets are provided in a manner that respects financial, cultural, economic and environmental sustainability;
- Meeting all relevant legislative and regulatory requirements;
- Demonstrating transparent and responsible Asset Management processes that align with demonstrable best-practices;
- Implementing sound Asset Management plans and strategies and providing sufficient resources to accomplish them by:
  - Providing the community with services and levels of service for which they are willing and able to pay
  - Consulting the community when developing future service levels including identifying the associated delivery costs
  - Adopting a whole of organisation approach to asset and services management
  - Applying risk management criteria in all asset related proposals, projects and programs
  - Executing Council's Asset Management Roadmap to continuously improve Council's asset management system
  - Maintaining current Asset and Service Management Plans for each asset class
  - Incorporating expenditure projections from Asset and Service Management Plans into Council's Long Term Financial Plan
  - Regularly and systematically reviewing all Asset and Service Management Plans to ensure that assets are managed, valued, and depreciated in accordance with appropriate best practice
  - Regularly inspecting the asset base as part of the asset management process to ensure agreed service levels are maintained and to identify asset renewal priorities
  - Maintaining up to date and accurate asset data/ information
  - Ensuring asset renewal requirements required to meet adopted service levels identified in the asset management plan and long term financial plan will be fully funded in the annual budget estimates
  - Calculating and considering future life cycle costs in all decisions relating to new services and assets, and upgrading of existing services and assets
  - Ensuring Asset Management responsibilities are effectively allocated and the necessary capacity and other operational capabilities are provided, and

**Asset Management Policy**

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- Creating a culture where all employees play a part in the overall care of Council's assets by building awareness, and providing training and professional development.

## 4 Legislative Context

~~The Local Government Act 2009 states in section 4 (b) one of the five local government principles underpinning the Act are – "sustainable development and management of assets and infrastructure, and delivery of effective services"~~

~~The Local Government Act 2009 and the Local Government Regulations 2012 require that councils prepare a number of planning documents two of which are a long term asset management plan and a long term financial forecast. Section 168 of the Regulations sets out the specific requirement of the Long Term Asset Management Plan:~~

~~A local government's long-term asset management plan must –~~

- ~~a) provide for strategies to ensure the sustainable management of the assets mentioned in the local government's asset register and the infrastructure of the local government; and~~
- ~~b) state the estimated capital expenditure for renewing, upgrading and extending the assets for the period covered by the plan; and~~
- ~~c) be part of, and consistent with, the long-term financial forecast.~~

- Local Government Act 2009
- Local Government Regulation 2012

## 5 Policy Details

~~Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management practices across the organisation. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery. The asset management methodology and systems will be primarily based on the "International Infrastructure Management Manual", 2015, Institute of Public Works Engineers Australia.~~

~~An Asset Management Strategy will be developed by 29 February 2017 which will outline a high level action plan to develop and implement appropriate, fit for purpose asset management practices across Council in accordance with this policy. Asset management principles will be integrated within Council's planning and operational processes.~~

~~Asset Management Plans will be developed for major service/asset categories to inform the annual budget and long term financial forecast process. It is Council's goal to achieve a "zero"~~

Asset Management Policy

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~~level of asset management maturity in most elements of its asset management systems prior to July 2019 for its major asset classes. Initially the asset management process will seek to understand and document current levels of service before undertaking formal community consultation on service levels and affordability.~~

~~Operational budgets and forecasts relating to infrastructure assets will be based on maintaining adopted service levels with due consideration of the risk consequences associated with service level and lifecycle cost implications.~~

~~Asset renewals required to meet adopted service levels and identified in adopted asset management plans and long term financial plans will form the basis of annual budget and long term financial forecast estimates with the service and risk consequences understood and considered.~~

~~Council will seek to understand and consider the future life cycle costs in all decisions relating to the creation of new/upgraded services and assets. Generally replacement and renewal of assets will have priority over the creation of new or upgraded assets unless significant benefit can be derived from the new/upgraded assets and the future lifecycle costs are affordable.~~

## 6 Definitions

~~**Asset Management:** The systematic and coordinated activities and practices of an organisation to optimally and sustainably deliver on its objectives through the cost effective lifecycle management of assets.~~

~~**Core Asset Management:** Asset management which relies primarily on the use of an asset register, maintenance management systems, top down condition assessment, simple risk assessment and defined levels of service, in order to establish a long term cash flow projection.~~

~~**Infrastructure Assets:** Stationary systems forming a network or a portfolio of assets serving whole communities, where the system as a whole is intended to be maintained indefinitely at a particular level of service potential by the continuing replacement and refurbishment of its components. The network may include normally recognised ordinary assets as components.~~

~~**Lifecycle cost:** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.~~

Term	Meaning
<u>Asset</u>	<u>A resource controlled by Council as a result of past events and from which future economic benefits are expected to flow to Council.</u>
<u>Asset Management</u>	<u>The combination of management, financial, economic, engineering, risk and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner</u>
<u>Level of Service</u>	<u>The outputs or objectives an organisation (Council) or activity intends to deliver to</u>

Asset Management Policy

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	<a href="#">customers.</a>
<a href="#">Lifecycle Cost</a>	<a href="#">The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, renewal and disposal costs.</a>
<a href="#">Capital Renewal expenditure</a>	<a href="#">Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed.</a>
<a href="#">Capital Upgrade expenditure</a>	<a href="#">Expenditure which replaces a previously existing asset with enhanced capability or function, where an option existed for replacement without the enhanced capability or functionality.</a>
<a href="#">New Capital expenditure</a>	<a href="#">Expenditure which creates a new asset providing a new service/ output that did not exist beforehand.</a>
<a href="#">Maintenance expenditure</a>	<a href="#">Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service.</a>
<a href="#">Operations</a>	<a href="#">Regular activities to provide services such as public health, safety and amenity eg. street sweeping, grass mowing and street lighting.</a>

## 7 Related Documents

- [SDRC Asset Management Strategy and associated Asset Management Plans](#)
- [Shaping Southern Downs Strategy](#)
- [Southern Downs Regional Council Corporate Plan 2014-2019 \(revised edition\)](#)
- [Southern Downs Regional Council Long Term Financial Plan](#)
- [Southern Downs Regional Council Risk Management Policy](#)
- [Southern Downs Regional Council Asset Management Strategy](#)
- [Southern Downs Regional Council Local Government Infrastructure Plan \(LGIP\)](#)
- [Southern Downs Regional Council Asset Management Plans](#)

## 8 References

- [International Infrastructure Management Manual 2015](#)
- [Australian Infrastructure Financial Management Manual 2015](#)
- [NAMS.PLUS 3 Asset Management Policy Template](#)

**Asset Management Policy**

Policy no: PL-ES030

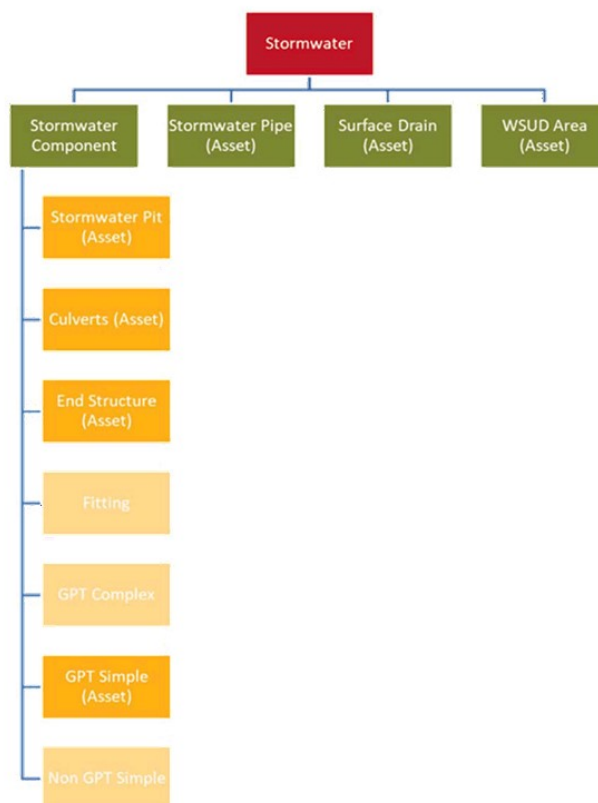
Updated: [December 2016/February 2019](#)

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### Attachment B: Stormwater Asset Classification Hierarchy



#### Acronyms

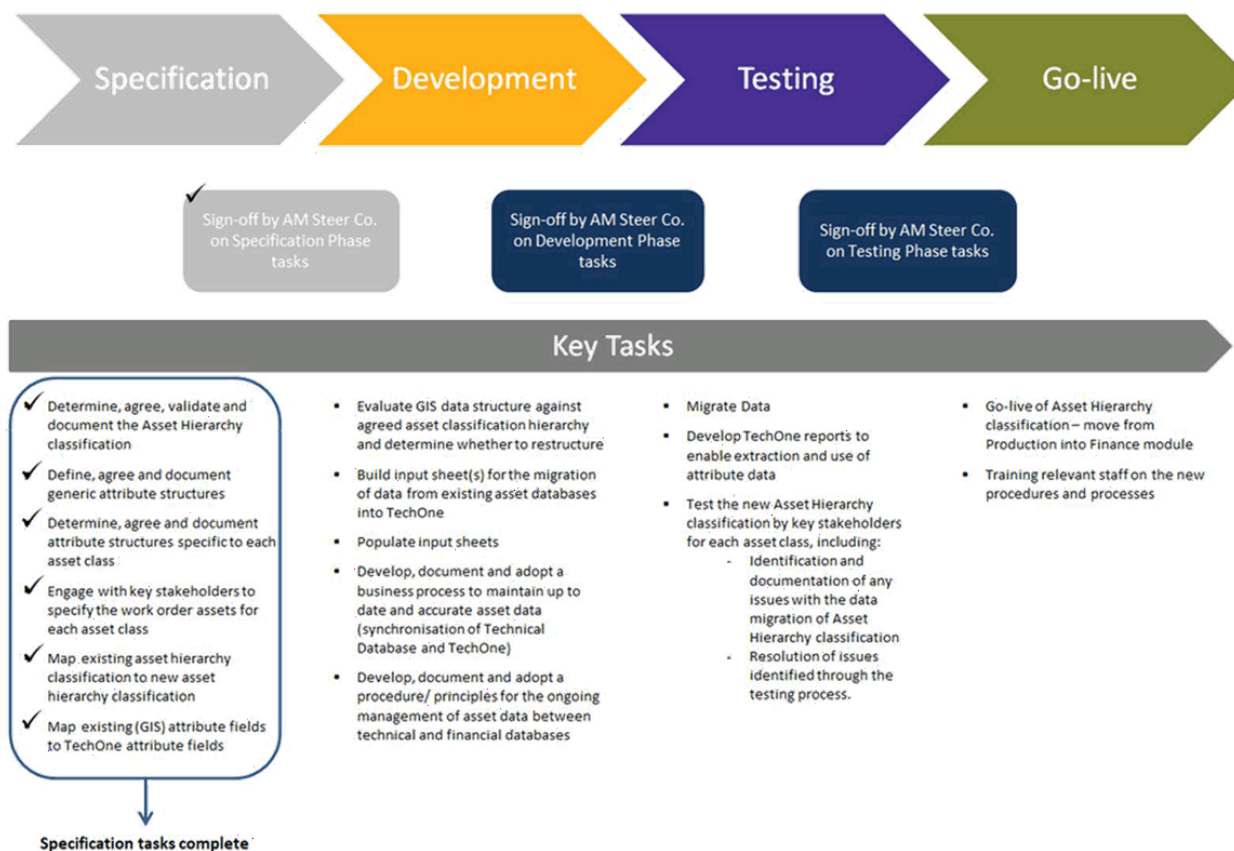
<b>WSUD</b>	<b>Water Sensitive Urban Design</b>
<b>GPT</b>	<b>Gross Pollutant Trap</b>

#### Notes

- SDRC does not currently have any GPT complex or Non-GPT simple assets in the stormwater asset base
- SDRC is not currently capturing fitting components. Fittings are not considered material to the asset base.
- Trunk stormwater Infrastructure is defined as Urban stormwater Infrastructure including but not limited to pipes, access chambers, open drains, detention facilities and treatment facilities that service a predominantly urban catchment including and downstream of a 900mm diameter stormwater pipe. Trunk infrastructure is shown on the Maps LGIP 20-27.



### Attachment C: Revised scope and implementation approach





**Attachment D: Asset Management Roadmap – Status Update**

Tranche	Status	Priority activities	Comments
1. Establish Governance and Resourcing	In progress	-	
	Pipeline	Criticality Hierarchy	A LGGSP submission has been prepared for a 2 year Water and Waste Water program of work. A criticality hierarchy for Water and Waste Water will be developed as part of this work.
	On Hold	Asset Management Roles and responsibilities	Will be revisited following completion of organisational restructure.
2. Establish an integrated CAPEX Program	In progress	-	-
		Capital Submission Prioritisation rollout for FY19/20 Budget	Finance Led Project
3. Specify AM Data Requirements	In progress		
	Complete	Stormwater Asset Classification Hierarchy – Specification Phase	Refer to full report for further detail
	Commencing	Stormwater Asset Classification Hierarchy – Specification Phase	Refer to full report for further detail
	Not started	Implementation of the Asset Classification Hierarchy	An asset classification hierarchy is required to be completed for all financial asset classes.
4. Revise Asset and Service Management Plans	Not started		
	Pipeline	Revision of Asset and Service Management Plans	To be completed for all Essential Services. Development of a Stormwater Asset and Service Management Plan has been identified as a pipeline activity following the completion of activities currently in progress.
5. Implement Asset Information Systems	Not started		




Tranche	Status	Priority activities	Comments
6. Implement Asset Management Skills Development Program	Not started		
<b>7. Refine Service Based Asset Management Planning</b>	<b>Commencing</b>		
	<b>Commencing</b>	<b>Stormwater Levels of Service</b>	<b>Establishment of Stormwater Levels of Service (incorporating a criticality hierarchy) is commencing in parallel with the Development Phase of the asset classification work.</b>
	<b>Not started</b>	<b>Establishment of Levels of Service</b>	<b>Levels of Service are required to be completed for all services provided by Council.</b>



## 10.5 Request for Restoration of Federal Assistance Grants

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Chief Executive Officer	<b>ECM Function No/s:</b>

### Recommendation

THAT Council :-

1. Express appreciation to the Federal Government for the ongoing provision of Financial Assistance Grants for community projects.
2. Endorse restoration of the value of the Federal Government's Financial Assistance Grants to at least 1 percent of total Commonwealth taxation revenue.
3. Consider how it can best support the LGAQ's advocacy through a community-driven campaign to federal representatives and candidates on the benefits of restoration of Financial Assistance Grants.

### Report

The Local Government Association of Queensland (LGAQ) has launched its 2019 Federal Election advocacy campaign. The central focus of the campaign is the restoration of the value of the Financial Assistance Grants to at least 1 percent of total Commonwealth taxation revenue. The Australian Local Government Association (ALGA) also endorsed restoration of Financial Assistance Grants to at least 1 percent as its focus. To leverage the advocacy campaign, the LGAQ is seeking the formal backing of all Queensland Councils.

Local Councils raise just 3 percent of all the taxation revenue in Australia, but manage 33 percent of public assets. The Federal Government collects 80 percent of taxes and manages 11 percent of public assets. While the provision of Financial Assistance Grants is welcome, the decline in the local government share of taxation revenue from Canberra over the past two decades from 1 percent in 1996 to 0.55 percent in 2018 is unsustainable.

The LGAQ is calling for Canberra to return this money to local communities faster and in a way that better meets local needs and creates jobs. The success of the State Government's Works for Queensland program, which offered untied funding to Councils to deliver essential community projects and infrastructure while boosting local jobs, is being promoted as an example of how restored Financial Assistance Grants could work for all Queensland communities.

Queensland currently receives around \$480m in Financial Assistance Grants, with \$2.46b nationally. Restoration of Financial Assistance Grants to 1 percent would mean additional \$400m for Queensland and an additional \$2b nationally.

Discussions on the restoration of Financial Assistance Grants occurred at the LGAQ's ROC Assembly on 7 February 2019 with Senator Bridget McKenzie, Minister for Regional Services, Sport, Local Government and Decentralisation and Stephen Jones MP, Shadow Minister for Regional Services, Territories and Local Government. The LGAQ President has also held



meetings in Canberra on 12 February 2019 with the Deputy Prime Minister and advisers to the Prime Minister, Treasurer and Leader of the Opposition.

Council may wish to consider how restoration of Financial Assistance Grants to 1 percent could benefit the community through additional services or facilities, or what facilities and community services will have to be foregone if Financial Assistance Grants are not increased. Specific examples and messages could support community-led advocacy.

The LGAQ's Federal Election 7 Point Plan has been provided to Council. Further information about the restoration of Financial Assistance Grants to 1 percent and other election priorities is available on [www.lgaq.asn.au/election2019](http://www.lgaq.asn.au/election2019).

### **Budget Implications**

An increase in Federal Assistance Grant funding will benefit the Southern Downs region through the provision of additional services or facilities for the community.

### **Policy Consideration**

Nil

### **Community Engagement**

Nil

### **Legislation/Local Law**

Nil

### **Options**

1. Express appreciation to the Federal Government for the ongoing provision of Financial Assistance Grants for community projects.
2. Endorse restoration of the value of the Federal Government's Financial Assistance Grants to at least 1 percent of total Commonwealth taxation revenue.
3. Consider how it can best support the LGAQ's advocacy through a community-driven campaign to federal representatives and candidates on the benefits of restoration of Financial Assistance Grants.
4. Not endorse restoration of the value of the Federal Government's Financial Assistance Grants to at least 1 percent of total Commonwealth taxation revenue.


### **Attachments**

Nil



## 10.6 Officer Review of the Proposal to Separate from the Southern Downs Regional Council

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Chief Executive Officer	<b>ECM Function No/s:</b>

### Recommendation

THAT Council receive the Management Review of the “A New Granite Belt Council. A Proposal to Separate from the Southern Downs Regional Council” February 2019.

### Report

The Granite Belt Community Association has developed a proposal to separate from the Southern Downs Regional Council. The proposal is in the form of a submission that has been presented to the Minister for Local Government, Racing and Multicultural Affairs and Southern Downs Regional Council. Southern Downs Regional Council was provided with a hard copy of the submission on 11 December 2018. The submission was released to the public in an electronic format on 21 December 2018.

It is noted in the correspondence from the Granite Belt Community Association that Southern Downs Regional Council “resolved to wait until a comprehensive analysis on the financial impacts on the residents of the Southern Downs region before a decision to support or not support the proposal is made.”

Whilst the Association has recommended that the submission is referred immediately to the Change Commission, that is a decision that would need to be made by the Minister, not Southern Downs Regional Council.

Southern Downs Regional Council formally received the proposal at its General Council Meeting on 23 January 2019.

Officers from Southern Downs Regional Council have undertaken a review of the information that has been put forward and provided feedback to the Mayor and Councillors at a Briefing Session in February 2019.

The officer review of the proposal has now been completed. As part of the review the officers have acknowledged the high level of community emotion that has been invested in the proposal, however it is also noted that local government has changed significantly in the last decade and even more so in the last four years.

Officers submit that there are assertions within the proposal that are incorrect or require significant clarification. These assertions relate to financial sustainability, applicability of grants and funding, capital expenditure assumptions, organisational structure, implications arising from the Council re-categorisation process, division of staff and heavy fleet, as well as appropriate levels of service being delivered to the community into the future.



As part of the de-amalgamation process it is imperative that no ratepayer or member of the community should be disadvantaged financially or through the provision of services. Officers have not been able to identify how residents of the proposed and existing local government authorities would not be financially disadvantaged based upon the information provided within the proposal. It is noted that Stanthorpe and the Stanthorpe region rates highly in the SEIFA index and has some of the lowest levels of median income in the State.

Additionally, officers have concerns with the forecasted transition costs associated with the establishment of a new local government authority, especially in relation to the provision of information technology, branding and administration. These concerns are replicated in regard to the remaining local government authority, for which there appears to be very little commentary provided.

Furthermore, officers are uneasy with the report's approach to protecting the employment conditions and rights of staff that has been undertaken in relation to recruitment and redundancies. It would appear that there has been little consideration given to the existing Enterprise Bargaining Agreement and the current staff.

Council officers will continue to work with the Department of Local Government and the Queensland Treasury Corporation on a further investigation and review of the proposal.

It is envisaged that the report from the Department of Local Government and the Queensland Treasury Corporation will be presented at the April 2019 General Council Meeting.

The Southern Downs Regional Council Audit and Risk Management Committee considered the officers' review of the proposal at its meeting on 20 February 2019.

### **Budget Implications**

There were a number of staff required to undertake the review of the proposal and this has, and will continue to, impact on other services delivered by Southern Downs Regional Council until the Department of Local Government and the Queensland Treasury Corporation report is presented to Council.

Council may still seek to have a peer review undertaken to ensure that the officer review has covered all issues adequately. There will be a cost associated with this additional review that was noted in the previous report to Council.

### **Policy Consideration**

Southern Downs Regional Council, Corporate Plan, 2014–2019

*1.3 Continue to monitor and stay informed about matters that affect the community*

*8.20 Provide and maintain strategies to ensure Council's long term financial sustainability.*

### **Community Engagement**

It is proposed that should Council receive the review the proposal undertaken by Council officers, there may be the opportunity for community consultation in relation to the review.

### **Legislation/Local Law**

Local Government Act 2009

Local Government Regulation 2012

### **Options**

Council:

1. Receive the Management Review of the "A New Granite Belt Council. A Proposal to Separate from the Southern Downs Regional Council" February 2019.



2. Not receive the Management Review of the "A New Granite Belt Council. A Proposal to Separate from the Southern Downs Regional Council" February 2019.

### **Attachments**

1. Southern Downs Regional Council Management Review of the "A New Granite Belt Council. A Proposal to Separate from the Southern Downs Regional Council" February 2019 [View](#)





**SDRC Management Review of the  
"A New Granite Belt Council  
A proposal to separate from the Southern Downs Regional Council"  
February 2019**

**Introduction**

In late December 2018 Southern Downs Regional Council (SDRC) received a copy of the document prepared by the Granite Belt Community Association (GBCA) entitled "A new Granite Belt Council: A proposal to separate from the Southern Downs Regional Council", hereafter referred to as "the proposal".

The proposal documents background information, describes the region, and provides a brief rationale for de-amalgamation. It then moves on to note how the proponents seek to meet the Local Government Regulation Criteria for de-amalgamations, outlining financial viability and, finally provides an overview of proposed transitions arrangements and conclusion.

SDRC must exercise due diligence in ensuring that the proposal is thoroughly reviewed and that as a related party to the proposed new local government entity that all costs, impacts and operational considerations are fully considered. Ultimately the proposal argues for the de-amalgamation of the existing SDRC and the creation of two new local government entities being

1. Granite Belt Regional Council; and
2. Southern Downs Regional Council.

The proposal seeks to use the Queensland Government's boundary change process outlined in Local Government Act 2009 and makes use of process outlined in the Queensland Local Government Regulation 2012, Chapter 2, Part 2. The later piece of legislation is currently neither repealed, nor referenced in the relevant Act, being the 2009 Local Government Act.

The proposal also contains a letter from Minister for Local Government, Minister for Racing, Minister for Multicultural Affairs Hon Sterling Hinchcliffe MP dated 30 May 2018 which states the policy of the Queensland Government local government boundary change as requiring a number of criteria to be met prior to referral under the Act to the Change Commissioner including:

- A request from the local communities affected by the proposed change;
- Resolutions supporting the proposed change from the affected Local Government(s), in this case the SDRC;
- Assessments demonstrating the future financial sustainability of all proposed new Local Government areas, including an agreement on the transfer of assets and liabilities and the impacts on existing Council employees, if such a proposal were to go ahead; and
- If a Local Government Change Commission recommends the proposed boundary change should go ahead, a referendum of all residents in the affected Council area will take place before the recommendation is implemented.

It is noted that there is in fact, no adopted policy by the Queensland Government on de-amalgamations, as distinct from boundary change requests, which are clearly legislated.





Therefore the process for effectively evaluating the document and providing clear and concise advice to the Elected Representatives of SDRC on process, timeframes and relevant parties is particularly unclear. Likewise, this lack of clarity in due process makes it difficult to properly inform the Minister of Council's position on this proposal.

The GBCA's proposal to de-amalgamation the existing SDRC can be summarised into three interrelated themes:

- That the Local Government Reform Commission erred in its decision to amalgamate Stanthorpe Shire Council and Warwick Shire Council
- The proposed de-amalgamated councils fulfilment of criteria for changing a local government area, name or representation under Queensland Local Government Regulation 2012, and
- The financial viability of the proposed de-amalgamated councils.

The GBCA argue the 2007 Local Government Reform Commission (2007 Reform Commission) erred in its recommendation to amalgamate Stanthorpe Shire Council and Warwick Shire Council. The GBCA argues:

- o the Commission was mistaken in the grouping of Southern Downs and Granite Belt communities as being of 'like interest and character'
- o the amalgamation did not consolidate regional natural resource management areas, and
- o improved financial sustainability has not been achieved.

Key observations and comments:

- It is evident that the Granite Belt community, as represented by the GBCA, self-identify as a unique community with different cultural and social values to that of the Southern Downs community. A significant portion of the report is dedicated to providing qualitative and anecdotal evidence to support this position.
- The proposal provides insufficient evidence to support claims of:
  - o each communities response to and outcomes provided by different Local Government business models<sup>1</sup>
  - o closure of large numbers of tourism related businesses in the Stanthorpe Region over the past two years<sup>2</sup>
  - o termination of effluent re-use agreements for the Stanthorpe Scheme<sup>3</sup>
  - o disproportionate allocation of funding between Southern Downs and Granite Belt communities<sup>4</sup>, and

<sup>1</sup> A New Granite Belt Council. A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p20

<sup>2</sup> A New Granite Belt Council. A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p24

<sup>3</sup> A New Granite Belt Council A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p31

<sup>4</sup> A New Granite Belt Council A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p35





- QTC assessment of Gympie Regional Council as having the highest level of financial sustainability<sup>5</sup>.
- The amalgamation of the Southern Downs and Granite Belt regions did not result in the consolidation of a single natural resource management area. The existing SDRC spans both the Queensland Murray Darling Natural Resource Management Plan (Stanthorpe Region) and Condamine Alliance Natural Resource Management Plan (Southern Downs Region).
- The 2007 Reform Commission considered local government reform to be about much more than the issue of financial viability. It also emphasised that councils must be of a size and scale sufficient to:
  - attract and retain management and other expertise
  - remove inefficiencies resulting from duplication and sub-optimal use of assets;
  - enable growth of knowledge, development of capacity and fostering of innovation; and
  - provide effective political leadership to, and advocate for, communities facing fast-paced change.<sup>6</sup>
- In the period since amalgamation, many corporate functions of Council have been consolidated including finance, information technology, community housing, human resources, corporate governance, procurement, and asset management. It is likely that there will be further consolidation to reduce cost.
- The 2007 Reform Commission was guided by the Terms of Reference to create local governments with improved financial sustainability<sup>7</sup>. Improvements in a local government's financial sustainability do not necessarily correlate to:
  - reduced rates and improved services, or
  - better and cheaper services.
- The decisions taken by the Councillors and Management team in the period post-amalgamation (2008 to 2018) directly impacted on the financial performance of the SDRC. It is challenging to attribute the financial performance of the amalgamated Council in the period post-amalgamation to the consequences of amalgamation alone.
- Financial performance is influenced by a number of factors with the primary factor being the development and adoption of the budget by the Mayor and Councillors, noting that for the bulk of the existence of Southern Downs Regional Council, the majority of Councillors have come from Stanthorpe.
- Financial Sustainability Ratings and Credit Ratings provide a snapshot of an organisation at a point in time. It is problematic to extrapolate ratings beyond their intended point in time use due to:
  - the methodology used to calculate ratings changing over time, and

<sup>5</sup> A New Granite Belt Council A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p63

<sup>6</sup> Report of the Local Government Reform Commission, Volume 1, July 2007, p13

<sup>7</sup> Report of the Local Government Reform Commission, Volume 1, July 2007, p35





- o ratings inability to capture and reflect unknown risks and costs that are later identified as material, particularly in relation to long life infrastructure assets.

#### **Change Commission Requirements**

The GBCA proposal asserts that all criteria for changing a local government area, name or representation under Queensland Local Government Regulation 2012, Chapter 2, Part 2 (the Regulation) can be satisfied<sup>9</sup>.

Key comments and observations:

- The Regulation outlines the elements to be considered when Local Government Change Commission (Change Commission) is assessing proposals for changing a local government area, name or representation. However, the Regulation does not provide criteria for the de-amalgamation or creation of a new local government area.
- The process for the assessment of a proposal to de-amalgamate a local government area by the Queensland Department of Local Government, Racing and Multicultural Affairs, and Change Commission is currently unclear.

#### **Financial Viability Analysis**

The GBCA proposal includes financial modelling and analysis supporting the assertion that both the new Granite Belt council and new Southern Downs council would be financially sustainable in the future.

Key comments and observations:

- The financial viability analysis and supporting financial models included in the GBCA proposal do not provide a robust analysis of the financial impact of de-amalgamating SDRC. Further work is required to clearly specify the assumptions used by GBCA including:
  - o Population apportionment
  - o Residential and Non-residential rateable properties apportionment
  - o Staff assumptions, including the additional costs associated with an executive structure
  - o Transition costs for the new Southern Downs council
  - o Build-up of income and expenses where a combination of apportionment by project/location and population has been used
  - o Inclusion of Capital Projects addressing known infrastructure issues including (but not limited to) Stanthorpe Water Treatment Plant and Stanthorpe Waste Facility.
  - o The make-up of the business operational savings of \$720,000 in FY2019 rising to \$922,000 in FY2028.
  - o The assumptions in the capital works expenditure are incorrect, especially in relation to funding from State and Federal Governments and noting the difference between competitive and non-competitive funding and grants.
- In considering the financial viability of de-amalgamation sensitivities on the following assumptions should be considered (as a minimum):

<sup>9</sup> A New Granite Belt Council A proposal to separate from the Southern Downs Regional Council, Granite Belt Community Association, December 2018, p56





- **Impact of recruitment and redundancies for both councils.**
  - De-amalgamation would create the need for the new Southern Downs council to review its organisational structure and services to ensure its financial sustainability and success. It is unlikely that all staff transferred would have the necessary skill sets and redundancies would be required. Any financial analysis of de-amalgamation should include costs associated with redundancies.
- **Impact of transition costs for both councils.**
  - A smooth de-amalgamation transition would require a significant investment of resources by both councils. As a point of reference, Noosa Shire Council employed a transition team of at least 6 people for a period of 8 months to ensure a smooth transition<sup>9</sup>.
- **Impact of reduction in grant funding noting that the majority of grant programs are competitive**
  - The current council has been exceptionally good at securing funding. These are competitive grants and should not be forecasted in to future budgets. Given the success of the funding applications a future council may not seek additional funding; rather a future council may seek to focus on the delivery of the funding that has already been secured.
  - Additionally two future councils may not have the level of matching funding required to access funding.
- **Impact of apportioning cost by rateable properties for whole-of-council costs**
  - The proposal needs to demonstrate the apportionment of in relation to per head of population or rateable properties.

The proposal appears to hold several areas that are flawed in findings, analysis and in fact.

Those of most significant note are summarized below:

1. The Change Commission as defined by the Local Government Act 2009 is a body designed to consider local government authority electoral boundary changes prior to the facilitation of elections. The process outlined in the proposal is significantly more than a boundary change. It is in fact a complete de-amalgamation of the functions of one local government authority and the creation of two separate local government authorities. The proposal wrongfully concludes that changing electoral boundaries is akin to creating a new local government entity. This is a flawed interpretation of the complexity of the requirements for the creation of new local governments.
2. Matters such as delegations, local laws, planning instruments, legal proceedings, contractual agreements and industrial / employment related conditions have not been given sufficient due consideration or are largely omitted from the document. This lack of information and detail results in an underestimation of financials, unclear delegations and risks related to industrial provisions that could potentially negatively impact on employees.
3. Additionally, the proposal does not demonstrate the capacity of the new organisation to undertake the business and services of a modern local government authority in a timely manner, or identify the human or physical resources required.

<sup>9</sup> The Noosa De-amalgamation: Building a New Organisation, Noosa Transition Team, January 2014, p5







4. There are assertions within the proposal which are contradictory and only loosely explained. For example it is suggested that a community committee will undertake the role and functions of economic development. There is a staff member in Stanthorpe that undertakes the role of economic development. The proposal states there will be no redundancies. The proposal does not identify the future of staff in existing roles. Additionally, there is a Building Services Coordinator based in Stanthorpe. If this role is to be retained in Stanthorpe, then an additional role will need to be established in Warwick. The income currently received from the Coordinator role will need to be accessed to accommodate two roles, more than likely junior roles. This type of scenario is not explained and would need to be managed through the Enterprise Bargaining process, which means that redundancies cannot be ignored.
5. The proposal suggests that both the new and remaining local government authorities will be financially sustainable, but it does not describe in detail the level of financial sustainability that will be achieved. The proposal also does not indicate if one local government authority is likely to be more financially sustainable than two stand-alone local government authorities. For example, will one local government authority have an increased capacity to renew and deliver new infrastructure and deliver services to the community, compared to smaller local government authorities.
6. The proposal does not deal with the implications of the new proposed council being a Category 1 local government authority, except in relation the allowances allocated to the Mayor and Councillors. There are other implications for the new and remaining councils, especially in relation to funding of services that eventuate from a re-categorization and are likely to increase costs to ratepayers.
7. Within the proposal it is submitted that the standard and quality of the Southern Downs Regional Council Asset Management Plans is of a high standard. This is incorrect and the current Council is seeking to have these Plans updated to reflect the real costs of renewals and the liabilities associated with assets across the municipality. Asset management planning has been identified as a major short fall of the Southern Downs Regional Council by the Queensland Audit Office and the current and former Audit and Risk Management Committees. The proposal does not determine the level of commitments that will be available for asset renewal should the cash reserves be re-allocated to a new local government authority, or provide a rationale as to the level of restricted cash reserves to be allocated or preserved.
8. The financials are incorrect in relation to the capital expenditure assumptions in relation to Works4Queensland, Local Government Grants and Subsidies Program, Roads to Recovery, Financial Assistance Grant, Cycle Networks and Transport Infrastructure Development funding. The assumptions ignore the competitive nature of the grants or funding, the term or life of the funding program, as well as the conditions of the funding, especially in regard to the capacity to deliver programs, under Transport Infrastructure Development funding and compliance with a Traffic Management Registration Scheme licence as requested by the Department of Transport and Main Roads.
9. The proposal does not identify, recognise or reallocate developer contributions or highlight the responsibilities for a local government authority in relation to the adopted Southern Downs Regional Council Local Government Infrastructure Plan which covers the existing and future trunk infrastructure for water supply, wastewater, stormwater drainage, transport, as well as parks and land for community facilities. The percentage division does not apply to the Local Government Infrastructure Plan which is predicated on site specific growth or development.





10. In broad terms the proposal does not indicate or examine in detail how a member of the community of the remaining or new local government authority will not be financially impacted or disadvantaged by the establishment of the two local government authorities.
11. The proposal appears in some instances to be focused on the decisions made by the elected officials over the current term of this Council. It is noted that there is little reference made to the decisions of the previous elected bodies that were in place post 2008. It therefore can be suggested that there is a level of politics involved in the issues that have been identified that have the potential to relate to the forthcoming local government elections in March 2020.
12. There are a number of issues and statements that require further investigation and clarification. Many of the issues and statements will be identified and addressed in detail through the combined review being undertaken by the Queensland Treasury Corporation and the Department of Local Government.

A small group of officers from the Southern Downs Regional Council have been involved in a review of the proposal. The review provides feedback and clarification where appropriate in relation to the information that has been put forward as part of the proposal.

Where possible and appropriate the officers have provided feedback on each part or section of the proposal, and each page of the proposal.

#### Executive Summary (Page 5)

- There is no indication as to the level of sustainability that will be achieved by the exiting council or the remaining council, or a comparison to the financial sustainability of the existing council.
- The question needs to be asked is would the existing SDRC offer a greater level of financial sustainability compared to two new local government authorities; this question is not investigated.
- It is stated that the transition costs will be affordable for the new Granite Belt Regional Council (GBRC), there is no reference made to the transition costs for the remaining council, nor a definition of "affordable."
- It is stated that there is no connection between Stanthorpe and Warwick besides a road connection. It is noted that there is a rail connection and there are a number of local businesses that have a presence in both areas, such as Spanos IGA, Go Vita, Elders, etc.
- There is very little evidence to indicate that forecasted negative outcomes of amalgamation have occurred, this is subjective.
- There is no evidence provided to support increased levels of efficiency resulting from de-amalgamation.
- Issues relating to equity are not provided, if the level of equity and representation theory is to be supported then the State electoral boundary should be revised to separate Warwick and Stanthorpe.
- If a local government authority cannot support two population centres, how could a State Government member support three.
- There appears to be no linkages established in relation to accountability, noting that for the bulk of the last 10 years the Southern Downs Regional Council has had the majority of its Councillors from the Stanthorpe Region.
- Chapter 1 (Page 5)
  - No Comment





- **Chapter 2 (Page 5)**
  - The business models put forward do not apply and there is very little discussion about their practical implementation or where they have been sourced from.
  - In local government the word "dysfunction" is usually applied to the elected members and their behaviour in the chamber or decision making processes. Issues are noted in the report, but very few or if any relate to "dysfunction," rather these are issues that have been publicized.
- **Chapter 3 (page 6)**
  - The Italian settlement pattern is reflected across Queensland and can be found in areas in close proximity such as the Lockyer Valley.
  - In Lockyer Valley area the Italian community is heavily involved in horticulture.
  - Water catchments are not relevant in this process.
  - Community assets and infrastructure exists across the local government area.
  - Emu Swamp Dam has been driven by a section of the community for over 20 years.
  - The former Stanthorpe Shire Council and SDRC have expended over \$5 million on studies and land purchases.
  - SDRC has resolved not to proceed with the Dam as the business case is not supported and Council does not have the level of funds to invest in the project regardless.
  - Tourism exists across the Southern Downs. Warwick was recently named in the Wotif 2019 Top 10 Aussie Towns to visit. Killarney also experiences strong visitation.
  - Tourism is not a strong factor that is relevant to the argument for de-amalgamation.
  - There are many and varied reasons why businesses have been closing in Stanthorpe that are unrelated to amalgamation.
  - Issues with high rents and skilled staff shortages.
  - Young people and older people from the Southern Downs Region who play representative sport progress to playing for the Border Rivers Region and then the Darling Downs Region. There are sporting fixtures in the recent past between Warwick and Stanthorpe in sports such as basketball, soccer and cricket.
  - This sports argument has little bearing on the case for or against de-amalgamation.
- **Chapter 4 (Page 6)**
  - The arguments from Stanthorpe and Warwick Councils prior to amalgamation have not been substantiated by evidence.
  - There is little to be gained by publicly criticizing the Local Government Reform Commission.
- **Chapter 5 (Page 6)**
  - No comments
- **Chapter 6 (Page 6)**
  - The location of service centres and depots does not necessarily create efficiencies.
  - This is a simplistic approach to service delivery and does not differentiate between the types of services provided to communities.
  - The proposal indicates that the remaining council will be in an even stronger financial position, but this is not demonstrated. Does this mean that it will be in a stronger position than the existing SDRC? This is not proven.
  - The long term capital works have not been included in the proposal.
  - The proposal indicates that the major capital works will be considered by a future Council.
  - The officers do not agree with the allocation of assets and liabilities would be straightforward.
  - There is heavy plant and machinery that is shared between the two depots on a regular basis for example.





- All commentary around no need for redundancies is superficial and incorrect.
  - There is no acknowledgement of the enterprise bargaining agreements or the skills sets of the existing staff.
  - There is a significant level of concern in the expenditure estimates that have been provided for transition.
  - The utilization of cash balances ignores cash reserves for infrastructure renewal, as well as specific funds for developer contributions.
  - There is no definition of a "healthy surplus" provided. A comparison needs to be undertaken in relation to the financial position of the existing Council and related rating, compared to the new council and the remaining council in relation to rating.
  - The average ratepayer from the new or remaining council should not be disadvantaged.
  - Risks and opportunities have not been identified in this proposal in any detail, nor is there any reference to future Audit and Risk Management Committees.
- Chapter 7 (Page 7)
    - It has not been substantiated that each local government authority would have sufficient resources and be financially sustainable.
    - Is it good enough to be financially sustainable or should a local government authority be aiming to be more than that? Should a local government have the capacity to respond to natural disasters or financial crisis?
    - The current Council has no role or responsibility in referring this proposal to the Change Commissioner.
    - It is suggested in the proposal that the name "Southern Downs Regional Council" be retained.
    - It is noted that there is no community consultation proposed around this recommendation and that in other parts of the report there is considerable commentary about "Southern Downs Regional Council" being a failed "brand name." There is no basis to this.
    - The independent panel has not been appropriately costed, nor is it applicable in the Queensland local government environment.
    - Additionally, following a discussion with Mr Franks there are concerns that Mr Frank's advice has not been put forward in its entirety.
  - Chapter 8 (Page 7)
    - The Minister has indicated that the review was to be undertaken based on the boundaries of the former Stanthorpe Shire Council.
    - Dalveen was not included in the former Stanthorpe Shire Council, but has been included into the new Granite Belt Council.
  - Chapter 9 (Page 7)
    - No comments

## Introduction

- Page 8
  - The proposal argues that the cost of the new Council will be borne by the new GBRC. This is not correct; the cost will be borne by the cash balances that have been created over the last four years.
  - Additionally, not all costs have been identified and the capital expenditure assumptions in the spreadsheets are incorrect.
  - The proposal argues that a new Council will provide "high quality and more responsive governance and administrative support." There are very few instances of identified issues





- relating to governance and administrative support.
  - o Furthermore, if there were issues of governance and support, these would normally be changed or challenged as part of an election process.
  - o It is unlikely this will change through the organisation or staff, as the proposal has indicated that there will be no redundancies.
  - o The proposal highlights a lack of "accountability," this needs to be quantified, accountability to whom and in what regard. There is a democratic process for the election of Councillors that relates to all aspects of accountability.
  - o A clear explanation needs to be provided on how the remaining Council's financial circumstances are improved, compared to which benchmark, identifying is there, or has there been, any opportunities lost, the impact of changed staffing, fleet and heavy plant, etc.
  - o The proposal needs to demonstrate that no ratepayer or resident from any future local government authority will be disadvantaged financially or experience a reduction to the level of services that is currently being delivered.
- **Page 9**
  - o It is noted that the inclusion of Dalveen is "likely to have a minimal impact on the financial calculations." It should be noted that the Dalveen reticulated water system requires a \$300,000 upgrade, the Dalveen CED requires a \$300,000 upgrade and the Dalveen Hall, which is leased out at no charge requires between \$50-\$100,000 to upgrade the facility.
  - o Directions from the Minister were to only consider the boundaries of the former Stanthorpe Shire in this review.

#### **Background Information**

- **Page 12**
  - o It is important that relevant reports and studies are recognised, but quoting reports from 1928 does not contribute to the current review.
  - o The business models presented are poorly explained and do not reflect the modern operations of local government.
  - o There are many examples of local government authorities delivering services to population centres that are distinctive, with their own set of characteristics.
  - o The word "dysfunction" is usually used in the local government context of the decision making process in the chamber.
  - o There is no evidence put forward that relates to "dysfunctionality" in the chamber. There have been some difficult decisions made, as is the case with any local government authority.

#### **Ten Years of Challenges 2008-2018**

- **Page 15**
  - o The proposal states that there has been a "high turnover of executive staff." The Director Engineering Services left the organisation in the first quarter of 2018 after 10 years' service with SDRC.
  - o The Director Planning left the organisation in the second quarter of 2018 after 10 years in the role.
  - o The current Chief Executive Officer has been in the role for 4 years. The average tenure of a Chief Executive Officer in Queensland local government is approximately 2 years.
  - o There is not an issue with high turnover of executive staff.
  - o It is noted that the alleged turnover is related to "structural problems," but this is not defined





or clarified.

- Page 16
  - The business models are not referenced.
  - There is no author attributed to developing the models presented or examples of where these models have been implemented in other local government authorities.
  - The application of the business models is subjective at best.
  - The proposal notes throughout the document that Southern Downs Regional Council had and continues to hold a "top down" management model as noted in Figure 2.3.
  - No current business model is based on this model and Council's Corporate Plan, Operational Plan and endorsed structure do not support this model nor utilize it anywhere in corporate publications.
  - The table is an imaginative and illustrative depiction of how the GBCA believes Council delivers its business.
  - In fact it worth noting that SDRC is the only local government authority in Queensland that actively consults the whole community on each year's operational and capital budget and seeks input and views prior to formal adoption. This kind of genuine input into yearly expenditure and Council priorities is referred to using the International Association of Public Participation (IAP2) scale as "involve" and clearly demonstrates that SDRC is well accustomed to using a business and financial model that is directly informed and influenced by local community members. This fact alone demonstrates that the table is inappropriate depiction of the manner in which Council delivers services and projects to the residents of the region.
  - There are no defined or documented efficiencies or improved service delivery emanating from the models.
  - The role of organizational culture is poorly linked to these models, without explanation.
  - Whilst it is suggested that community groups are part of the model, there is no reference to the existing Council Advisory Committees.
  - It would appear that the proposal is indicating that community groups will take on roles previously filled by officers. For example it is suggested that a community committee will undertake the role and functions of economic development. There is a staff member in Stanthorpe that undertakes the role of economic development. The proposal states there will be no redundancies. This type of scenario is not explained and would need to be managed through the Enterprise Bargaining process, which means that redundancies cannot be ignored.
  - All disputes listed have been heavily promoted by the local media.
  - Many of the issues listed have not been dealt with by previous Councils and have meant that specific groups have received real or perceived better treatment from previous Councils. This has been in the form of discounted services or in kind support.
  - Additionally, these "disputes" have occurred as the level of community consultation has increased. The current Council has undertaken more community consultation than any other previous Council, especially to finalize some of these longstanding issues.
  - It is noted that all those parties that have had or are having disputes with Council are the parties supporting de-amalgamation.
  - The "impossible challenge" is not defined and is an emotive term.
  - The increases in rates were not a result of amalgamation, but rather a decision of the Council of the time.
  - The Council at the time chose to borrow for operational works and did not raise fees and charges appropriately.
  - Additionally, the Council at the time expended substantial funds on Emu Swamp Dam and other projects.





- The high turnover of staff is due to the average age of staff. The average age of employees as at:
  - 31/12/2018 - 47.49
  - 31/12/2017 - 48.23
  - 31/12/2016 - 48.89
  - 31/12/2015 - 48.59
  - 31/12/2014 - 47.83
  - 31/12/2013 - 46.52
- It is likely that turnover will remain around 13-15% as the "baby boomer" employees continue to exit the workforce.
- The proposal notes turnover as being high and this is not an entirely accurate reflection. According to the ABS, the turnover for the national workforce was 10.6% in 2012 (ABS 2012).
- According to the Profile of Local Government Workers created by the Australian Centre for Excellence in Local Government (ACELG) Survey, total staff turnover in 2011/12 amongst the 108 centres for which this calculation is possible, ranged from 0% to 46.5%. The average turnover per centre was 12.7%, although the median was slightly lower at 10.3%.
- SDRC's annual turnover is approximately 14% which is only slightly above the National average and the age profile of the workforce must be taken into account, as SDRC has a considerably higher proportion of its workforce in brackets able to access retirement.
- Feedback from staff indicates that a major cause of stress in the workplace is the unrelenting criticism of Council from the local newspapers.
- In relation to "effects on staff" there is no evidence to back up these claims as there has been no communication with the staff.
- Staff are disappointed that these claims and generalizations are made without consultation
- There needs to be some realistic recognition of the many challenges of a de-amalgamation. For one, it will have an enormous impact on staff and in the staff's opinion it was disappointing that this has not been considered, let alone the fact that there was no recognition that SDRC staff are a key stakeholder within this process.
- The proposal refers to the impact on staff morale and self-esteem from the amalgamation in 2008. While the GBCA have presented no evidence to back up this claim, regardless of its validity, the proposal has not considered that a de-amalgamation will also have a (potentially negative) impact on staff morale. Regardless of whether current staff support the de-amalgamation or not, it cannot be denied that all staff will be impacted.
- All staff have access to the Employee Assistance Program.
- The fact remains that in 2008 SDRC was flagged as Council of medium concern regarding finances and it has been well publicized that the elected representatives and the Executive Management over the past three years have repositioned the Council into a space of financial sustainability.
- QTC are aware and supportive of the progress made in improved business and financial modelling at SDRC and are appreciative of these steps.
- Responsible financial management is incumbent on local government authorities and the assertion that proper fiscal management "gives a picture of high internal stresses" is rejected.
- Page 17
  - Emu Swamp Dam has been driven by a sector of the community for over 20 years. Stanthorpe Shire Council and SDRC have expended over \$5 million on studies and land purchases. SDRC has resolved not to proceed with the Dam as the business case is not financially viable and Council does not have the level of funds to invest in the project regardless.
  - There is no allocation of 450 ML high security urban water at no cost for the residents of Stanthorpe.
  - The project will not augment the urban water supply to Stanthorpe.





- o SDRC is involved in legal action with the Stanthorpe Waste Water Effluent Users.
- o The action relates to the validity and exclusivity of the contracts. It would be inappropriate to comment further.
- o The decision to redirect funding away from the Granite Belt Wine and Tourism was made by Council.
- o The decision to remove funding from Destination Southern Downs was made by Council and related to performance issues, financial management and human resource management.
- o It is noted that the former Executive Officer of Destination Southern Downs has not initiated the appropriate governance processes to allow approximately \$20,000 to be returned to tourism operators or SDRC. This process should have occurred in 2016.
- o The first print run of the Visitor Guide omitted the name "Stanthorpe." The first print run of Visitor Guide was never distributed to the community or visitors.
- o The omission was made public by the local media, Stanthorpe Border Post and Warwick Daily News, as these media publications were made aware of the mistake by the printing facility, which is an aligned business of newspapers.
- o It is important to consider the intent of making this omission public, despite no distribution of the Visitor Guide to visitors or the community.
- o It is noted that Council served Jacobs Creek Wine at a launch.
- o In asserting a case for distinct communities that require the creation of a new local authority the proposal relies on a series of "disconnects" that have occurred in the past ten years Figure 2.4.
- o It is worth noting the disconnects find fault only in the last four years of the decade that has passed since 2008. These stated disconnects rely predominantly on print media coverage of community issues.
- o Media portrayal of issues may not always be a reliable source and evidence this is seen in the matter pertaining to the map. In actuality, the map mentioned on page 18 was never printed or released for public distribution without all towns, including Stanthorpe referenced. This clerical error was detected early and corrected, but unfortunately not before being leaked to media and subsequently publicly discussed after the fact, in an effort to generate "newsworthy" material.
- o The table also lists the 2018 greeting signs the Department of Main Roads removing a sign is an issue to be referred to that department. Council is undertaking a review and replacing of tourism signage across the region with consistent branding.
- o The following errors of fact are also noted in this table:
  - Business closures and website hits are completely separate issues and should not be confused. Modern marketing is heavily web dependent and campaigns designed to accordingly.
  - Competitive tendering processes and expressions of interest for leasing is standard and reasonable business practice to ensure equity and parity in decision making.
  - In relation to the Stanthorpe Sporting Association (SSA), the standardization of lessee / lessor service levels for sporting or community leased facilities is an issue which affected many amalgamated Council's in Queensland.
  - Finding equity and parity in service levels within this heavily Council subsidized environment is often fraught with difficulty from lessees who in many cases have volunteer bases, limited finances and varying understanding of the management, roles, and responsibilities of complex facilities and leased environments.
  - It is a matter of public record that SDRC has a long and proud history of supporting the continuation of many community groups and sporting associations who lease facilities through such activities as; peppercorn rent, waiving of water and sewerage charges, volunteer support, grants, subsidies, infrastructure development, and promotion. SSA has enjoyed many of these same benefits for many years.





- As this matter is now legal in nature SDRC is not in a position to make public comment on this and cautions against its inclusion in the proposal as public discourse may adversely impact on legal processes. The GBCA is advised to remove this.
- Council refutes the accuracy of this assertion that it rejected the community's feedback on the relocation of the library as "shortsighted". This statement is inaccurate and should be retracted for accuracy of the public record.
- SDRC undertook community consultation in good faith on the proposed library redevelopment and took on board the feedback.
- The service remains in the existing Council facility and continues to strive to achieve high levels of service, despite the fact that the facility that does not meet State Government library standards for floor space ratios and the limited circulation and programming space hinders the types of activities that could potentially be delivered by this service.
- The running of Australia Day Awards is a regional program for all residents of the SDRC. Maintaining two separate award program would have been a duplication of service.
- In regards to stall holder licensing the statements made are inaccurate. The laws in Australia hold each person responsible if one causes another's loss, injury or damage. This is described as Legal Liability. Even with the best precautions and intentions, accidents can happen and by definition, accidents are unplanned, unintended and unexpected. Being held responsible can be very costly. Public and Products Liability protects against legal liability to customers, clients and members of the public, i.e. third parties (not employees) for:-
  1. Bodily injury, and
  2. Property damage.

Public liability insurance protects stallholders from the financial consequences of causing property damage or personal injury to other people at the market. It is a fundamental part of doing business and protecting your business or Not for Profit against claims. SDRC is simply taking due care and ensuring the reasonable steps are taken to protect stallholders and members of the public.

- Page 18
  - Council welcomes all forms of sponsorships into the region, including the sponsorship of Brown Brothers for Jumpers and Jazz.
  - It is noted that SDRC does not operate Jumpers and Jazz, this responsibility lies with an independent committee, as does the engagement of sponsors. This matter should be directed to that committee not SDRC.
  - SDRC understands that a wine sponsor was sought from the Granite Belt, but a suitable sponsor was not identified.
  - Jumpers and jazz is not Warwick's major tourism event, the Warwick Rodeo and Campdraft is the major tourism event.
  - In relation to greeting signs, this is a project under the auspice of the Department of Transport and Main Roads. This is not a Council responsibility; however Council is seeking to deliver a new signage strategy for the whole region.
  - There are many and varied reasons why tourism related businesses in the Granite Belt are closing. These relate to staff shortages, customer service levels, opening hours, age of operators, etc.





- The Stanthorpe YMCA was operating the Stanthorpe Fitness Centre. The financials indicate that the business was not trading solvent. The Stanthorpe YMCA also undertook upgrades to the building that did not comply with building standards or fire codes. SDRC took over the management of the facility and will continue to manage the facility into the future. The facility returned a loss to the Stanthorpe YMCA and delivers a loss to Council.
- Both the Stanthorpe Fitness Centre and the Stanthorpe Pool went through a procurement process, as is required under the Local Government Act and Regulations. The lease with the operators of the pool had expired with no further options to be activated. The appropriate procurement process was followed.
- There was no aim or directive issued from Council to have the Killarney, Allora and Stanthorpe pools managed by one operator, and this is an inaccurate assertion by the GBCA.
- Legal action has been initiated by the Stanthorpe Sports Association against SDRC. Council is confident that it has legally implemented the conditions of the lease.
- Council undertook extensive consultation in regard to the future of the Library and the Art Gallery. Council will continue to ascertain how these important community services are delivered to the community and appropriately resourced.
- Council revised its volunteer policy to ensure all aspects of occupational health and safety were covered. At Dalveen, the volunteer chose not to continue.
- The Australia Day awards were changed due to a lack of nominations and to ensure that Council was not impacting on the events being undertaken by local service organisations.
- Parties seeking to fundraise must have the appropriate approvals in place in relation to public liability.
- It should be noted that all these issues have been highlighted by the Stanthorpe Border Post and are not necessarily a reflection of the Granite Belt Community. It may be that these issues are indicative of the beliefs of the staff at the Stanthorpe Border Post.
- Additionally it should be noted that the administrative support provided to a number of groups is one person. This one person services the following:
  - Stanthorpe Sports Association;
  - Stanthorpe Community Reference Panel;
  - Emu Swamp Dam Irrigation Pty Ltd;
  - Stanthorpe and Granite Belt Chamber of Commerce;
  - Granite Belt Community Association.

#### **History of Local Government in the SDRC Area**

- Page 19
  - During the period 2008-2012 the SDRC was made up of Councillors predominantly from Stanthorpe (5/4);
    - Blundell, Gow, Ingram, McMurtrie, Pennisi
    - Bartley, Bellingham, Meiklejohn, Shelley (subsequently replaced by McNally)
  - Councillor representation from Stanthorpe was the majority.







- During this period Council debt increased from \$19 million to approximately \$28 million

Financial Year	Total Debt Level
▪ 2008/09	19,682,912
▪ 2009/10	18,992,406
▪ 2010/11	23,250,162
▪ 2011/12	27,224,368
▪ 2012/13	28,574,000
▪ 2013/14	31,863,000
▪ 2014/15	29,936,000
▪ 2015/16	27,940,000
▪ 2016/17	23,753,000
▪ 2017/18	22,253,000

#### **The New Council Initiative**

- Page 20
  - There is no evidence presented to indicate that the current local government model is not serving the needs of the local community, nor is the model defined.
  - The minutes fail to indicate a vote of no confidence in the Chief Executive Officer and Council that was put and agreed to. It is noted in the proposal that the GBCA is very satisfied with the financial management of SDRC. These aspects of the commentary appear to be in conflict.

#### **Community Support**

- No comments

#### **The Granite Belt Region**

- Page 25
  - In 2016 those with Italian ancestry made up 4.2% of the Southern Downs population. This compared to 41% with English ancestry, 14% with Irish, 10.9% with Scottish and 7.3% with German. Between 2011 and 2016 the population of those with Italian ancestry dropped from 1,501 to 1,480.
  - There are many factors that have placed Stanthorpe in its current position. Decentralization of State Government services, negative media, minimal population growth, debt levels, ageing population and one of the lowest median incomes (in the top 10 of the State at \$34,000pa).
  - To attribute blame and responsibility on the local government structure is incorrect.
  - Additionally, there are few examples of dysfunctionality provided from an organizational or a governance perspective.

#### **History of the Granite Belt**

- Page 26
  - Lockyer Valley has 1.4% of its population with Italian ancestry, the same as Stanthorpe, therefore this is not fundamental characteristic of the region.







### **Geography and Land Use**

- The assertion that the geomorphology, topography and natural resources of the two areas are incompatible and distinct and therefore require different local government entities is rejected as being valid. SDRC also rejects the assertion that consolidating natural resources and grouping "geographic areas" was a driver / aim of the 2008 amalgamation agenda.
- Many local governments in Queensland and Australia span geographically diverse country and the system of government at the local level is not dictated nor created by landscape alone.
- For example Sunshine Coast Council governs landscapes that include RAMSAR wetlands, through to hinterland communities and dense urban populations. The Southern Downs region contains a diverse natural landscape and governance and leadership is provided to the community regardless of natural attributes. The system of governance in the Federation of Australian States and Territories relies of three levels of government, each providing rule, leadership, service and representation, depending on constitutional responsibility, and is most certainly not based solely on the management of natural assets.

### **Water and Associated Infrastructure**

- **Page 31**
  - There is not the opportunity for the Stanthorpe and Granite Belt Chamber of Commerce to offer 450ML to the Stanthorpe community as this amount is not recognised in the existing State Government Water Plan.
  - The Chamber has been informed that it should not be making this offer but has chosen to ignore this advice.
  - There has been no discussion as to how the water would be connected to the reticulated water network.
  - A newly formed Granite Belt Council would have the option to purchase water from a number of sellers and would be required to go through an appropriate procurement process, not just the Stanthorpe and Granite Belt Chamber of Commerce.
  - Section 3.4 states that "There is no council owned infrastructure (including civic, administrative and service buildings and other fixed assets such as roads, water, and sewerage) spanning the Southern Downs and Granite Belt.
  - This means that creating a separate GBRC would not have infrastructure impacts.
  - This statement is inaccurate and should be removed as an error of fact.

### **Community Infrastructure and Roads**

- **Page 32**
  - The proposal does not demonstrate an understanding of assets or the current asset management planning.
  - There is not a comprehension of the shared usage of heavy plant and machinery.

### **Demography and Economic Activity**

- **Page 33**
  - Please refer to the commentary in Appendix 1





- **Page 35**
  - Investment has occurred across the region.
  - Investment has been influenced by negative media.
  - Outside of Warwick there has been investment in Allora, (\$22 million chicken hatchery), Pratten and Elbow Valley poultry production, as well as expansions planned at Dennys and Jenco in Allora for manufacturing.
  - Lyra Vinegar and Red Hill Berries have also invested in Stanthorpe and Applethorpe.
  - Please note that the following list of businesses that have locations in both Warwick and Stanthorpe:
    - McDonalds
    - The Physiotherapy Centre
    - Granite Belt Dental
    - Ensley's Electrical
    - Go Vita
    - IGA
    - Commonwealth Bank
    - National Bank
    - Heritage Bank
    - iHear
    - Best Employment
    - SDIEA
    - APN
    - Neato
    - Southern Downs Employment
    - Border Electrical
    - Anglican Church
    - Catholic Church
    - Eastside Hire
    - Howards Timber and Hardware
    - Aldi
    - Rose City Removals
    - Crisps Buses
    - Baguley Freight
    - Walls Sand and Gravel
    - Griffith University Medical Practice (Warwick & Stanthorpe Hospitals)
  - In addition to these, the both towns are in the same territories for sales representatives from Queensland and into Northern New South Wales.
- **Page 36**
  - There are no wide demonstrated differences between the two areas, this is an assertion.
  - The most recent investments in Stanthorpe have been in aged care and retail services, which do not link back directly to water infrastructure, as is the case with horticulture.
- **Page 37**
  - All local government planning schemes cover a diversity of land use functions and it would be inappropriate to suggest that a local government authority cannot manage a planning scheme.
  - There is also no evidence provided.
  - It is noted that later in the proposal (page 60) it is submitted that due to the "stagnant" nature of the economy in Stanthorpe there is no need to revise the Planning Scheme.







- Population projections and demographic data sets used in the document appear to be incorrect or misinterpreted.
- The apportionment of populations in the proposal does not align with SLA's and collector districts used in the most recent census. Importantly, the breakdown of data does not provide sincere analysis on the profile and composition of the community.
- The demographic profile of the GBRC has a significant proportion of aged and elderly, a high SEIFA index rating and low levels of children and young people.
- Likewise the interpretation of data set related to languages other than English and country of birth are extrapolated incorrectly. In Queensland the most ethnically and culturally diverse community is Logan City Council with 219 different cultures represented in Origin of Birth, and Languages spoken at home.
- The age profile of the new LGA causes concern in terms of future rates, growth and therefore financial viability in the longer term.

#### **Key Economic Drivers**

- Please refer to Appendix 1
- Page 41
  - There are more visitor beds in Warwick than Stanthorpe.
  - The cost of the Jumpers and Jazz Festival is not paid for by Council. As noted on page 18 there are sponsors (Brown Brothers) that assist with the cost of the Festival.
  - Each of the major festivals in the Southern Downs is supported by Council.
- Page 42
  - Officers reject the assertion that the linkages in marketing between the two areas have failed, and there is no evidence of this failure.
  - Major events continue to be attracted to the region and there appears to be more film production being attracted to the region.
- Page 43
  - The proposal submits that "Southern Downs" is a failed brand and then suggests it should be retained for the remaining Council.
  - It is noted that 48% of those that participate in the survey cited in the GBCA report had no awareness of any of the names of any of the destinations.
  - The data suggests that the Granite Belt branding requires additional work to make it recognizable.
- Page 45
  - Operators in the Granite Belt have not accepted visitor numbers supplied by the Regional Tourism Organisation, SDRC, the State Government and the Federal Government.

#### **Social, Sporting and Community Organisations**

- Page 46
  - As indicated previously, SDRC has followed appropriate procurement processes to identify businesses to manage recreational facilities.
  - Council will not conduct business with organisations that cannot demonstrate a level of





- financial sustainability or are unable to prove that they are financially solvent.
  - o Council already has a percentage or weighting dedicated towards local content in the procurement process.
  - o Council will not award business to an organisation just because it is a local business.
  - o The proposal is almost suggesting that procurement processes should not be followed; rather only local businesses should have the opportunity to undertake works or management on behalf of Council.
  - o This is not the intent of the sound contracting principles in the Local Government Act and the Regulations and will not provide best value for ratepayers.
  - o In relation to sporting links between the two areas, young people playing any level of Representative sport qualify for the Border Region, which includes Warwick and Stanthorpe, the level up from this is Darling Downs Representative, which includes sporting people from across the region.
  - o Last year Warwick and Stanthorpe had teams in the same basketball competition; there are also linkages through cricket, rugby and golf.
- o Page 47
  - o It is irrelevant if the name "Southern Downs" is in a community group's title or not.
  - o The proposal wrongly assumes that the purpose of the 2008 local government reforms and amalgamations was to merge or amalgamate sporting groups and clubs and states that the lack of merged or joint clubs is "one of the most telling pieces of evidence that can be used to make the point that the Granite Belt is and still remains entirely separate from the Southern Downs".
  - o This is a grossly inaccurate and inadequate understanding of the policy intent and drivers for the 2008 local government reforms.
  - o At no point were sporting club mergers or local recreation participation legislated or regulated policy intent of the State Government's full scale reform of 176 local government authorities through amalgamations. Local sports are still played a local level all around Queensland, with different State Sporting organizations governing local fixtures, regional level play and tiered competition feeding into semi and professional sports. It is simply inaccurate to suggest that this is evidence of failed amalgamations intents and demonstrates the need for creation of entirely new local government authority.

#### **Critique of 2007 SDRC Amalgamation Rationale**

- No comment.

#### **Critique of LGRC Analysis against the Criteria**

- Page 48
  - o The proposal states, "In relation to financial sustainability, the experience from 2008 until 2015 was that the amalgamated Council was in much worse financial state than either of the former Councils".
  - o It should be noted that this was the period of time during which the majority of Councillors were Stanthorpe based.
  - o On page 68 the proposal explicitly suggests that the greatest cost saving would be for the Minister to make the decision to de-amalgamate. Therefore the proposal that GBCA then proffer to put the de-amalgamation to a total of two plebiscites and two elections seems to be hyperbole. This statement also goes against the outlined process recommended by the Minister in May 2018.





### Critique of LGRC Predictions vs Reality

- **Page 49**
  - The proposal states "the amalgamation does not provide adequate representation of that discrete community since it will always be in minority on the Council under any electoral arrangement."
  - This is incorrect. From 2012-2016 Cr Peter Blundell was Mayor of SDRC, based in Stanthorpe
  - During the period 2008-2012 the SDRC was made up of Councillors predominantly from Stanthorpe (5/4);
    - Blundell, Gow, Ingram, McMurtrie, Pennisi
    - Bartley, Bellingham, Meiklejohn, Shelley (subsequently replaced by McNally)
- **Page 50**
  - Arguments about representation are incorrect, during the 10 years different people have been voted on to Council for different reasons.
  - In regard to the financial sustainability of Council, the large debt was incurred when there were a majority of Stanthorpe based Councillors.
- **Page 51**
  - The local media has supported and encouraged de-amalgamation, as have some current and past Councillors, creating a de-stabilising impact on the local economy and the SDRC.
  - If the business plan for connecting Connolly Dam and Storm King Dam is completed there is a high likelihood that the water supplies will be connected.
  - The Waste Management Strategy adopted by Council indicates that each town will not manage its own hard waste facility.
  - The Stanthorpe landfill has reached capacity and all waste will be taken to Warwick and Yangan.
  - The economies of scale are appropriate in the water and waste water areas in relation to the training of staff, the bulk purchasing of chemicals, the procurement of professional services, the investment in technology and the equitable pricing of water and waste water across the region.
  - There is not an extra layer of administration to manage water and waste water.
- **Page 52**
  - Travel between depots has been reduced through the use of audio visual equipment and technology.
  - There is no mention of the effective use of heavy plant or machinery in achieving efficiencies in road management.
  - It is noted that the main depots share equipment and key staff.
    - **Warwick Depot**
      - 5 x HR truck and dogs (Used often)
      - 1 x prime mover/float/semi tipper (Used often)
      - 1 x 24t excavator (Used as required)
      - 1 x loader (Used often)
      - 1 x loader/zipper stabilizer (Used as required)
      - 6 x backhoes (Used as required)
      - 2 x 24t multi tyre rollers – reseals (Used as required)
      - 3 x HR tandem drive water trucks (Used as required)
      - 3 x MR single drive water trucks (Used often)





- 1 x skid steer MR truck/trailer combo (Used often)
    - 1 x Crane truck (Used often)
  - Stanthorpe Depot
    - 2 x HR truck and dogs (Used often)
    - 1 x 24t excavator (Used as required)
    - 2 x 24t multi tyre rollers – reseals (Used as required)
  - Usage will depend on funding and the condition of infrastructure
- Page 53
  - The management of gravel supplies is not an indicator of the overall performance of Council.
  - A number of consultants' reports have been undertaken on this issue.
  - Issues exist in relation to the procurement of the gravel, the quality of the gravel, the transportation of the gravel, as well as occupational health and safety issues.
  - The populations of Mareeba and Goondiwindi are not the same size as the Southern Downs Region.
  - Goondiwindi is a category 1 Council (10,770) and Mareeba (21,833) is a category 2 Council and SDRC is a category 3 Council (35,500). The population of the Southern Downs is greater than the other two local government authorities.
  - The population comparison does not prove that the economy of scale argument applies, nor does it inform corporate overheads.
  - It has been noted previously that the turnover in staff is due to the large number of staff retiring, not dysfunctionality as stated.
  - As previously noted there are many businesses that have a presence in Stanthorpe and Warwick.
  - It should be noted that during this so called period of "dysfunctionality" SDRC has been awarded record levels of grant funding and facilitated over 1,000 jobs into the region, as well as Council staff winning state and national awards.
- Page 54
  - The assumption that the journey to work data is made up of primarily Council staff is incorrect and does not match up with information held by Council and the ABS data does not ask for end of journey details so this is a total assumption.
  - The proposal states "The tourism industry in the Southern Downs is comparably very small, mostly relying on a few events such as rodeos and motor sports." It is noted that the Morgan Park Motor Sports facility is booked 48 weeks of the year with different events.
  - It is noted that there are more visitor beds in Warwick than in Stanthorpe and the surrounds.
  - SDRC has audited the number of available beds in the Region; not including dormitory style accommodation, Warwick has 547 beds and the Granite Belt has 437
  - The proposal states "Stanthorpe has the Queensland College of Wine Tourism (QCWT) which is co-funded by the University of Southern Queensland. Warwick has no equivalent facility."
  - It is noted that Warwick has South West TAFE based in Warwick, and the Griffith University Medical Practice is located at both the Warwick and Stanthorpe Hospitals.

#### Local Government Regulation Criteria

- No comment





#### Checklist of Current Change Commission Requirements

- No comment

#### Communities of Interest

- Page 57
  - It is noted again that the other physical connection is the railway which has existed for decades.
  - It is noted again that Council staff do not make up the majority of trips in the journey to work data, for example John Dee has 18 employees based in Stanthorpe, as do other businesses.
  - The proposal wrongly states on page 57 that the only significant physical connection between Warwick and Stanthorpe is the New England Highway. This assertion omits the reality that there is a railway line which has historically and contemporaneously joined the two communities for many years.
- Page 58
  - Increased representation does not necessarily lead to better outcomes in relation to decision making or efficiencies.
  - It is noted again that the other physical connection is the railway which has existed for decades.

#### Joint Arrangements

- Page 59
  - SDRC already has joint arrangements in place with Tenterfield Shire Council.

#### Planning

- Page 60
  - Under State Government legislation a planning scheme is required.
  - Development is described as "stagnant" in the proposal. This observation combined with the recent data indicating that two of the statistical local areas of Stanthorpe are classified in the top 10 of the lowest median income in Queensland creates some real issues around levels of disadvantage and affordability.
  - Additionally, it also means that any proposed rate increases or reductions in service are likely to have a significant impact on the Stanthorpe community.
  - The proposal supports the Goondiwindi model for Granite Belt Regional Council and the Mareeba model for the Southern Downs Regional Council.
    - The Goondiwindi senior management model has costs of \$1,782,300
    - The Mareeba model has costs of \$2,242,300
    - The current SDRC model has costs of \$2,692,163
  - The increased cost for management would be \$1,332,437 per annum.
  - There are legislative requirements in relation to the delegation of Planning, Plumbing and the delegations within the Chief Executive Officer's Office.
  - The proposal states, "Staffing levels for GBRC and its financial structure have been benchmarked on the highly successful adjoining Goondiwindi Regional Council, and the new SDRC on Mareeba Shire Council. The aim is to create two local councils that are not burdened by layers of administration supervising activities in multiple sites, but which each has a lean and focused team of staff with pride in, and a close connection with, their local communities."





- On what basis are the other local governments deemed successful? Is it inferred that existing staff do not currently take pride in their work?
- Improper consideration is given to the planning environment of the former and new Council's.
- The proposal notes that the population growth rate is low and that development has been "stagnant" (page 60). However the proposal also states on page 36 that the Granite Belt has the potential to "grow its population and economy" directly, contradicting this statement.
- The proposal states that all growth will happen away from the proposed boundaries and there will be no "urban overspill". This is inaccurate as the existing scheme accommodates for growth in Stanthorpe and surrounds accordingly.
- The proposal omits any information on what instrument or steps to legally assess development the new Council would be putting in place. The last planning instrument prepared for Stanthorpe Shire Council was written in 2004 and was superseded in 2012 by the new Southern Downs Regional Planning Scheme. The previous scheme does not meet current State planning legislation, regulations, policies or guidelines and would need to be prepared in accordance with these.
- The new GBRC would need to ensure that the current planning scheme is utilized in making decisions until such time as the new Council has budgeted and prepared and adopted a new compliant planning scheme. The proposal does not specify the process for a development application being made, but not decided, before the 2020 (Changeover Date) de-amalgamation date. No guidance is provided in the proposal on which Council – the continuing regional council (Continuing Council), or the new shire Council (New Council) – will be the decision-maker for applications? Nor is there sufficient detail provided in the submission on what system for infrastructure payments and bonds transfers will be in place during transition and formation of the new Council.
- The amendments to SPA also contain a number of provisions aimed at assisting a New Council that becomes the decision-maker for an application. If the New Council is required to take a step within a certain period, and, at the date of becoming responsible for the application, has not taken that step, it receives an automatic 10 business day extension or risks becoming a "deemed approval".
- For example, if the new Council would, on the date it becomes decision-maker, have 8 business days to make a decision, then it instead has 18 business days. No information is provided on what system will be in place to ensure equitable treatment of planning applications, compliance notifications and efficient processing of DA's within relevant statutory timeframes. This poses a significant risk to the current applications submitted.
- A number of practical issues are likely to arise where a New Council is to replace a Continuing Council in a proceeding. For example, in Planning and Environment Court proceedings, it is not clear whether the New Council should file and serve an Entry of Appearance, to put on record that it is replacing the Continuing Council and its address for service. If the New Council intends to use different solicitors, it would also need to file a Notice of Change of Solicitor. The proposal is silent on these matters and as such poses a significant risk to SDRC.
- De-amalgamation will affect a number of contracts currently in place for the supply of services across the current local government area.
- Waste collection services have recently been tendered for the whole SDRC region and an agreement would need to be brokered to ensure that no negative impact on contractual obligations is caused by either local government entity.
- Additionally, no allowances or analysis on the impending changes to waste levy and policies at a State or Federal Government level is made within the proposal despite this being a significant issue affecting the SDRC community at present.





#### **Resource Base**

- Mareeba Shire Council has a Chief Executive Officer, two Directors and eight Managers for 21,000 residents.
- This is a significant amount of management positions and would not be described as "lean."

#### **Financial Viability Analysis**

- No Comment (see overview).

#### **Financial Sustainability**

- No Comment (see overview).

#### **Service Area Cost Structures**

- Page 63
  - The service area cost structures are not described.
  - The mobile library service is under review and likely not to be continued due to the age of the vehicle.

#### **SDRC Financial History**

- Page 64
  - The proposal states "The large deficits in 2012-2015 are understood to be mostly associated with substantial flood recovery works which were not eligible for reimbursement under the disaster recovery guidelines. These flood works were in the Southern Downs area."
  - It is noted that this is also during the timeframe where there were majority Stanthorpe representation in Council and there was significant expenditure related to engagement of consultants for Emu Swamp Dam, the purchase of land for Emu Swamp Dam, and the purchase of Applethorpe TAFE.
  - Amalgamation and its benefits or otherwise are influenced by the decisions of the elected Councillors.
  - Staff numbers have not changed substantially. Proper budgeting, proper procurement, removal of discretionary expenses (such as councillor travel) and increased revenue (user pays) and successful funding have been key to restoring better financial management.
  - The assertion that the proposal makes in regards to disproportionate allocation of funding between Southern Downs and Granite Belt communities is fundamentally not substantiated by evidence provided in the body of the report. A decade of service delivery, shared operational activities, programming, capital works and contracts by SDRC has been spread across the region and the premise of unjust allocation is rejected as having no prima facie case established in the proposal.
  - The premise that the proposal suggests that financial performance of SDRC over the past ten years has been based solely on the effects of amalgamation is not substantiated by the evidence provided in the report. Financial management and viability of SDRC is a matter that QTC are very familiar with and SDRC's credit rating and financial sustainability rating provide a better base for any analysis of financial matters concerning the present SDRC.







### **Operating Revenues and Costs**

- No Comment [see overview in Appendix 3]

### **Capital Works**

- Page 65
  - The assumptions in the capital works are incorrect

### **Assets and Liabilities**

- Page 66
  - The proposal ignores the need for cash reserves to fund infrastructure replacement.
  - The proposal indicates the Asset Management Plans are well progressed, this is incorrect. Council is currently undertaking considerable work to develop adequate Asset Management Plans.
  - The proposal states "allocation of assets and liabilities should be relatively straight forward, as there is no inter-connected Council infrastructure". This is not correct in all circumstances.
  - The waste infrastructure is connected with the Stanthorpe Landfill, reaching capacity in less than 12 months, requiring future waste to be transported to Warwick.
  - The community housing infrastructure is connected across the whole region.
  - The proposal does not deal with the different levels of equity (financial) in the community housing assets and the operation of the service.
  - There is the opportunity for water to be linked in the future, which will provide future water security for both Warwick and Stanthorpe, subject to funding.
  - There is no rationale to support the distribution of cash and investments based upon population.
  - Loans should not be based on population rather the loans should be based on the purpose of the borrowing and linked back to location.

### **Staffing**

- The issues of staff liabilities are not recognised, nor are potential redundancies.
  - Staffing levels have reduced by 3 EFT since amalgamation.
  - Staffing roles and responsibilities have changed significantly since amalgamation.
  - The proposal does not recognise the different skills sets in the indoor or the outdoor staff.
  - Changing the location of workplaces would need to involve consultation with staff and unions.
  - The proposal does not understand that specific staff are linked to specific plant to deliver services.
  - It would appear that the Goondiwindi model is simply an organisation structure.
  - The Goondiwindi structure has a CEO and two Directors, there are no demonstrated cost savings, in fact it may be the opposite.
  - The model does not take into account or cost the yet to be determined wage increases from the enterprise bargaining agreement which is being negotiated at present.
- Page 67
  - The proposal states that there will be no redundancies and in the same paragraph states that community groups will replace staff in areas such as economic development. The redeployment of Stanthorpe based economic development staff is not explained.





- The use of community groups will impact on delegations and procurement, and in some ways would question the role of Councillors.
- The staffing model proposed lacks detail and does not take into consideration full transitional arrangements required by both proposed new Council's, industrial instruments or agreements and wrongfully claims the costs that will be incurred due to redundancies and recruitment processes.
- The proposal is based on the notion of no forced redundancies and the flawed assumption that all roles remain unchanged since the point of amalgamation in 2008.
- The proposal provides no organizational structure, scant information on the types of roles to be transferred and the services offered, simply a mention on the need to negotiate on staff between the two entities. Reallocation of staff would be far more complex as Council does not have mirrored rates in both Warwick and Stanthorpe, eg all six revenue officers are in Stanthorpe with none in Warwick.
- There is no mention of required management staff, and no information provided on costs of contracts.
- When preparing for de-amalgamations Noosa Shire Council employed a transition team of six employees for a period of eight months.
- The costings associated with the proposed transitional arrangements are underestimated and relate only to GBRC, and do not take into account the costs and impacts that would fall to SDRC in the process.
- The proposed service model utilized in the new Council is based on Goondiwindi Council and mentions several services / operations that are not currently offered by SDRC and would require resourcing.
- It is assumed all current industrial instruments and protections, individual contracts award conditions, employee entitlements will be maintained as no alternative workplace policies or procedures were contained or outlined within the proposal.
- As the proposal only considers "no forced redundancies" in relation to staffing, it is noted that the new local government would need to give much greater consideration to staffing matters and should be mindful of anti-discrimination, freedom of association and general protections laws when making decisions in this regard, as presently this area is omitted from the documentation. Without certainty or details of such measures being provided in the proposal, it is not possible to fulfil the stated policy of the Queensland Government for SDRC to understand the impacts of staff and therefore protect the rights of staff.
- Selection processes to identify staff or appoint independent transition panel members will be subject to close scrutiny from the unions and employees and so must follow a transparent and defensible process.
- It would appear to be appropriate to transition out poor performing staff at this time, yet the claim of no redundancies would not allow this action to be followed.
- In particular, CEOs and Transfer Officers should be able to defend their selection processes in the event of any claims of discrimination or breach of the freedom of association provisions of the Industrial Relations Act 1999 (Qld) or the general protections provisions of the Fair Work Act 2009 (Cth). The general protections provisions will apply if the relevant local government is considered a trading or financial corporation, which will depend on the activities undertaken by it.
- The proposal notes no costs associated with recruitment activities but no information is provided on how transparency and equity will be assured in the recruitment process.
- The proposal fails to recognise the difficulty in attracting staff to the region. Southern Downs Regional Council regularly needs to advertise for staff on 2-3 occasions to attract suitable candidates and at times pay above the market rate.





### One-Off De-Amalgamation Costs

- Page 67
  - The proposal presumes that the cost of de amalgamation exists in only one year of reporting, this is not correct.
  - A "neutral/balanced transfer process" needs to be defined.
  - There appears to be confusion in the proposal as to how redundancies are dealt with or avoided. In one scenario the proposal claims there will be no redundancies, in other parts it claims that the cost of redundancies will need to be reduced.
  - Redundancies will be applied as per the enterprise bargaining agreement.
- Page 68
  - The information technology costs are incorrect.
  - The comment is made that all transition costs can be funded from "transferred cash balances," this is not correct.
    - The cash balances represent funds for:
      - infrastructure renewal in water, wastewater, community buildings, roads, drainage;
      - development contributions;
      - staff entitlements;
      - bonds, etc.
  - The following table was provided to the group in relation to information technology transition:

Item Description	Setup Cost	Annual Cost thereafter
40 Staff PC's	\$72,000.00	
9 Council/lor Laptops	\$18,000.00	
Mobile Phones, Smart Phones, iPads	\$42,000.00	
Network Infrastructure	\$100,000.00	\$16,000.00
Server & Network Consultancy	\$40,000.00	
Internet Connection	\$4,000.00	\$60,000.00
Safe City	\$100,000.00	
Building Security	\$50,000.00	
Information Security	\$20,000.00	\$20,000.00
Microsoft Windows / Office Licensing		\$50,000.00
Phone System	\$60,000.00	\$17,600.00
Mapping System	\$40,000.00	\$26,000.00
Financial and Property System	\$200,000.00	\$100,000.00
Electronic Document Management System	\$200,000.00	\$40,000.00
Telecommunication Fee's		\$31,000.00
Minutes and Agenda System	\$20,400.00	\$17,300.00
Website support, hosting - exclude Intranet	\$35,100.00	\$7,000.00
Miscellaneous software		\$50,000.00
Free Library Wifi		\$1,440.00
<b>TOTAL</b>	<b>\$1,001,500.00</b>	<b>\$436,340.00</b>





- The transition costs require careful scrutiny, for example:
  - Is the \$50,000 allocated for Rebranding and Communications for one local government authority or two?
  - Does the independent panel assume that there are two Chief Executive Officers employed?
  - Is it realistic to have no funding for recruitment or redundancies?
  - With no funding for recruitment does this mean that there will be no advertising, agency recruitment fees, medicals, criminal checks or testing?
- It would be opportune to examine the transition costs in detail, for example, will there still be an Audit and Risk Management Committee in both the new Council and the remaining Council?

#### 10 Year Financial Sustainability Indicators

- Page 70
  - Please note comments in Appendix 3
- Page 71
  - The population growth estimate is incorrect and is not qualified, i.e. Is the forecast for the Southern Downs or Stanthorpe? If it is for Stanthorpe, it is a lot less than stated.
  - Population growth at present is closer to 0.01% for the region. Rates have not been at 3.8%, this forecast is incorrect.
  - Rate rises will depend on Council decisions.
  - The proposal does not determine how much more financially stable SDRC could be compared to two separate Councils that are financially sustainable.
  - Does a single local government that is very financially stable, deliver a higher level of services and capital works, as well as lower rates, compared to two local government authorities that are financially sustainable? What is the opportunity potentially lost?

#### Risks

- Page 71
  - Natural attrition will not cover employee positions that are required under legislation (building surveyor, environmental health officer, town planner, etc.), therefore redundancies or recruitment costs will need to be included.
  - New "liabilities" will be placed into the LTFP as part of the budget process.
  - The Waste levy is not included in the calculations.

#### Opportunities

- Page 72
  - There are no savings to be made from a single service point that have been demonstrated.
  - The Stanthorpe Fitness Centre was operated by a community group previously. The group failed to deliver a surplus despite a significant subsidy from Council. It was likely that the group was trading in an insolvent manner. Additionally, specific groups and individuals were accessing the facility either at no cost or at a heavily discounted rate. It would be incorrect to list the Stanthorpe Fitness Centre an "opportunity," rather it is a facility that the community expects to be delivered as a community "good."





### Proposed Transition Arrangements

- Page 74
  - After condemning the name "Southern Downs" the proposal then recommends that the name be retained for the remaining Council.
  - This recommendation is made without consultation or an assessment of any of the liabilities associated with the name.
  - On page 67 the proposal explains that it seeks a "transition manager and committee" on the advice of Mr Peter Franks, a former senior executive during the Delatite Shire de-amalgamation in Victoria. Upon reviewing the facts, it becomes evident that anecdotal and personal professional views as quoted in the document do not fully provide the facts of the Victorian situation. In fact, the Victorian Government introduced legislation to dismiss the Delatite Councillors from Office, and to create two new Shires (Benalla and Mansfield). It then appointed both independent administrators and interim CEO's for both new Councils. Benalla was given the initial responsibility for ensuring service continuity for the two new council's until all issues were resolved and each were running independently – they were provided a five month timeframe to achieve this. (Source: 2011 Discussion Paper: A potential model for establishing a new Noosa Council). This report goes into extensive details concerning the fact that Benalla and Mansfield had no Councillors for this five months period which resulted in a significant costs saving, timing with upcoming elections, challenges associated with sharing and transitioning resources and staff etc. No such costs savings would be relevant to the newly created GBRC or to SDRC if the proposal is timed to occur in line with the 2020 Local Government election cycle. The singular anecdote captured by the proposal may reflect the lived experience of Mr Franks, but the situation in Victoria at those two Council's needs to be looked at in its entirety prior to consideration being given to adopting that model in the Queensland setting. It is also worth noting that in Queensland four more recent de-amalgamations were guided by regulation and implemented and this setting is more relevant to the proposal.
  - The proposal assigns \$0 cost to the "transition manager and staffing" and suggests this will be done by an "independent panel". This is a fundamental error and demonstrates a lack of understanding roles, responsibility and delegations of authority of a transition manager.
  - It is the role of a transition manager to appoint a CEO, who then is duty bound by the LG Act 2009, an independent committee is not permitted to exercise the same powers as Elected Representatives or the CEO.
  - The proposal suggests the appointment of an independent panel but only attaches costs for this panel to the new Council at an estimate of \$75,000. No costs to SDRC are taken into consideration in this process. It notes that this panel would need to report and work with the GBRC members in addition to the suggested "two part time members and administration Officer" on page 68 of the report. It is unclear how this ratio of membership is fair and reasonable.
  - This proposal ignores the positive experience of Noosa Shire Council de-amalgamation process and wrongfully suggests that the 2014 De-amalgamation regulation was a flawed process and one that didn't achieve results. The proposal recommends that the two new council's be elected at the usual 2020 election timeframe, and states this will be a cost saving as it can all occur in the usual election cycle. This statement is incorrect in fact, as the proposal is actually to hold:
    - *Plebiscite for the entire SDRC region on de-amalgamations,*
    - *Postcode (Dalveen) specific plebiscite and,*
    - *Whole of GBRC and SDRC usual election processes.*





- This represents a total of four separate voter engagements to be facilitated – one to ascertain support for de-amalgamation, one to ascertain support for local specific de-amalgamation and then one election for the newly created GBRC and one election for the newly elected SDRC. This sheer volume of work and cost associated with facilitating such activities within the next twelve months make this proposal unviable.
- IT costs associated with the operations of libraries, recreational facilities and contact service centers have not been included in the proposal. The stated IT system to be used provides some functionality but does offer a full suite of services for the provision of all transitioning services. Telecommunication services and computing equipment for the staff are also omitted in the estimates.
- Effective, ongoing communication is one of the keys to successfully managing any de-amalgamation process. Communication will not only provide clarity and certainty to employees throughout a potentially stressful process, it will also assist the new and continuing local governments to retain community confidence. SDRC notes the complete lack of information contained within the proposal related to transitional arrangements and the creation of the new GBRC and SDRC. As a fundamental matter of ongoing concern and import, media and communication being omitted from the proposal is viewed by SDRC as a significant flaw in the analysis.

#### **Dalveen Options**

- Page 75
  - The inclusion of Dalveen was deemed out of scope by the Minister.
- Page 76
  - Significant works are required at Dalveen to upgrade the CED, the reservoir and the community hall.
  - These works would be in the order of \$1,000,000 which would have a material impact.

#### **Two Vibrant Communities –Two Vibrant Councils**

##### **Granite Belt Regional Council**

- Page 77-78
  - Reference is made to the use of private plant which has not been covered in the body of the proposal and has a financial impact.
  - Reference is made to the encouragement of professional development of staff which has not been covered in the body of the proposal and has a financial impact, especially noting that there are no forecasted funds for recruitment or redundancies.
  - Community based models are referred to but not defined.
  - The proposal moves between the micro and the macro, the establishment of a commercial bus to Wellcamp Airport?
  - Sustained criticism of the term "Southern Downs."

##### **The New Southern Downs Regional Council**

- Page 78-79
  - The proposal argues that much of the issue relates to branding, this is not a valid or well supported argument for de-amalgamation.





### Concluding Statement

- Page 80
  - Stanthorpe is different, and unique. SDRC consists in fact, of a number of distinct townships and communities, each of whom are unique and different. Differences should be what unite us, diversity should strengthen us and the individuality of the towns and communities of the region should be what defines the Southern Downs, not what is used to divide it into two separate local government entities.
  - SDRC is not alone in having towns that differ from each other. Many LGAs have towns and places that are distinct. Maleny is quite distinct from Caloundra or Beerwah in the Sunshine Coast Council. Kumbia, Kingaroy and Nanango are also very distinct towns within the South Burnett Local government area, each with their own cultural norms, environmental assets and economies and resources. Eungulla is quite different from Mackay. And yet, all of these towns all co-exist within the same LGA's boundaries, and each with their own national parks, unique wildlife, wineries, local produce, tourist offerings and distinct rural and regional townships.
  - In truth it is their very points of difference which add depth and character to regional and rural areas of Queensland. It is their differences that help define their region, and in many ways this is akin to the Stanthorpe difference. Stanthorpe is different, so is Maryvale, as is Allora, Leyburn, Dalveen and Warwick. Each of the parts should make up the whole, differences should be what unites and are celebrated about all of our unique communities, not a weapon used to divide them.
  - In a modern Australia and Queensland, there is room for difference and tolerance for what makes each part of the whole unique. In the Southern Downs Region, there is room for Stanthorpe's points of difference to be celebrated and recognised without the need for a creation of a second local government authority which the proposal has clearly not demonstrated an enduring need for.

### Conclusion

The proposal for de-amalgamation has caused significant angst in the community and with the staff of the Southern Downs Regional Council. The proposal that has been presented is subjective and contains a high degree of emotion and sentiment, not all of which translates into creating a detailed and sustained argument for the de-amalgamation process to progress. It is important that information that is presented within the proposal can be validated or tested in a manner that will inform any future process, and ensure that facts and figures have direct application into a modern local government environment.

The proposal does not necessarily demonstrate the financial impacts of the proposed de-amalgamation, on either the residents of the new Granite Belt Council or the remaining Southern Downs Regional Council, rather the proposal focusses upon the strengths of the Granite Belt Region from a tourism and community perspective. The proposal should detail how ratepayers from either of the proposed local government authorities will be financially advantaged or disadvantaged. This is not apparent within the proposal and not covered in the financial modelling, noting that a number of the assumptions in the financial modelling are not sound.

Additionally, the proposal does not demonstrate or detail what makes or qualifies a local government authority as being financially sustainable. Being recognised as being financially sustainable is not simply having the capacity to deliver minimum services and returning a better than break even result to ratepayers, financial sustainability relates to the ability of the local government authority to manage the financial impacts of natural disasters, population decline, and ageing assets, as well as meeting the





aspirations of the community.

Absent from the proposal are references to the existing levels of service provided to the one existing region, compared to what the level of service would be provided to two municipalities. It would be important for ratepayers to understand how these levels of service would change. Additionally, it would be as important for ratepayers to understand the ramifications in relation to service delivery and funding that would result from the new local government authority being a Category 1 Council and the remaining Council being a Category 2 Council. Apart from the levels of remuneration associated with the elected members there has been very little review of these implications which impact on services such as libraries and more importantly recurrent funding levels.

As indicated, the report does not deal with important financial issues, such as the division of development contributions or the currency of funding programs; rather it simply seeks to split resources and funding 30/70 and apply that to the two organisations in the future.

It is interesting to note that the proposal realistically deals only with issues primarily associated with the current elected Council. There are few references to the former elected Councils noting that these former Councils incurred the highest level of debt. It is noted between 2008-2012 the majority of Councillors were based in Stanthorpe, with the 2012-2016 Mayor being from Stanthorpe as well. The proposal does appear to have a particular focus on the current Mayor and Councillors, which suggests that some parts of the proposal are potentially politically motivated.

With regard to the proposal's author, David Spearritt, it is noted that he has prepared reports supporting de-amalgamation and arguing against de-amalgamation for multiple Councils. There is no concern in relation to the author undertaking these works, although it is noted that aspects of the previous reports, particularly in relation to costings, appear to be in contrast to what has been presented in the current proposal.

It is also noted that the author quotes parts of the Delatite Shire Council de-amalgamation in the proposal, but is silent on rate levels from the de-amalgamated Delatite. In work undertaken for Moreton Bay Regional Council arguing against a proposed and abandoned de-amalgamation (Redcliffe out of Moreton Bay <https://www.moretonbay.qld.gov.au/uploadedFiles/common/publications/Analysis-Redcliffe-Deamalgamation.pdf>), Mr Spearritt does outline the potential and actual rate increases that occurred as part of the de-amalgamation of Delatite Shire Council:

**Table 6 Proposed Rate Increases**

	Upon Separation	2002/03	2003/04	2004/05	2006/006
Delatite		5%	4%	4%	4%
New Benalla	12%	5%	4%	4%	4%
New Mansfield	16.5%	5%	4%	4%	4%

**Table 7 Actual Rate Increases**

	2002	2003	2004	2005	2006
Benalla	12%	37.8%	10.2%	10.3%	7.5%
Mansfield	16.5%	33.2%	8.2%	6.2%	7.5%

Furthermore, in the Moreton Bay study, Mr Spearritt forecasts a rate increase of between 37% and 56% following the proposed de-amalgamation.







Additionally, in the report prepared for Moreton Bay Regional Council, the figures relating to information technology, change management and branding are significantly higher, noting the higher population level and that the report was completed in 2011.

The presented proposal ignores all corporate or organisation documentation that has been undertaken for the Southern Downs Region, including *Shaping Southern Downs*, the Southern Downs Corporate Plan, the Southern Downs Planning Scheme, the Economic Development Strategy and the Tourism Strategy. In undertaking the review of the region it may have been opportune to make reference to the strategic and corporate documentation.

As part of the model put forward by the Granite Belt Community Association in the proposal there is little reference made to the consultation processes to be undertaken with the staff of the existing new Granite Belt Council and the remaining Southern Downs Regional Council. It would appear that the review of the staff structure has been limited and as emphasized in the report there is a complete absence of reference to the role of Unions or the existing Enterprise Bargaining Agreement.

Potentially, the implementation of the proposal will have an enormous impact on staff and it is disappointing that this has not been considered, let alone the fact that there is no recognition that staff are a key stakeholder within this process. The proposal refers to the impact on staff morale and self-esteem from the amalgamation in 2008. While the proposal presents no evidence to back up this claim, even if true, there is no consideration that a de-amalgamation will also have a (potentially negative) impact on staff morale. Regardless of whether current staff support the de-amalgamation or not, it cannot be denied that all staff will be impacted and this is not recognised, rather it is simply stated in the proposal that there will be no redundancies or recruitment.

Council officers have undertaken best endeavours to provide a fair and reasonable assessment and review of the proposal that has been put forward. As indicated the proposal demonstrates the aspirations of parts of the Granite Belt community. Local government has changed a great deal over the past decade and it may be suggested that the proposal has not acknowledged this level of change or modernization.





## Appendix 1

### Economic Development and Tourism

The comments below pertain to the specific sections that the Economic Development and Tourism Department (ED&T) handles. These are limited to the section 3.5.

To undertake a detailed analysis of the GBCA's submission the ED&T ran the same report from the Office of the Queensland Statistician referenced on page 33 of the GBCA Report. This report compared the Granite Belt, made up from the SA2's of Stanthorpe and Stanthorpe Region against the 'Southern Downs', made up from the SA2's of Warwick, Southern Downs East and Southern Downs West. To help with the analysis the ED&T also ran a corresponding report comparing the Southern Downs with the Granite Belt. The reason for this second report is that the format of the documents produced has finer detail on the first location than the second, which will provide a more accurate interpretation of some of the data sets. To complete the comparisons ED&T also compared the Granite Belt to Logan Central, once again to provide a wider view of some of the data provided.

On page 33 the GBCA state that the community's largest group of residents born overseas from a non-English speaking background is Italian, while this is true the largest group of residents born overseas is actually English, which is the same as Warwick. The percentage of people born overseas residing on the Granite Belt is 14.2% and on the Southern Downs it is 8.5%, while in Logan it is 43.2%; these figures question the assertion that the Granite Belt is unique because of its ethnic make-up.

On page 35 the GBCA argue that the Council has focused on attracting investment to Warwick and not Stanthorpe. This is not the case. In recent years there has been new development in both centres and the SDRC has been instrumental in the development of both areas. Notable developments in Stanthorpe in the past number of years include but not limited to; Australian Vinegar, Churches of Christ Aged Care, Aldi and IGA. There has been more development in Warwick due to business factors not Council factors. Warwick is on the corner of two of the Nation's major highways; it has relatively cheap land, access to supply chains and labour. SDRC continues to promote Stanthorpe as an area for investment.

The difference in the style and number of accommodation providers reflects a difference in consumer preference and product. Similarly highlighting that there are wineries and National Parks on the Granite Belt and none (wineries) on the Southern Downs is irrelevant. Good destinations provide a mix of product and experience, which is achieved through the current alignment. The fact that the product mix and range of experiences is different is not a strong enough case for splitting and consumers don't know which local government they are visiting anyway.

The GBCA proposal points towards the seasonal workers' spending as an economic boom. SDRC does know that these workers provide an important component of the economy but as a cohort they tend to spend very little money per day compared with 'typical' international visitors. The seasonal workers tend to stay for approximately 16 weeks but only spend approximately \$30/day. The number of workers also affects the SDRC's capacity to deliver infrastructure; over the growing season there are approximately 3000 seasonal workers in the Granite Belt at any one time, which will constitute approximately 25% of the proposed new Council.

These workers are not included in the FAGS calculations but they still utilize the water and sewer, waste services, roads and public spaces. How will GBRC account for the extra 'residents'?

The GBCA asserts that there is more horticulture on the Granite Belt, there is. Does this provide a strong





enough reason to grant de-amalgamation? The author referenced in the facts regarding horticulture is an active member of the de-amalgamation movement; can this be construed as a conflict of interest. Furthermore, many of the statements provided outline a 'possible' future. There is little hard evidence of increasing production, growing markets and growing incomes. The statements fail to demonstrate proof.

To bring the focus back to Tourism, the GBCA have asserted on page 40 that Tourism is more important to the Granite Belt than the Southern Downs yet there are no figures to verify this claim. The GBCA have provided figure 3.15 as evidence that there is more tourism infrastructure in the Granite Belt than there is in Warwick. SDRC has audited the number of available beds in the Region; not including dormitory style accommodation, Warwick has 547 beds and the Granite Belt has 437.

The GBCA also state that Warwick relies more heavily on events and yet the Granite Belt holds the Apple and Grape Harvest Festival, Snowflakes Festival, the Johnny Cash Festival, a Rock and Roll event called Sounds of the Vines, which is going to be an annual event, Ballandean Estate and Robert Channon Wines hold concerts in the vineyards each year, U/12 Schools Rugby League State Championships every year, Orienteering State Championships each year, 20 days of racing at Carnell Raceway, Grazing the Granite Belt, and the National Busking Championships. These are all events that the Granite Belt relies on for custom.

On page 41 the GBCA asserts 'amalgamation has damaged the tourism sector' and that the SDRC is using a 'one size fits all' approach. There is no evidence that either statement is correct. SDRC now undertakes marketing which is industry best practice and measures the results, something not done prior to 2017. The GBCA refer to a number of earlier consultancies but do not mention the engagement undertaken by the current ED&T.

The GBCA have utilized a SDRC report and referred to it on pages 43 and 44. The findings have been taken out of context so much so that the argument they put forward is totally incorrect. A copy of the research is attached. Many of the statements made by the GBCA are incorrect, have no factual basis or have used out dated research and data. The National Institute of Economic and Industry Research (NIEIR) in their latest data suggest that the tourism sector in the Southern Downs and Granite Belt is currently producing output of \$227.1m and provides employment for 1268 people. These figures are freely available on the SDRC website, as is a copy of the SDRC Tourism Strategy.

The main concern from the ED&T is the demographic future of the GBRC. The reports generated from the Office of the Queensland Statistician indicate that the Granite Belt community will continue to grow but at a very slow rate and the median age will increase to 54.5 years by 2041. The Granite Belt has a lower median income of \$ 34,580 p.a. Approximately 43.3% of Granite Belt residents are in the most disadvantaged quintile as opposed to 36.2% on the Southern Downs. These figures are concerning. Splitting the SDRC into smaller LG's will not remedy the fact that the community is poor and aging. This will in fact make it more difficult to transition.

The SDRC ED&T have been working tirelessly to try to attract new investment, new jobs, new residents and new visitors across the entire Region. Many of the statements made in the report from the GBCA are emotive and cannot be backed up by current facts.





## Appendix 2

### Preliminary Comments from Independent Audit and Risk Management Committee Members

#### Committee Person 1

*Of most interest to me in reading the documents is the lack of concurrence on the role of Council perceived by the State and that of the Community. The Act under s6 (1) seems quite clear, yet is ignored in favour of localized understanding of what the electors would like to see.*

*The weaknesses of the current model identified in the report, highlights the lack of community understanding and concern regarding the regulations and compliance applicable to Local Government in my opinion. One example of this is the tender for the Pool Contract and the belief that a Community Group should be supported in lieu of a transparent process. These risks will need to be managed in future if the proposal is approved.*

*The report does seem to highlight the need for more collaborative governance models to be implemented if the proposal is rejected, and could be a future focus of the current SDRC Council to try and manage their reputational risks.*

*The general complexity of complying with the legislative framework and the ability to adequately resource these functions is not clear in the report and would need to be considered a risk in any future process to de-amalgamate.*

#### Committee Person 2

*I tend to agree on the "community group" comment. It's hard to believe it will get a start based on "our rocks are different to their rocks" etc. but there does seem community support on both sides. We grow apples, they grow pears. If only it was that simple.*

*From an Audit & Risk Management Committee perspective we should be across the risks (ability to deliver services, long term stability, QTC implications, etc.) and have processes to keep us and Council informed of emerging risks as the matter progresses.*

*I guess it's really over to the State Government now to source the "alternate" view and then weigh up the emotive case and financial stability of both Councils. The Committee probably will need a long term financial plan from SDRC on what their sustainability looks like without the Granite Belt down the track.*

#### Committee Person 3

*Earlier this month I sent a draft letter (that was going to an external regulator to justify why a non-compliance finding should not be upheld) back to the coal-face because I felt that the author was trying to make their case the hard way, and that their arguments didn't draw to a natural conclusion. This was my initial feeling on reading the proposal, as lots of information has been included, however I do not feel that the argument / rational leads to the conclusion that the author(s) are attempting to make. In fact, I feel that the author(s) have the solution / end result in mind (formation of a new Council) and are attempting to justify that solution in reverse.*

*From reading the proposal, I would say that there is not a "strong case" for de-amalgamation, but acknowledge that there may be strong community support from both sides. The proposal suggests several reasons for the need to de-amalgamate, but the strongest of these is that SDRC Council formed post-amalgamation is "dysfunctional" and that these dysfunctions / structural problems are the root-cause of many issues that the*





*author(s) perceive to not be working.*

*The author(s) intimate to high levels of controversy and community dispute; frustration and lost opportunities; high staff turnover; lack of connection with Council; investment inequities; Warwick-centric focus; demand for increased water; and a perceived reduction in services – none of which as an outcome are strongly evidenced (supported) through the proposal. The proposal does not put forward a strong case / rational for how all of these perceived barriers will be overcome by the formation of two new Councils. With the cited level of community support, I would have thought that the proposal would have been stronger around these points. The argument around Councillor representation and the perception of stacked voting has potentially been misrepresented in the proposal. Councillor numbers are regulated along with their responsibilities in advocating for the local area, but also for their role in advocating for the greater SDRC Council area overall.*

*With regards to the financial analysis, again the author(s) allude to an inability to improve financial sustainability. The discussion mentions variations to accounting standards; substantial flood recovery works; downturn in economic climate; and credit ratings. The proposal does not discuss how separate Councils (pre-amalgamation - SCC and WSC) would have dealt with these events individually or any differently, that could have potentially have produced a different outcome, nor does it propose how this could be done differently. The proposal does provide any information around how other Councils have worked through these (like) issues over the past ten years. The proposal does acknowledge that SDRC has vastly improved financial results due to a strong financial focus by management of SDRC. It should be noted that the financial predications within the proposal, are based on the current strong financial position.*

*Like most proposals, the process to de-amalgamate is perceived to be easy. I have not seen a government business case actually be able to predict with any relative sense of accuracy the right amount of effort as most inevitably run-over the anticipated forecasts due to unforeseen items. Most usually end up costing more than was originally anticipated and originally approved.*

*Looking forward, there is no reason that any of the opportunities that are proposed as only being capable of being able to be achieved by the GBRC, cannot be achieved by the current SDRC. With a little bit of consultation and negotiation the stated opportunities could be worked towards.*

*Drawing comparisons, if ethnicity, cultural, social, geographic differences and the location of investment form the basis for warranting the creation of a separate council, then Brisbane City Council should be split into several new Councils. BCC has huge ethnic variation, along with pockets of concentrated ethnic groups across greater Brisbane; cultural and social activities follow these segments, including social and sporting community groups that have never amalgamated; and the Brisbane Region itself, has vast differences in topography from river plains to open plains; lightly wooded and scrubby areas to rain forest catchments; to mountain ranges. Investment opportunities are spread across the BCC area with little to no thought given to equitable distribution between wards. All obviously necessitating the need for local management because of their unique differences.*

*On a final note, hopefully this will have progressed by the time of our next ARC meeting, and I agree with comments that as a Committee we should be looking at the risks associated with this proposal going forward and not going forward. Both scenarios have risks for SDRC that need to be prepared for. I would support this being a separate topic on the ARC Agenda from now until the matter is resolved, with the appropriate briefing paper being prepared for ARC that includes a discussion around progress, identification of risks and their potential treatments, and discussion around the longer-term impacts on Council's financial sustainability.*





**Committee Member 4**

*The comments thus far certainly hit the points in respect to the role of the Audit & Risk Management Committee.*

*I agree with other members, Council should understand what the SDRC long-term sustainability looks like based on a stand-alone basis.*

*Currently I have not formed a conclusion on the merits of de-amalgamation versus business as usual, however I am interested to understand the success or otherwise of the four Councils that de-amalgamated a few years ago. I have tried to research the learnings from the four Councils that previously de-amalgamated. The learnings and success I note from QAO's reports to parliament are mixed. Are you aware of any report issued assessing each Council's achievement against their objectives and arguments for de-amalgamation. This report is quite critical of failing to meet amalgamation objectives. I wonder whether these Councils have also had similar experiences since their de-amalgamation.*

*When assessing the results of past de-amalgamations in the regional areas, care must be taken to understand the results. Being cash flow positive can be misleading. This can occur due to failure to maintain assets, an inability to attract quality staff, failure to deliver on planned projects.*

*The other Committee members note the argument around Councillor representation and the perception of stacked voting has potentially been misrepresented in the proposal. Councillor numbers are regulated along with their responsibilities in advocating for the local area, but also for their role in advocating for the greater SDRC Council area overall. Perhaps this is an issue irrespective of the current developments. I note one of the comments made in the report from a community volunteer was, "Since amalgamation, services to the Granite Belt have dropped off dramatically.....Council has lost their focus on priorities of serving the community and the councillors have given away their authority of why they were elected, to the CBO. We need a return to councillors being responsible to the voters".*

*One of the strategies for sustainability appears to be the concept of the "bottom-up service delivery model". Originally residing in rural Australia and currently a Board member relying on volunteers in the rural Queensland I am observing greater difficulty in the long term sustainability of relying on the Community to deliver services. I have observed the demographic of those who are active in the Community are ageing, and the younger generation is not as active in stepping up. Is the "bottom-up service delivery model" sustainable in the long term?*





### **Appendix 3**

#### **Financial Statements prepared by the Granite Belt Community Association**

Three workbook files were provided:

- Base Case
- Base Case but 2.5% rate increase sensitivity analysis
- Pre-amalgamation cost sensitivity analysis

The figures contained in the base case are founded on a recalibration of SDRC's 2019 budget using SDRC's 2018 actuals as reported in the annual financial statements.<sup>10</sup>

The base case forecasts that the New Council will have a cumulative surplus over the 10 year forecast period of \$ 3.26m (1.34% of operating revenue) and the Remaining Council a cumulative surplus over the period of \$71.8m (11.65% of operating revenue).

The New Council's cash and cash equivalents will increase by \$19.9m (124%) to \$35.9m over the forecast period, and the Remaining Council's cash and cash equivalents position will improve by \$22.2m (66%) to \$55.6m over the same period.

The Asset sustainability ratio for both the New and Remaining Councils remain above the target of greater than 90% for the first 7 years of the forecast period.

The Remaining Council's net financial liabilities ratio is forecast to remain within the target range of less than 60% while the New Council's ratio is forecast to exceed the target in 2027 (63%) and 2028 (80%).

The sensitivity analysis for a 2.5% annual rate increase for the New Council will result in the New Council returning a cumulative deficit over the forecast period of \$92k.

The pre-amalgamation cost sensitivity analysis transfers \$32.7m of employee, materials and services costs from the New Council to the Remaining Council with corresponding increase and decrease in the operating result of the councils over the forecast period.

#### **Base Case Analysis**

The base case covers 10 years (forecast period) commencing with 2019 and ending with 2028. There are three sections: Existing Council (SDRC), New Council and Remaining Council.

The Existing Council's 2019 figures are calculated from SDRC's 2018 actuals so the figures differ from SDRC's published budget and long term financial forecast (LTF) for the same period.

The 'business as usual approach' of basing projections on last year's actuals is in contrast to the methodology used by SDRC to develop its annual budget. Each year SDRC develops a budget in line with the delivery of services and programs to the community in line with the ideals expressed in the Corporate Plan and detailed in the Operational Plan.

<sup>10</sup> See 4. ASSUMPTIONS tab in Base Case workbook.





The base case distributes the Existing Council forecast between the proposed New Council and the Remaining Council. A Statement of Comprehensive Income, a Statement of Financial Position and a Statement of Cash Flows are provided for each section: Existing, New, Remaining.

Assumptions on preparing the forecasts and in particular the distribution of funding allocations between the new and remaining councils are provided on a separate tab within the base case workbook. These assumptions are flawed primarily on the basis that many of these grants have been awarded through competitive funding rounds and are not re-current revenue streams.

Additionally, for the funding streams that have previously been recurrent such as R2R, TIDS the level of funding is not guaranteed year on year. The GBCA proposal assumptions are as follows:

	SDRC 2019		GBRC proportion
R2R	\$ 1,200,000	Pre-amalg Identified road grant %	\$ 405,600
TIDS	\$ 1,100,000	1/3	\$ 366,667
Cycle	\$ 150,000	1/3	\$ 50,000
Bridge	\$ 1,000,000	1/3	\$ 333,333
W4Q	\$ 2,736,000	1/3	\$ 912,000
LGS	\$ 1,852,000	1/3	\$ 617,333
	<b>\$8,038,000</b>		<b>\$2,684,933</b>

#### R2R

With regard to Roads to Recovery (R2R), SDRC has received its funding notification for the RTR program from 2019-2024. This amount is \$6,309,365. Council originally received \$6,562,956 for the 2014-2019 programs.

In real terms Council funding allocation has reduced by \$253,591. If Council does not receive any additional funds then this figure becomes a reduction of \$3,706,363.

This means that the amount applicable for a new Granite Belt Regional Council should be \$378,561.

#### TIDS

The Transport Infrastructure Development Scheme (TIDS) funding for a new Council has been estimated at 30% of the current funding. This is incorrect. The Roads and Transport Alliance is underpinned by the Transport Infrastructure Development Scheme (TIDS). Established under the Transport Infrastructure Act (2004) in the mid-1990s, TIDS enables the department to provide funding for local government road and transport-related initiatives which support state government objectives.

Each Regional Roads and Transport Groups receives an annual allocation of TIDS funds determined by the Roads and Transport Alliance Board. RRTGs are required to allocate their TIDS funding to the highest priority road and transport projects in their region, and to match TIDS funding 50:50 (at a minimum).

RRTGs have decision-making authority over their TIDS allocation and develop a two-year fixed/two-year indicative continuous works program. This is consistent with the department's statewide four-year program development cycle. Projects eligible for RRTG works program consideration include local roads of regional significance, active transport infrastructure and safe school travel infrastructure. TIDS is a competitive process and based on identified need. It would be incorrect to simply apply a 30% allocation to these funds, and furthermore the funding must be matched in many cases.





### Cycleways

In regard to the funding for cycle pathways and plans, the funding is available under a competitive grant scheme and cannot be treated as confirmed income in a capital works program. Additionally matching funding is required.

### Bridge Renewal

The Bridge Renewal Program provides funding through a competitive grant scheme. It should be noted that the majority of bridges in the Southern Downs have been upgraded. Matching funding or a minimum funding contribution is required. It would be incorrect to simply apply a 30% allocation to these funds.

### W4Q

The W4Q funding program has been confirmed up to 2021. At this point in time the Queensland Government has not committed any future funds towards W4Q.

### LGGSP

The Local Government Grants and Subsidies is a competitive program. It would be incorrect to simply apply a 30% allocation to these funds. The funding received from LGGSP is available for delivery of specific projects and cannot be split on a percentage basis. Additionally, it cannot be treated as confirmed income for future years.

There are also separate tabs for information on transition costs, capex funding, cost adjustments and sustainability ratios.

### Income, Expenditure and Operating Surplus

The starting position for the Existing Council's Statement of Comprehensive Income is calculated on SDRC's 2019 actuals. These figures differ materially from SDRC's adopted budget. The Existing Council's operating surplus for 2019 is \$5.07m, SDRC's adopted budget surplus is \$146k. The Existing Council's 2019 forecast increases operating revenue by \$2.34m and reduces expenditure by \$2.58m when compared to SDRC's adopted budget.

This increase in revenue and reduction in expenditure is projected forward using the annual percentage increases incorporated into the base case calculations. The Existing Council's cumulative operating surplus over the forecast period is \$72.7m an increase of \$41.4m (132.4%) over the accumulated operating surplus of \$31.3m in SDRC's LTFF<sup>11</sup>.

The Existing Council figures are distributed between the New Council and the Remaining Council. The New Council is allocated on average 28% of operating revenue and 31% of operating expenses with the rest being allocated to the Remaining Council.

Compound annual growth rates over the period are reasonably consistent when compared with SDRC's LTFF:

	SDRC LTFF	Existing Council	New Council	Remaining Council
Operating Income	3.45%	3.36%	3.30%	3.38%
Operating Expenses	2.48%	2.96%	2.93%	2.97%

The New Council's projected operating expenses contain 3 additional lines not found in the Existing or Remaining figures:

<sup>11</sup> See End Note 1 for summary of significant changes between Existing Council forecast and SDRC LTFF







- Extra Costs e.g. Councillors + Executives increasing costs by \$1.82m over the forecast period,
- Business Op Savings reducing costs by \$8.17m over the forecast period,<sup>12</sup>
- Transition Costs being \$4m in the forecast year of 2020.<sup>13</sup>

The net effect of these line items is to reduce total operating expenses for the New Council over the period by \$2.35m.

Taking into account this reduction in operating expenses of \$2.35m, the New Council will have a cumulative surplus over the forecast period of \$3.26m (1.34% of operating revenue) and the Remaining Council a cumulative surplus over the period of \$71.8m (1.65% of operating revenue).

A note on Capital expenses included in the Statement of Comprehensive Income. The Existing Council includes \$7.1m of capital expenses for the forecast period. The New Council is allocated \$2.3m and the Remaining Council is allocated \$3.1m over the period. \$1.7m of the \$7.1m is unallocated. The Remaining Council has a negative \$3.3m entry for Capital expenses in 2020 this being the same year as the New Council incurs \$4m in transition costs.

#### Cash Flow

As with the Statement of Comprehensive Income, the Existing Council's Statement of Cash Flows provided in the base case varies materially from SDRC's LTFF. There are also a number of errors in the statements that distort the cash position preventing closing cash and cash equivalents figures from reconciling with the balance sheet.<sup>14</sup>

The Existing Council's closing balance of cash and cash equivalents at the end of the forecast period (2028) is \$91.8m being \$27.1m (40.2%) more than SDRC's LTFF<sup>15</sup> closing cash position of \$67.4m.

Contributing to this increase is the additional cash flow from operating activities resulting from the recalculation of the 2019 operating budget (\$51.7m); additional cash flow from capital items: proceeds from the sale of property, plant and equipment (\$11.5m) and additional grants, subsidies, contributions and donations (\$59.3m); and a reduction in the repayment of borrowings (\$9.8m).

Note, the allocation of Payments to suppliers and employees to the New and Remaining Councils exceed the total amount included in the Existing Council's cash flow by \$779k.

There is an error in the line item 'Payments for Intangibles' with the Existing Council showing \$110m in payments for intangible assets over the forecast period. The LTFF shows \$1.1m in payments over the same period. It appears that the \$110m is taken from SDRC's 2018 financial statements line for "Net Purchases of Investment Securities". As the base case financial statements includes investments within the cash and cash equivalents amount, this line item is not required.

The opening cash and cash equivalents (Fin year 2019) for the New Council is \$16m being 33% of the Existing Council's opening balance with the remainder (\$33.5m) allocated to the Remaining Council.

<sup>12</sup> Extra Costs and Business Op Savings assumptions are listed in the Cost Adjustment tab of the base case workbook and are reproduced in End Note 2 of this document

<sup>13</sup> Transition costs are listed in the Transition Costs tab of the base case workbook as \$975k and are reproduced in End Note 3 of this document. Worst case of \$4m based on Douglas Shire costs are included in the modelling

<sup>14</sup> See End Note 4 for details of cash flow errors

<sup>15</sup> The LTFF 2019 opening balance for cash and equivalents was adjusted to match the 2018 audited financial statements closing balance





During the forecast period the New Council will increase cash and cash equivalents holdings by \$19.9m to \$35.9m and the Remaining Council will increase cash and cash equivalents by \$22.2m to \$55.6m. Note, the Remaining Council's cash flow projections include the erroneous \$110m in payments for intangibles.

The base case will provide the New Council with a net cash inflow from operating activities of \$62.8m. \$40.3m of this net cash inflow will be invested in property, plant and equipment and almost \$2.7m will be used to repay borrowings. All investment in property, plant and equipment is assumed to be renewal.

The New Council will receive capital grants, subsidies, contributions and donations of \$32.2m over the forecast period. This figure is based on these assumptions:

- Capital grants are based on continuation of current main grant programs:

	SDRC 2019		GBRC proportion
R2R	\$1,200,000	Pre-amalg identified road grant %	\$ 405,600
TIDS	\$1,100,000	1/3	\$ 366,667
Cycle	\$ 150,000	1/3	\$ 50,000
Bridge	\$1,000,000	1/3	\$ 333,333
W4Q	\$2,736,000	1/3	\$ 912,000
LGS	\$1,852,000	1/3	\$ 617,333
	<b>\$ 8,038,000</b>		<b>\$ 2,684,933</b>

Copied from the Base Case, Capex funding worksheet.

- 'SDRC LTFP has varying capital grant revenue over the years - we have assumed straight line as we have no info on their assumptions. The Local Government Dept has the best knowledge of grant funding in the future.'<sup>16</sup>

#### Assets and Liabilities

The opening balances for the base case Existing Council's Statement of Financial Position match the figures from the SDRC audited financial statements for the year ending 30 June 2018.

The opening net community assets (Net Result) is \$784.9m for the Existing Council, the New Council is allocated \$241.5m (30.8%) with the balance \$543.5m (69.2%) being allocated to the Remaining Council.

Over the forecast period, the New Council's Net Result will increase by \$30.6m (12.6%) to \$272.1m and the Remaining Council's Net Result will increase by \$21.6m (3.9%) to \$565.1m.<sup>17</sup>

#### Base case but 2.5% rate increase sensitivity analysis

This analysis contains all the elements of the base case but with the assumption that rates will increase by 3.3% per annum: '0.8% growth +2.5%, 2.5% being the RBA midpoint of its target inflation rate.'<sup>18</sup> The reduced annual rates increase applies to the New Council only and commences in the 2021 financial year with 3.8% increase being applied in 2019 and 2020.

<sup>16</sup> Extract from Base Case, 4.ASSUMPTIONS notes

<sup>17</sup> See End Note 5 for summary of notable changes variations between Existing Council and SDRC LTFP at the end of the forecast period (2028)

<sup>18</sup> Extract from Base Case but 2.5% rate increase Sensitivity analysis, 4.ASSUMPTIONS note





**The cumulative impact over the forecast period on the base case of the lower rate increase on the New Council's operating result is a deficit of \$92k.**

#### **Pre-amalgamation sensitivity analysis**

The assumption of this analysis is that 'the only difference to the base case is that the split in Employee Costs and Materials and Services costs is the same as the pre-amalgamation %' being employees 29% and Materials & Services 22%.<sup>19</sup>

This change in the split reduces operating expenditure for the New Council by \$32.7m over the forecast period increasing the cumulative operating surplus to \$35.9m (14.8% of operating revenue) up from \$3.26m in the base case. The Remaining Council's operating expenditure is increased over the period by \$32.7m reducing its cumulative operating surplus over the period to \$39.1m (6.3% of operating revenue) down from \$71.8m.

There will also be a similar increase and decrease in cash and cash equivalents over the forecast period.

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<sup>19</sup> See Pre - amalgamation cost sensitivity analysis, 4. ASSUMPTION increase S note







**End Note 1: Statement of Comprehensive Income**

Item	Comment
<b>Assumption:</b> Recalibration of 2019 Budget based on 2018 Audited Results - Rates, Fees, Interest revenue & Employee costs & Materials & Services, recalibrated to be based on 2018 Actuals rather than 2019 Budget (2018 Amounts multiplied by the % allocation determined from the operating budget split up).	<b>Impact:</b> The recalibration of SDRC's 2019 budget increases the budget surplus from \$146k to \$5.07m by increasing operating revenue by \$2.34m and reducing expenditure by \$2.58m.
<b>Assumption:</b> 10-year revenue and expenditure projections - as per SDRC LTFF projected % increase per item.	<b>Impact:</b> Compound effect from the LTFF projected % increases on the recalibrated 2019 budget figures over the 10 year forecast period is an increase in the cumulative operating surplus from \$31.3m to 72.7m (\$41.4m or 132.4%).
<b>Existing Council significant variations from SDRC LTFF</b>	<b>Total change over forecast period from 2019 to 2028</b>
• Fees and charges (revenue)	Increases by \$18.4m (39.4%)
• Employee costs	Decreases by \$29.6m (10.8%)
• Capital grants, subsidies, contributions and donations	Increases by \$49.2m (157.6%)
• Capital expenses	Increases by \$5.9m (494.2%)

**End Note 2: Cost Adjustments (base year 2019)**

Extra Costs eg Councillors + Executives				
	SDRC allocation	GRC Actual	Adjustment	
Councillor	\$ 290,095	\$ 373,989	\$ 83,894	
Directorate	\$ 334,087	\$ 416,574	\$ 82,487	
			\$ 166,380	
<b>Business Op Savings</b>				
	SDRC allocation	GRC Budget	+Popn Adj	Change
Building/Plumbing	\$ 438,903	\$ 266,960	\$ 280,923	-\$ 157,980
CEO	\$ 769,472	\$ 646,143	\$ 646,143	-\$ 123,329
Ec Dev	\$ 471,469	\$ 261,247	\$ 274,911	-\$ 196,558
ICT	\$ 801,757	\$ 600,000	\$ 600,000	-\$ 201,757
Planning & Dev	\$ 390,508	\$ 332,828	\$ 350,237	-\$ 40,271
				-\$ 719,895





#### End Note 3: One Off Transition Costs

Item	Estimate	Methodology
Plebiscite	\$100,000	Mareeba x 1.5 (population adj)
Transition Manager & staffing		Not required if independent panel
Independent Panel	\$75,000	2 part-time members + 1 Admin Officer (Delatite de-amalg)
IT transition	\$250,000	Douglas Shire Actual (Audited)
Redundancies & Recruitment	\$0	Self-recruit executives, No redundancies
Rebranding & Communications	\$50,000	Mareeba (\$34k) (no other Council identified this)
Capital related items	\$500,000	Douglas Shire Actual (Audited)
<b>Total</b>	<b>\$975,000</b>	

#### End Note 4: Cash Flow Statement

Item	Comment
Closing cash position in Statement of Cash Flows does not match cash and cash equivalents balance in the Statement of Financial Position in each of the forecast years.	<p>Variance ranges from \$1.3m in "2018 Fin Stmt's" column to \$12.8m in the in the 2028 forecast year column.</p> <p>A number of errors of commission are included in the statements that explain the variances:</p> <p>The Statement of Cash Flows:</p> <ul style="list-style-type: none"> <li>The opening cash and cash equivalents amount entered in the column titled "2018 Fin Stmt's" is the closing balance from the 2018 audited financial statements: \$50.3m was entered should have been \$40.6m.</li> <li>The line labelled "Payments for intangible assets" contained - \$11m for each year. This amount is taken from the 2018 financial statements line for "Net Purchases of Investment Securities". As the DLG financial statements includes investments within the cash and cash equivalents amount, this line item is not required.</li> </ul> <p>The Statement of Financial Position:</p> <ul style="list-style-type: none"> <li>Formula error in the forecast columns for the line item "Cash and cash equivalents" returned the opening balance from the Statement of Cash Flows, it should return the closing balance amount.</li> </ul>
<b>Assumption:</b> Most items calculated from Income Statement	<b>Impact:</b> increased cumulative operating surplus identified above has inflated the closing cash and cash equivalents figures when compared to SDRC's LTFF.





Existing Council significant variations from SDRC LTFF	Total change over forecast period from 2019 to 2028
<ul style="list-style-type: none"> <li>Closing cash and cash equivalents</li> </ul>	Increases by \$27.1m or 40.2%
<ul style="list-style-type: none"> <li>Borrowing costs and Repayment of borrowings</li> </ul>	Repayment of borrowings over the forecast period is \$9.8m (55%) less than SDRC forecast repayments of \$17.9m. Reduction in repayments has increased borrowing costs by \$4.4m (56%) above the SDRC forecast figure of \$7.9m.
<ul style="list-style-type: none"> <li>Proceeds from sale of property, plant and equipment</li> </ul>	\$11.5m is estimated over the forecast period. SDRC has not included any proceeds from the sale of property plant and equipment.
<ul style="list-style-type: none"> <li>Capital grants, subsidies, contributions and donations</li> </ul>	Increases by \$59.3m (189.9%)

**End Note 5: Statement of Financial Position**


Item	Comment
<b>Existing Council notable variations from SDRC 2028 forecast position</b>	
<ul style="list-style-type: none"> <li>Cash and cash equivalents</li> </ul>	Increase of \$11.6m (17.2%) But see notes on Cash Flow above.
<ul style="list-style-type: none"> <li>Trade and other receivables</li> </ul>	Increase of \$2.3m (30%)
<ul style="list-style-type: none"> <li>Property, plant &amp; equipment</li> </ul>	Decrease of \$9m (1.1%)
<ul style="list-style-type: none"> <li>Trade and other payables</li> </ul>	Increase of \$7m (78.4%)
<ul style="list-style-type: none"> <li>Borrowings</li> </ul>	Increase of \$5.1m (147.1%)



## 11. INFRASTRUCTURE SERVICES REPORTS

### 11.1 Infrastructure Services Directorate Monthly Report

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Director Infrastructure Services	<b>ECM Function No/s:</b> 04.15.01

#### Recommendation

THAT Council receive the Infrastructure Services Directorate Monthly Report.

#### Report

The following is provided for the information of Councillors.

#### 2018/19 Capital Project Status

Refer Attachments for details

#### Operational

##### Water & Wastewater

- Structural report on Dalveen Reservoir will commence shortly
- Change to intake valve at Connolly Dam caused a variation in water chemistry resulting in discoloured water entering Warwick reticulation
- Structural assessment report for Warwick Water Treatment Plant aerator has been received with numerous recommendations. Current restricted operations can continue in the short term, however capital works will need to occur in the medium term.

#### Water & Wastewater Performance Data Report as at 31 January 2019

#### Recycled Water Tables



Stanthorpe Recycled Water Scheme												
Monthly Volume of Recycled Water Supplied (ML)												
Supply Year 2018-19	Group 1		Group 2				Group 3		Urban	Receiving Environment	Monthly Total	
	Eastern Colour	DPI	Hendrick sen/Baro nio	Visentin 1	Visentin 2	Pinata 1 Kelly rd	Pinata 2 Ellwoods	Taylor				Wren
July	7.6582		3.5607	0.0012	3.8768	1.3856		4.6964	1.2455	5.0140		27.4384
August	7.9024		3.347		3.4975	1.48		2.2081	1.3269	3.537		23.30
September	8.9681		2.5843		4.7181	0.0017	1.1359	2.8616	2.8432	4.613		27.73
October	10.7684	0.851	5.7398		5.5242	3.193	3.3087	9.131	5.6388	4.15	unknown (rain	48.30
November	9.008		4.969		4.207	2.155		5.082	3.513	3.641		32.58
December	9.732		4.11		4.533	0.126	1.328	4.873	2.286	5.381		32.37
January	5.715		2.565		2.517	0.058	1.504	4.138	4.046	12.08		32.62
February												
March												
April												
May												
June												
												224.34
Full Allocation (ML)	103	1	42	10	42	19	15	31	16			279
YTD Total (ML)	59.8	0.9	26.9	0.0	28.9	8.4	7.3	33.0	20.9			186
YTD Target (ML)	103.0	1.0	42.0	10.0	42.0	19.0	15.0	31.0	16.0			279
YTD Target (%)	58%	85%	64%	0%	69%	44%	49%	106%	131%			67%
Full Allocation (%)	58%	85%	64%	0%	69%	44%	49%	106%	131%			67%
	Irrigators are under expected targets											
	Discharges to the Quart Port Creek											



## Potable Water Table

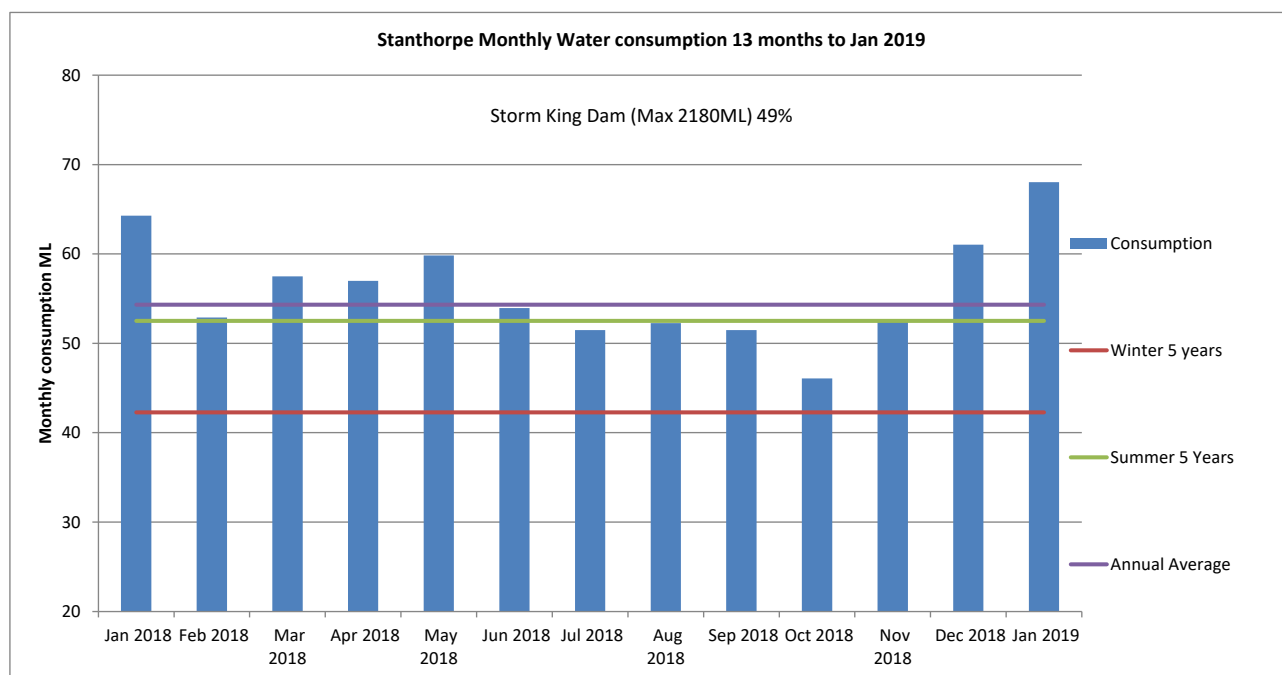
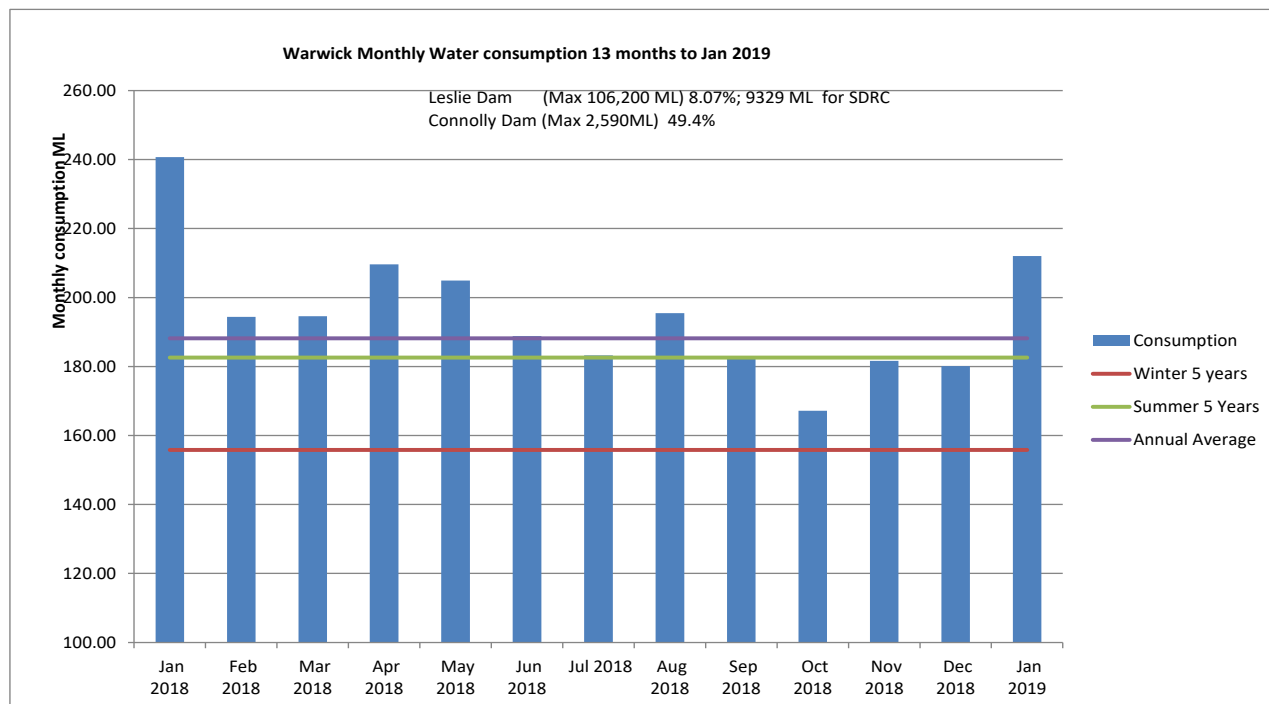
Water Supply from Treatment Plants – Month of				January				
Number	Licence compliance Parameters		ADWG Standard	Warwick WTP	Stanthorpe WTP	Killarney WTP	Wallangarra WTP	
				Status	Status	Status	Status	
1	Physical	NTU	<1	0.13	0.19	0.14	0.29	
		Taste Complaint		0	0	0	0	
		Odour Complaint		0	0	0	0	
2	pH	Minimum	6.5	7.02	7.18	7.59	6.83	
		Maximum	8.5	7.22	7.44	7.8	7.63	
3	Free Chlorine Residual (mg/L)	Maximum	<5.0	3.30	2.3	2.2	2.3	
4	<i>E. coli</i> (cfu/100mL)	Nil		0	0	0	0	
Legend								
	Meeting Target							
	Not Meeting Target							
	Not Measured							

## Dam Levels

[illegible]

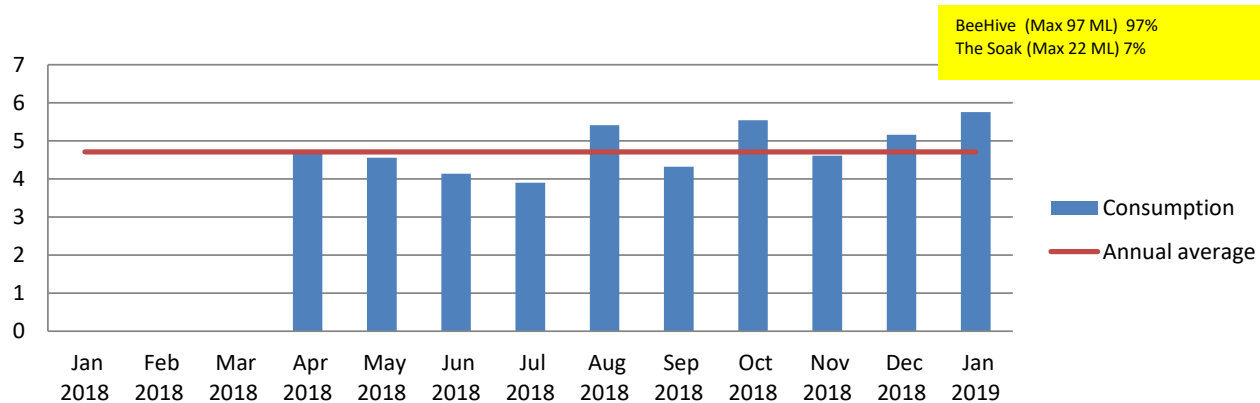


## Monthly Water Consumptions Graphs

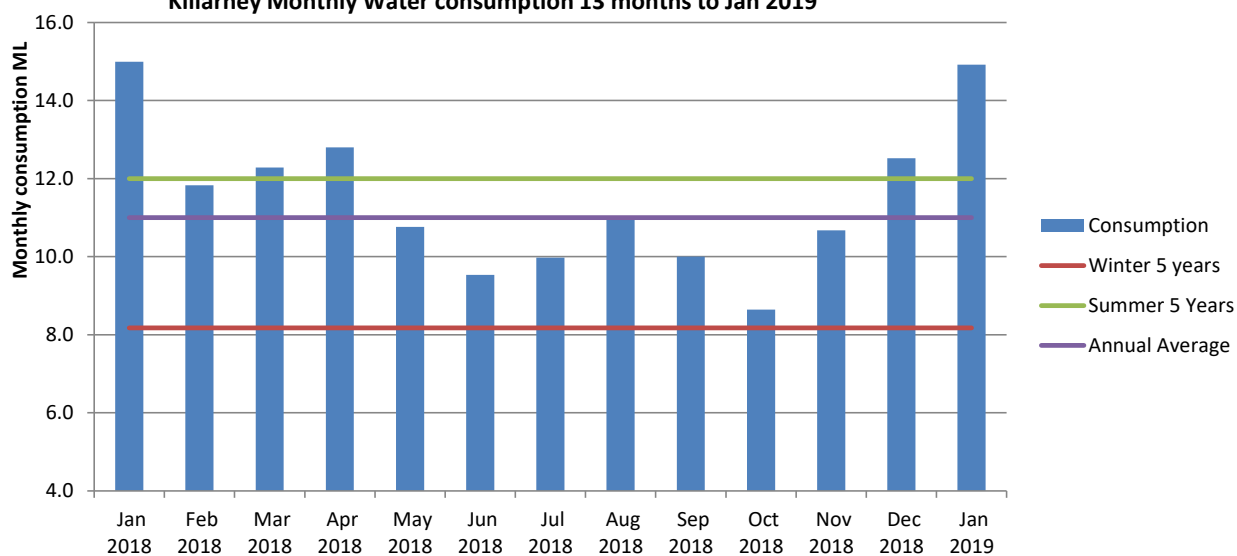




**Wallangarra Monthly Water consumption 13 months to Jan 2019**

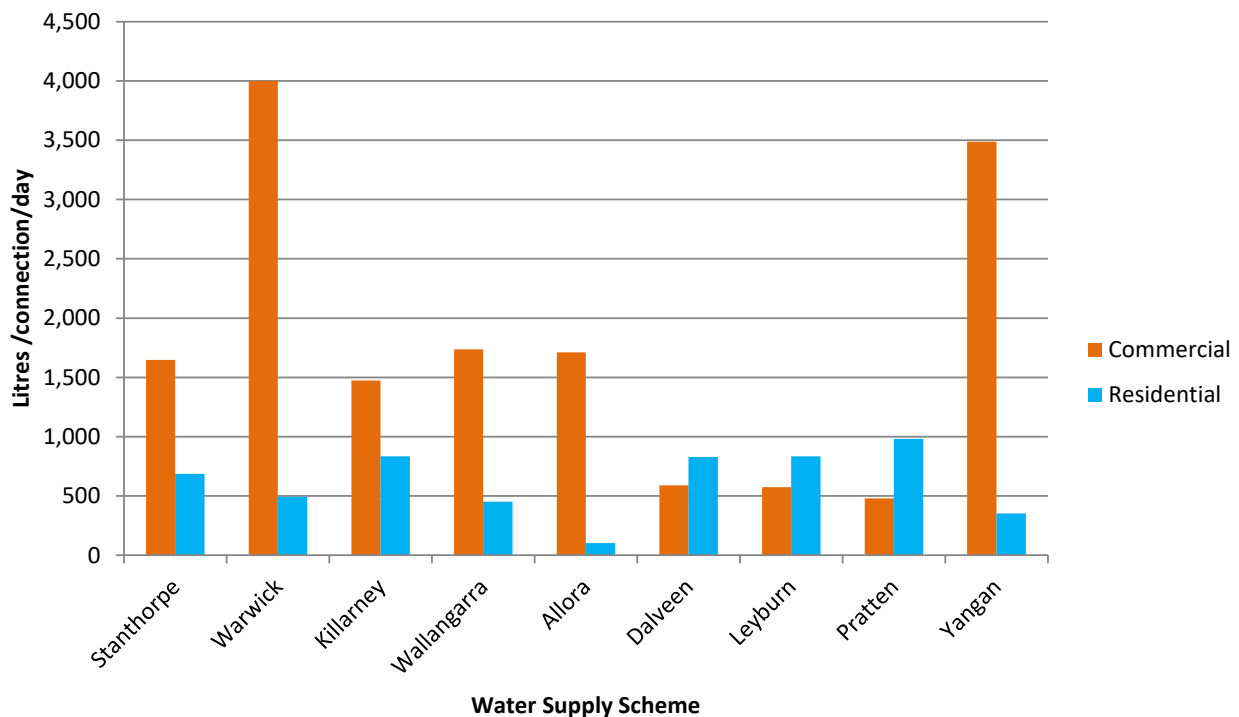


**Killarney Monthly Water consumption 13 months to Jan 2019**

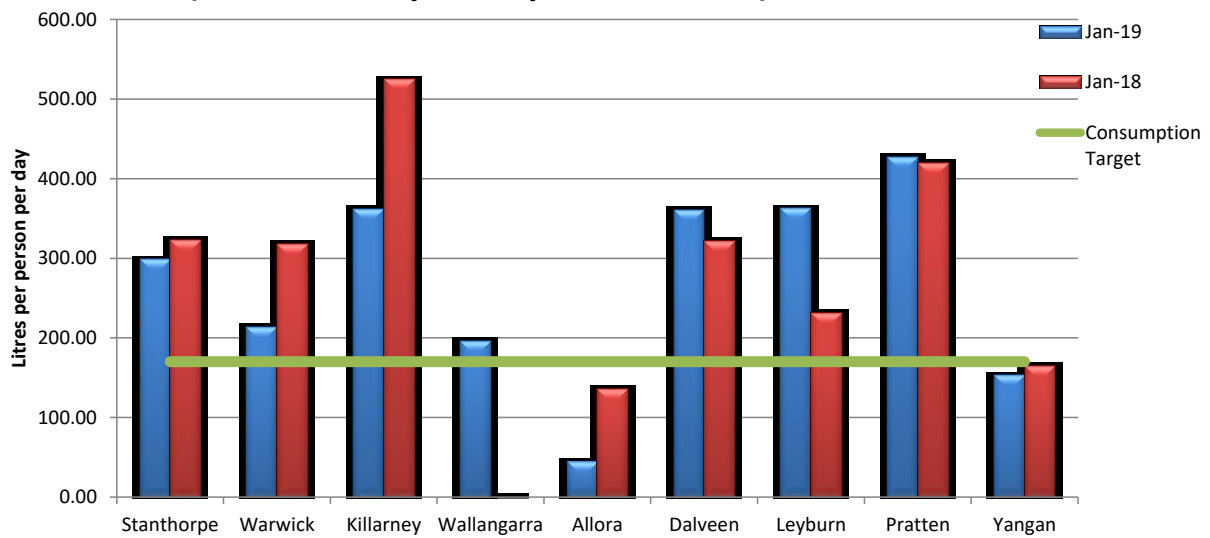




**Avg Daily Consumption per Connection January 2019**  
(based on September 2018 meter readings)



**Residential Water Consumption Comparison**  
(based on 2.3 person per household) (Sept 2018 meter readings)



### Community Services & Major Projects

- Willi Street Shed Project tender, closed 12 February 2019. Recommendation in separate Council report.
- Allora Building re-stump project tender, closing 5 February 2019. Recommendation in separate Council report
- Stanthorpe Art Gallery Project procurement approach still being finalized.



### **Works Construction, Workshops & Assets**

- Plant replacement program. All major plant has been ordered with exception of one small truck and specialized body which will be out to tender this week. The fleet vehicle tender closed 21 February 2019 and currently being evaluated.
- Palmer Bridge replacement currently out for tender to design and construct. On target for completion in 2019/20.
- Industrial Land Development at Stanthorpe. Water and waste water works are progressing. The roadworks commence this month.

### **Works Maintenance & Open Space**

- When minor asphalt works are carried out by end of March the Flood Damage Works associated with cyclone Debbie will be complete.
- Betterment projects went to tender during February and are unfortunately over approved budget. Negotiations will commence which will also include scope reduction.
- Collegians field will be fully operational by commencement of the football season. Top dressing has been booked for late February. •

### **Budget Implications**

Reference Financial Report

### **Policy Consideration**

Nil

### **Community Engagement**

- B-Double project (East/Ogilvie/Depot Roads) – Preliminary consultation has been completed. Issues collected. Awaiting concept design. Betterment project proceeding.
- Condamine River Road. A consultation meeting is being scheduled for Feb 2019 to present the findings of the report and to gain public comment/issues.

### **Legislation/Local Law**

Nil

### **Options**

1. Receive the Infrastructure Services Directorate Monthly Report; or
2. Do not receive the Infrastructure Services Directorate Monthly Report.

### **Attachments**

1. Capital Works Project Status - Water and Wastewater [View](#)
2. Capital Works Project Status - Community Services and Major Projects [View](#)
3. Capital Works Project Status - Works Construction, Workshop & Assets [View](#)



Item 11.1 Infrastructure Services Directorate Monthly Report  
Attachment 1: Capital Works Project Status - Water and Wastewater

W&WW 18/19 Capital Works Update - 08 Feb 2019

Monthly 2018/19 Capital Project Status

PROJECT STATUS			Number of Projects	% of budget in each category
34	5	2		
84%	11%	5%		

Project	Expense Actual	Commitments	Total Actual + Commitments	Expense Budget	Proposed Budget	Funding	Start	Finished	Status/Comment
<b>17/18 Carry over projects</b>									
101633 - Warwick WTP Upgrade Stage 1 - Clarifier	\$855.00	\$0.00	\$855.00	\$855.00	\$15,000			31/03/2019	The clarifier is off line. A meeting was scheduled for 18 January 2019 to discuss rectification of defects and final commissioning. Cost and feedback on scope is due Friday 15 Feb.
101636 - Trunk Distribution Manifold Replacement Stage 1 -Warwick WTP	\$0.00	\$18,851.00	\$18,851.00	\$20,000.00				30/03/2019	Documentation has been received and reviewed by W&WW team. Catch up meeting with Osborn Engineers to be organised to finalise comments.
101839 - Wastewater Pump Station - Jackie Howe Drive Warwick	\$71.44	\$0.00	\$71.44	\$72.00				30/6/2018	Project Closed
101846 - Valve and Hydrant Renewals - Northern	\$17,530.26	\$0.00	\$17,530.26	\$17,531.00				30/6/2018	Project Closed
101849 - Network New Emergency Power Generators	\$75.33	\$0.00	\$75.33	\$76.00				30/6/2018	Project Closed
101895 - Wallangarra Water Treatment Plant	\$244,471.08	\$109,002.46	\$353,473.54	\$370,000.00				31/03/2019	Last invoice held until defects list is complete, meeting with Microbioc scheduled for 6th Feb to work through defects list and UV issues. UV still not operational. Practical completion will not be awarded until the defects list is completed.
101897 - John Dee water main - 150mm Rosehill Rd	-\$7,309.00	\$0.00	-\$7,309.00	-\$7,309.00				13/07/2018	Project Completed. Expenses from private works journaled to a private works account 0007770. Close project
101899 - Electrical Works at Stanthorpe Wastewater Treatment Plant	\$234,543.20	\$13,636.65	\$248,179.85	\$230,000.00				15/02/2019	New control system and electrical installation is operational. Control system contractors are working through some desired changes in the operational philosophy. Electrical contractors have begun de-commissioning the old plant due to finish end of Feb
101928 - Sewer Main Relining	\$120,855.79	\$29,943.57	\$150,799.36	\$151,300.00				30/07/2018	Final Invoice to be provided shortly. \$32,677.93 will be retained for the defects liability period.
101934 - Killarney Water - Hope street PS Control	\$1,498.03	\$0.00	\$1,498.03	\$1,499.00				30/6/2018	Project Completed to be done
101935 - 2 x Bubblers at Queen's park	\$5,101.11	\$0.00	\$5,101.11	\$5,102.00				30/6/2018	Project Completed waiting on Invoices
101937 - New Davit arms anchor points	\$93.65	\$0.00	\$93.65	\$94.00				30/6/2018	Project Completed to be done
101938 - UPS for SCADA and telemetry	\$150.00	\$0.00	\$150.00	\$150.00				30/6/2018	Project Completed to be done
101940 - Allora Water Reservoir Repairs	\$121,243.97	\$5,990.91	\$127,234.88	\$125,000.00				30/06/2019	Seeking quotations for remedial works and working with Construction Supervisor to organise cut-in works. Draft D&C specification received.
101941 - Leyburn Bore Study	\$35,502.86	\$0.00	\$35,502.86	\$35,425.00	\$35,503			30/09/2018	Project Complete to be closed following 2nd qtr budget review
<b>18/19 Capital Budget Items</b>									
101979 - Storm King Dam - Upgrade Trunk Raw Water Main	\$40,035.04	\$24,064.42	\$64,099.46	\$6,565,000.00		STATE	1/7/2018	31/12/2019	Newlands Civil Construction has been awarded the Design and Construction Contract lump sum \$4,915,816.86(ex GST). Negotiations complete, contracts signed. Contractor has been provided with access to site RFT for DCL pipe closed 29 January. Evaluation in progress
101980 - Valve & Hydrant Renewals - Northern	\$13,679.18	\$0.00	\$13,679.18	\$50,000.00			1/7/2018	30/6/2019	Proposal to reduce budget 2nd qtr budget review
101981 - Valve & Hydrant Renewals - Southern	\$136.87	\$0.00	\$136.87	\$5,000.00			1/7/2018	30/6/2019	Proposal to reduce budget 2nd qtr budget review
101982 - Water Meter Renewals - Northern	\$52,242.63	\$0.00	\$52,242.63	\$90,000.00			1/7/2018	30/6/2019	Meter replacement continuing
101983 - Water Meter Renewals - Southern	\$34,970.50	\$0.00	\$34,970.50	\$25,000.00			1/7/2018	30/6/2019	Meter replacement continuing
101984 - Recycled Water Extension Industrial Area - Design	\$57,968.62	\$15,268.00	\$73,236.62	\$125,000.00			1/7/2018	31/12/2018	Funding application for \$2,486,906 for "Recycled Water for Warwick Industry" has been approved. State government has been in contact regarding the required submission of an updated Gantt Chart, Cashflow Estimate, and Project Plan
101985 - Relining of Wastewater mains to reduce Inflow and Infiltrat	\$4,506.62	\$0.00	\$4,506.62	\$650,000.00			1/7/2018	28/02/2019	Council approved contract with relining solutions for the sum of \$634,568.09 excluding GST (23/01/2019). Letters of award and unsuccessful contract letters to be sent. Relining Solutions has been contacted via phone notifying them they have been successful. Confirming start date April 2019.
101986 - SCADA and TELEMETRY renewals and upgrades	\$44,608.81	\$344,897.13	\$389,505.94	\$960,000.00			1/7/2018	30/6/2019	remote access, links to be complete end of Feb. Stage 2 - Club road only outstanding pump station, 6/7 operational on SCADA Stage 3 - Connor St and Melaleuca pump station outstanding, waiting on flood proof platforms to be manufactured. Stage 4 - 2/4 pumpstations procured, due to be installed early March with the outstanding two to follow. Stage 5 - Waiting on second quote from our SCADA Integrators on PSA 18_108. Job will be awarded early feb and manufacturing to commence soon after. Stage 6 - Water pump station not yet started. Stage 7 - Contingency stage - any left over budget will be spent April on procuring more pump stations for 19/20 installation.
101987 - Stanthorpe WWTP Replace Generator and Load Bank	\$0.00	\$0.00	\$0.00	\$76,000.00				30/04/2019	Quotes have been received. PIP to commence early Feb.



Item 11.1 Infrastructure Services Directorate Monthly Report  
Attachment 1: Capital Works Project Status - Water and Wastewater

101988 - Warwick Sale Yards - Truck wash effluent treatment - design	\$273.76	\$0.00	\$273.76	\$273.76			Closed Not Proceeding	Resolution 12 Dec General Council Meeting - To postpone this project to finance the Leyburn Water Quality Upgrade Project.	
101989 - Wastewater Network Planning Report	\$466.38	\$0.00	\$466.38	\$466.38			Closed Not Proceeding	Resolution 12 Dec General Council Meeting - To postpone this project to finance the Leyburn Water Quality Upgrade Project.	
101990 - WWTP Septic Reveal Points - Design	\$9,564.44	\$174.55	\$9,738.99	\$40,000.00			1/7/2018	28/2/2019	RFQ has been started but project has been put on hold due to higher priority projects. Morgan Park RV dump point to be commissioned.
102008 - Morgan Park User Group	\$129,318.74	\$30,564.00	\$159,882.74	\$170,000.00			1/7/2018	30/6/2019	water & sewer connections 95% complete. RV dump point complete
102064 - Upgrade of the Warwick WTP Chlorine Gas Infrastructure	\$6,987.19	\$142,565.00	\$149,552.19	\$150,000.00			22/8/2018	31/5/2019	waiting for P&ID to be received from Hydromet (comments have been provided by W&WW team). Hydromet have placed order for equipment
102065 - Extension of Recycled Water Line - Mr Soapy	\$29,852.00	\$0.00	\$29,852.00	\$29,852.00					Construction complete. Invoice paid. Council to complete live connection at a later date.
102072 - Leslie Dam - Pump Station Upgrade - Design & Construction	\$6,790.68	\$88,750.00	\$40,540.68	\$500,000.00				30/06/2019	RFI closed 09/01/19. Evaluation completed with recommendation to go to 11 Feb Special Council Meeting.
102073 - Chlorine Analysers Replacement - Northern	\$25,559.27	\$0.00	\$25,559.27	\$27,000.00					WAR WTP Calibration and training completed. Second analyser currently being installed.
102074 - Backwash Water Recovery Pump – Warwick WTP	\$14,265.50	\$720.50	\$14,986.00	\$20,000.00					Pump installed. Work complete
102075 - Cl2 Analyser replacement – Stanthorpe	\$8,069.77	\$0.00	\$8,069.77	\$8,070.00					Calibration has been completed. Still waiting on parts.
102076 - Sludge Transfer Pump Replacement - Warwick WWTP	\$5,488.00	\$0.00	\$5,488.00	\$5,488.00					Supplied and installed - Project complete
102077 - RAS Pump replacement - Warwick WWTP	\$5,765.00	\$0.00	\$5,765.00	\$5,765.00					Due to maintenance on the third pump (pump 3 of 3), the new RAS pump (pump 2 of 3) is still in service to ensure continuity of the treatment process. The new RAS pump will be removed and returned to Xylem when maintenance is completed on pump 3.
102078 - Chlorination Tank Pump Replacement - Stanthorpe WWTF	\$8,268.18	\$0.00	\$8,268.18	\$8,269.00					Supplied and installed - Project complete
102092 - Indestructible Water Standpipes	1,750	0	1,750	200,000		FED		30/06/2019	RFQ has closed. Tender evaluation in progress
102094 - Warwick WTP - ACH Dose Pump Replacement	\$24,925.70	\$0.00	\$24,925.70	\$25,915.00				30/11/2018	Project Complete
102091 - Leyburn Water Quality Upgrade	\$1,425.24	\$0.00	\$1,425.24	\$309,260.00		COUNCIL \$50k & FED \$200k		30/6/2019	\$200,000 drought funding approved waiting for formal letter. Specification under review prior to tender being released.
	1,301,600	769,428	2,071,029	10,990,154	\$11,040,657				
Construction/Design In Progress									
Completed									
Warning									
102062 - Stanthorpe Fitness Centre - Fire Hydrant							1/8/2018	31/12/2019	Design drawings received and comments provided to consultant
101892 - Industrial land development - Stanthorpe							12/11/2018	28/02/2019	80% of the upgrade to 150mm water line has been complete. Cut-ins scheduled within the next couple of weeks. Project Manager to confirm Rowley Crt works commencement date.



Item 11.1 Infrastructure Services Directorate Monthly Report  
Attachment 2: Capital Works Project Status - Community Services and Major Projects

**Capital Program - Community Services and Major Projects as at 19 February 2019**

Project Name	Revenue Actual FY18	Current Revenue Budget	Proposed Revenue Budget	Est. Spend FY19	Commit	Est. Cost FY19	Current Budget FY19	Proposed Budget FY19	Funding Source	Est. Start	Act. Start	Est. Finish	Act. Finish	Status/Comment
<b>Carry Over Items</b>														
101809 - Building Fire Systems Upgrades (Warwick Town Hall)	0	0	0	4,940	0	4,940	4,940	4,940	CapEx	Jan-18	Jan-18	Jun-18	Jun-18	
101889 - Durgaree Memorial	0	118,390	118,390	60,174	102,498	162,672	231,100	166,100	W4Q	Sep-18	Sep-18	Sep-18	Feb-19	Concrete to be poured and completed by end of Feb 19
101884 - Willi Street Community Relocation	0	210,000	210,000	48,951	2,591	51,542	416,500	416,500	W4Q	Oct-18	Oct-18	Jun-19		Tender closed 12/02/19. Report to Council 27/02/19
102063 - Raise and Restump Old Allora Offices	0	137,500	137,500	27,297	2,727	30,025	275,000	275,000	W4Q	Oct-18	Oct-18	Jun-19		Tender closed 05/02/19. Report to Council 27/02/19
101885 - Rest area for visitors and travellers incorporating new	0	150,000	150,000	15,942	119,804	135,746	150,000	150,000	W4Q	Dec-18	Dec-18	Jun-19		Awaiting approval from TMR for Queensland sign location
101886 - Regions Art Gallery Upgrade	0	150,000	150,000	12,440	14,773	27,213	150,000	150,000	W4Q	Sep-18	Sep-18	Jun-19		Stanthorpe Gallery: No responses were received to design and construct a fireproof solution for the Stanthorpe Art Gallery's collection room. No responses were received for the RFQ to design a fireproof solution. Met with single supplier for possible solutions, however, still no activity. Staff to engage with gallery to explore other options in order to spend the money by 30 June.
101888 - Recreation Areas at Connolly Dam and Small Villages	0	68,735	68,735	78,754	63,191	141,945	143,216	143,216	W4Q	Aug-18	Aug-18	Feb-19		Delay with electricity distributor installing NMI for connection at Boston Park Wallangarra
101890 - Burial Wall at Warwick Cemetery	0	169,005	169,005	90,977	158,260	249,237	252,406	252,406	W4Q	Oct-18	Oct-18	Jun-19		Works progressing.
101902 - Replace Heat Pumps - WIRAC	0	0	0	340,680	410,243	750,923	812,681	812,681	CapEx	Mar-18	Mar-18	Jun-19		
101903 - Warwick Library - replace air conditioners	0	0	0	0	5,469	5,469	5,470	5,469	CapEx	Jun-18	Jun-18	Jun-18	Jun-18	
101913 - Stanthorpe Fitness Centre Building Compliance Rectification	0	0	0	7,273	11,097	18,370	100,000	100,000	CapEx	Jan-18	Jan-18	Jun-19		Application submitted to Department of Education to relocate OSHC to Stanthorpe Fitness Centre. Awaiting approval
<b>18/19 Capital Budget Items</b>														
101869 - Mitchner Shelter Warwick Cemetery Restoration	0	0	0	78,892	0	78,892	80,000	80,000	CapEx	Sep-18	Sep-18	Jun-19	Dec-18	
101960 - Allora Play Group Building - Switchboard Upgrade, Cladding	0	0	0	0	0	0	0	0	CapEx	Oct-18	Oct-18	Jun-19	Jul-18	
101961 - APRA - Roof Repairs	0	0	0	0	0	0	0	0	CapEx	Nov-18	Nov-18	Jun-19	Jul-18	
101962 - Building Fire Systems Upgrades	0	0	0	0	64,520	64,520	75,000	75,000	CapEx	Jan-19	Jan-19	Jun-19		Preliminary fire system design 28/02/19
101963 - Stanthorpe Admin Building Under-Pinning	0	0	0	2,260	0	2,260	80,000	80,000	CapEx	Nov-18	Nov-18	Jun-19		RFQ for required remediation works to be issued Feb 19
101964 - Pools - Allora & Killarney - Paint and Re-caulk	0	0	0	51,642	11,473	63,114	64,000	64,000	CapEx	Aug-18	Aug-18	Oct-18	Oct-18	
101965 - Pools - Stanthorpe - Paint and Re-caulk	0	0	0	52,654	(2,727)	49,927	50,000	50,000	CapEx	Jul-18	Jul-18	Oct-18	Oct-18	Commitments are negative because it is the Liquidated Damages Charge
101966 - Enhancement of Public Toilets	0	0	0	0	160,000	160,000	160,000	160,000	CapEx	Nov-18	Nov-18	Jun-19		Regional Art Galleries engaged to organise murals on public toilets around the region
101968 - Equitable Access Requirements - Stanthorpe Admin Building	0	0	0	34,555	111,584	146,139	150,000	150,000	CapEx	Nov-18	Nov-18	Jun-19		Lift currently being manufactured. Builder engaged to complete alteration works.
102060 - Stanthorpe Soldiers Memorial Restoration	0	0	0	31,261	13,307	44,568	45,000	45,000	LL	Sep-18	Sep-18	Jan-19		Restoration works complete. Final report for grant acquittal due end of Feb 19
102061 - Flood Mitigation Gauges	21,000	70,000	70,000	146	35,830	35,976	77,000	77,000	NDRP	Sep-18	Sep-18	Feb-19		Equipment installation completed. Application for Station ID's submitted to Bureau of Meteorology. Commissioning end of Feb 19
102062 - Stanthorpe Fitness Centre - Fire Hydrant Coverage	0	0	0	2,200	3,200	5,400	50,000	50,000	CapEx	Dec-18	Dec-18	Jun-19		Detailed design from hydraulic engineer due end of Feb 19
102084 - Leslie Park Dais	71,138	65,000	65,000	68,305	3,215	71,520	70,606	71,520	WCDAMC	Sep-18	Sep-18	Feb-19		Construction complete and dais handed over to Council. Dais Committee to complete memorialisation.
	<b>92,138</b>	<b>1,138,630</b>	<b>1,138,630</b>	<b>1,009,344</b>	<b>1,291,055</b>	<b>2,300,400</b>	<b>3,442,919</b>	<b>3,378,832</b>						

Procurement
Construction In Progress
Completed
Warning

**Funding Source Legend**  
W4Q - W4Qs for Queensland (180)  
NDRP - Natural Disaster Resilience Programs (45:45:30)  
LL - Lasting Legacies  
WCDAMC - Warwick Community Development Areas Memorial Committee



Item 11.1 Infrastructure Services Directorate Monthly Report  
Attachment 3: Capital Works Project Status - Works Construction, Workshop & Assets



**Capital Works**  
**Works Construction Workshop and Assets**  
**Program 18/19 - WCWA Capital Program Report 18th Feb 2019**

Project Name	Current Actual YTD	Current Revenue Budget	Proposed Revenue Budget	Actual Expend YTD	Spent	Actual Expend YTD	Current Budget YTD	Proposed Budget YTD	Funding	Start Date	End Date	Notes
<b>Completed Projects</b>												
101672 - Oyster Creek Street, Kilarney	228,920	228,920	228,920	228,920	0	228,920	228,920	228,920	RTR	Jun-18	Aug-18	Project Completed
101855 - Allora-Clifton Rd Major Pavement Repairs (7-18 RTR)	82,910	85,000	85,000	70,742	0	70,742	85,000	85,000	RTR	Aug-18	Sep-18	Project Completed
101856 - Forest Plains Rd Major Pavement Repairs (7-18 RTR)	212,962	212,962	212,962	212,962	0	212,962	212,962	212,962	RTR	Jun-18	Aug-18	Project Completed
101857 - Goomburra Rd Widening and Rehab (7-18 RTR)	12,834	12,834	12,834	12,834	0	12,834	12,834	12,834	RTR	Mar-18	Jun-18	Project Completed
101858 - Havelock Rd Widening & Rehab (7-18 RTR)	97,194	97,194	97,194	97,194	0	97,194	97,194	97,194	RTR	May-18	Jul-18	Project Completed
101859 - Jack Smith Gully Rd Rehab (7-18 RTR)	300,000	300,000	300,000	247,506	14,940	262,546	300,000	262,278	RTR	Oct-18	Jan-19	Project Completed
101872 - Guy St (Fitzroy-Grafton) Blackspot 17-18	76,790	76,790	76,790	127,755	0	127,755	128,000	114,790	BS	Sep-18	Nov-18	Project Completed
101710 - Stanthorpe CBD Cycle Facilities Design	6,750	5,750	192,450	16,179	0	16,179	16,179		BS	May-18	Jun-18	Completed
101874 - Supralof Rd Blackspot 17-18	0	180,632	180,632	90,066	79,278	169,334	180,632	180,632	BS	May-18	Mar-19	Guardrail and concreting contracts awarded - confirming a start date with contractor
<b>Works Under Construction</b>												
101249 - Plant Replacement	0	1,049,000	1,049,000	1,811,092	522,197	2,333,289	3,850,000	3,850,000		Aug-18	May-19	RFT in progress for 27 Fleet Vehicles closing 21st Feb 2019. All Heavy Plant is completed and delivered. All Heavy trucks in progress 50% delivered. Report for four trucks going to next Council meeting.
101669 - Rangers Rd / Overham Street Intersection	250,000	250,000	250,000	3,666	500	4,166	250,000	250,000	RTR	Apr-19	May-19	Design now complete. Estimate complete = \$250k. Estimate \$100k over the budget. Suggest using funds from Jimmy Mann. Spike with Feds. and no issues just need to notify. Project under review to assess if lesser treatment is an option. Significant funds already spent on design and service relocation/upgrade
101632 - Thames Creek Culvert reconstruction	0	0	0	109,594	71,318	179,912	200,000	200,000		Nov-18	Jan-19	Project Completed
101020 - Easley Street Drainage 18/19	0	0	0	41,643	7,271	48,915	80,000	80,000		Nov-18	May-19	Emergency design report received Estimated at \$1.4 million. Reviewing the estimate in house. Report will be presented to Council. Can now progress to detailed design. The issues will be the large estimate to undertake the works. An RFG being prepared.
101864 - Freestone Bridge Planning and Design (BRP)	0	1,000,000	1,000,000	129,785	3,168	132,942	2,000,000	250,000	BRP	Feb-19	Aug-19	Concept design completed and used to produce RFT. RFT closes 21 March 2019. Will know the project cost then. Have lodged Connolly Dam culvert with BRP for evaluation if surplus funds from this project. Date for completion is 31 October 2019. On target but funds may drift to next year.
101887 - Condamine River, Waking and Cycle Path Extension (W402)	0	57,500	57,500	6,368	79,573	85,941	115,000	115,000	W40	Jan-19	Apr-19	RFQ is awarded. Opening completed on 11 February 2019. Contractor: Cameron Mauch starting 18th Feb.
101889 - Multi Purpose Vehicle Flood - Disaster Centre/Library	0	37,500	37,500	0	0	0	75,000	75,000	W40	Jan-19	May-19	Van scheduled for delivery on 19 March 2019.
101892 - Industrial Land Development	0	375,000	375,000	150,343	136,371	286,714	950,000	950,000	W40	Jan-19	Apr-19	Hard Earthworks commencing with rock removal, large scale clearing and mulching commencing 20th March 2019. Half the crew have commenced on site.
101893 - Warwick CBD Road and Footpath Improvements	0	250,000	250,000	58,697	190,197	248,894	385,919	385,919	W40	Nov-18	May-19	Works Commenced and on track; complex water main works hindering smooth construction. First pour of colour concrete done 11/02/19.
101906 - Cycleways - Glen Aplin and Condamine Bridge	16,626	106,250	106,250	112,241	429	112,670	425,000	425,000	CHL/OSP	Oct-18	May-19	Glen Aplin completed and opening to be confirmed. <b>YET TO SUBMIT RFT. Partner for pedestrian bridge RFT closes 16 February. Delivery date to be confirmed when tender awarded.</b>
101907 - Moving Stormwater at Defiance Mills	0	3	3	196,108	0	196,108	200,000	180,000		Aug-18	Oct-18	Project physically completed. Financial Completion in progress
101903 - Goomburra Rd Widening and Rehabilitation (Stage 2)	521,759	521,759	521,759	403,111	12,650	415,761	600,000	584,151	RTR	Oct-18	Nov-18	Project physically completed. Financial Completion in progress
101994 - TIDE Amiens Road widening 18/19	288,146	499,423	499,423	775,636	100,126	875,762	998,846	775,888	TIDE	Aug-18	Feb-19	Practically complete, minor works such as line marking and signage remaining
101995 - TIDE Interagency Road widening 18/19	20,199	400,000	400,000	69,121	400,092	469,213	800,000	800,000	TIDE	Jan-19	May-19	Roadworks commenced. Culvert works to commence on delivery of culvert units March 2019
101997 - TIDE Freestone Road 18/19	7,228	200,000	200,000	50,428	120,915	171,343	400,000	325,888	TIDE	Jan-19	Mar-19	Project in progress for completion end of March 2019
101998 - Hendon Street Sealing - Goomburra St	71,224	71,224	71,400	71,224	0	71,224	71,400	71,400	RTR	Aug-18	Aug-18	Project Completed
102001 - Gravel Resheding (18-19)	0	0	0	653,188	52,306	705,494	980,000	980,000		Aug-18	May-19	Program in progress 67% complete
102002 - Jimmy Mann Road Roadway	0	40,781	125,000	841	200	1,041	125,000	127,783	RTR	Jan-19	Apr-19	Design in progress will working on completing for \$110k
102004 - Renewals 18/19	0	0	0	345,116	557,345	902,461	1,000,000	1,000,000		Oct-18	Apr-19	Two rounds completed with one to go. Asphalt component finished by mid March and reveals end of February.
102005 - Sundown Road Rehabilitation and Widening	220,002	225,000	220,000	222,965	500	223,465	225,000	225,000	RTR	Sep-18	Dec-18	Project Completed
102006 - B Double Routes	0	3	3	0	0	0	150,000	150,000		Jan-19	May-19	Design in progress - route between Depot road and Ogilvie Road in conjunction with Osborne lane design. RFT to be awarded 15th February and scheduled for completion end of May 2019
102051 - Hendon Street Sealing - Allora St	69,785	38,785	38,000	69,785	0	69,785	39,000	38,000	RTR	Aug-18	Aug-18	Project Completed
102070 - Hendon Street Sealing - Railway Street	25,000	25,000	25,000	21,753	4,586	26,339	25,250	27,800	RTR	Nov-18	Dec-18	Project Completed
102071 - Hendon Street Sealing - Barron Street	35,000	24,000	35,000	25,560	0	25,560	24,000	25,560	RTR	Nov-18	Dec-18	Project Completed
102088 - Guy Street, Pratten Street and Parker Street Cycleway Design	170,000	240,000	35,000	745	0	745	240,000	125,000	CHL/OSP	Nov-18	Dec-18	Short RFG almost complete for total design component. Project design only. This was a Rob Brooks job. Prestart with TMR done. Organising onsite inspection with Luke and Marty (TMR) to scope project. Then will issue an RFG for concept and followed by an RFG for full detailed design. <b>Fully funded by TMR - unlikely to spend this year but targeting to have a full design and estimate done by December 2019 so as to apply for next round of funding for construction in 2020-21.</b>
102091 - Condamine River Crossings (MPP next stage)	0	100,000	35,000	0	109	109	100,000	35,000		Nov-18	Dec-18	Consultation scheduled for 19th February. Then issue and RFT for EIS and individual crossing designs.


Construction in Progress	2,421,428	1,871,225	1,871,422	1,871,465	2,381,191	1,871,464	2,823,232	2,798,232
Design in Progress								
Completed								
Waiting								

OSP - Signs and Roadway Program (OSP)  
BS - Budget (BS)  
CHL/OSP - Cycle Network Local Government Grants Program (CHL/OSP)  
RTR - Roadworks Recovery (RTR)  
TIDE - Transport Infrastructure Development (TIDE)  
W40 - Works for Queensland (W40)



## 11.2 Darling Downs Regional Transport Plan

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Acting Manager Works Construction, Workshops and Assets	<b>ECM Function No/s:</b> 14.16.08

### Recommendation

THAT Council approve the attached response to the Department of Main Roads providing comment and feedback on the Darling Downs Regional Transport Plan.

### Report

The Department of Transport and Main Roads has requested Council to review and provide a response by Friday 1st March 2019 on the Darling Downs Regional Transport Plan (the Plan) (Appendix 1).

The Plan outlines a shared direction for shaping the region's transport system over the next 15 years. Consultation with SDRC on the Plan dates back to 2017 and it is evident that some of the information needed to be updated.

The proposed actions in the document are specific in relation to projects in places and generic in others.

Attached in Appendix 2 is Council's response to the document. Council have already been briefed on the contents of the Plan and some of the key responses to the plan.

### Budget Implications

The Plan lays the foundation for actions to be undertaken in the next 15 years which can result in specific projects. There is potential for Council to use this document to lever funding from grants programs anywhere from 50% to 100% funding in the areas of roads, bridges, Blackspots, cycleways, electrical super highways, public transport, airports, intermodal depots, and footpaths.

### Policy Consideration

Nil

### Community Engagement

Community will be notified as appropriate.

### Legislation/Local Law

Nil

### Options

Council:



1. Approve the attached response to the Department of Main Roads providing comment and feedback on the Darling Downs Regional Transport Plan.
2. Approve an amended response to the Department of Main Roads providing comment and feedback on the Darling Downs Regional Transport Plan.
3. Not approve the response to the Department of Main Roads providing comment and feedback on the Darling Downs Regional Transport Plan.

### **Attachments**

1. Draft Darling Downs Regional Transport Plan (Excluded from agenda - Provided under separate cover)[View](#)
2. SDRC Response to the Draft Regional Transport Plan[View](#)
3. Darling Downs Transport Plan Power Point Presentation[View](#)





Our Ref: MH/CMcM/14.16.08  
Your Ref: DG35781

20 February 2019

Please address all  
communications to:  
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Kym Murphy  
Regional Director – Downs South West Region  
Program Delivery and Operations Branch  
Infrastructure Management and Delivery Division  
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E-Mail: [tmr\\_regional\\_transport\\_plans@tmr.qld.gov.au](mailto:tmr_regional_transport_plans@tmr.qld.gov.au)

Dear Kym

**Re: Requested Input into the Draft Darling Downs Regional Transport Plan**

Council wishes to provide feedback and further commentary on the Draft Darling Downs Regional Transport Plan.

Council looks forward to continued dialogue with the Department of Transport and Main Roads about priorities and actions to help improve the road transport infrastructure and the services to the community of Southern Downs.

Please find attached Council's feedback on the Draft Plan. Should any further explanation or clarification be required, please contact Council's Director Infrastructure Services, Mr. Graham O'Byrne on 1300 697 372.

Yours faithfully

David Keenan  
Chief Executive Officer

Attach.



**SDRC Response to the Draft Regional Transport Plan**

**15 February 2019**

Please find below Southern Downs Regional Council response to the Draft Regional Transport Plan.

**1.3 Strategic Alignment Section:**

- Within Table 1 the Bridges Renewal Program is funded by all three levels of government and not just state.
- There is also the need to include Federal and State funded projects.
- Under National the Federal Blackspot program should be included.
- Under Local – Local roads projects should include bridges. Also this section should include airports and mobile scooter projects.

**1.7 Alignment with regional planning:**

- Suggest that Include corridor planning that Integrates with Local Government Planning Schemes to protect future transport corridors for road, rail, dams, and airports.
- The Darling Downs Regional Plan (DDRP) is referenced in a number of locations. Council considers that the Darling Downs Regional Plan (DDRP) is not a particularly helpful document with regards to transport planning, so perhaps it is a matter of making it clearer how the Draft Regional Transport Plan reflects the DDRP.

**1.8 Achievements to date:**

- Reword last dot point to *Rerouting of three urban bus services in Warwick to improve operational efficiency and safety*

**1.9 Developing Regional Transport Plans:**

- Within table 3 a major challenge for this council is the influx of approximately 7,000 backpackers per annum and their driving habits and resultant crash statistics.

**2.1 Regional Overview:**

- Additional wording on page 20 – *The area is renowned for its natural attractions including Girraween National Park and boutique Granite Belt wineries.<sup>14</sup> Also the Warwick Rodeo and Morgan Park precinct.*

**2.2 Transport Network:**

- On the map page 22 Stanthorpe is missing secondary schooling, tertiary (Wine College) and a hospital.
- Within the rail section on page 24 mention should be made of the Inland Rail project (mentioned page 37), the intermodal facility at Hendon, and the Warwick Watco facility upgrade.
- Within the rail section on page mention should be made of the airports at Stanthorpe and Warwick. Cattle are not transported into or out of Warwick on rail.
- On the map page 29 the label for Locker Valley Regional Council is pointing to SDRC.



**SDRC Response to the Draft Regional Transport Plan**

**15 February 2019**

**3.2 Challenges:**

- On page 34 in the section on road safety there is an over representation of crashes involving overseas backpackers. Farms are looking to use this labour for seasonal harvest and planting requirements.

**3.3 Opportunities:**

- Expanding the tourism market page 36. Please be aware that Warwick (The Rose City) has been named one of the 2019 Wotif Aussie Towns of the Year! Leading online travel site Wotif has revealed the winners of the 2019 Wotif Aussie Town of the Year awards, recognising ten deserving locations across the country that have made a unique contribution to Australian tourism. Warwick came in at number 10.
- Economic projects and initiatives page 37. SDRC feels this is perhaps one area to showcase the potential for the region to grow and encourages the page is dedicated to this. Projects that SDRC would like added in are:
  - John Dee Abattoir Warwick redevelopment of \$22.5 million for warehousing and logistics.
  - University of Queensland construction of a Solar Farm Warwick \$125 million
  - Upgrade of the Stanthorpe Industrial Estate.
  - Grove Juice Factory Warwick Upgrade \$15 million
  - Storm King Dam Stanthorpe water trunk construction \$6.6 million
  - Integra Heath Care expansion \$5 million
  - 30 new beds at Killarney Memorial Aged Care facility.
  - New Stanthorpe retirement village
  - Upgrade of Defiance/Corson milling facility Warwick
  - \$32 million dollar expansion of Churches of Christ Regency Park Warwick
  - Recently completed
    - \$40 million expansion of Rose City Shopping world Warwick
    - \$40 million new Bunnings Warehouse Warwick
    - \$22 million construction of chicken hatchery Allora

Additionally The Emu Swamp Dam is at this stage proposed and estimated at \$90 million and will not deliver urban water just irrigation. It is also south-west of Stanthorpe. Also proposed projects are the Hendon Intermodal facility and the Warwick Heavy Vehicle bypass.

**4. Priorities and actions**

1. Table 4 There is no mention of the electric vehicle super highway.



**SDRC Response to the Draft Regional Transport Plan**

**15 February 2019**

**4.1 Priority 1: Supporting economic growth**

- Page 43 SDRC would like the Palmer Bridge replacement at Freestone in future planning identified in QTRIP for Darling Downs.
- Page 43 on the fifth dot point there is the need to include the New England Highway as one of the "key inter-regional corridors to enable cross-border connectivity".
- Page 45 in A1.02 CORRIDOR AND ROUTE PLANNING - It should contain Assessment of a possible heavy vehicle bypass of Warwick.
- Page 45 in A1.04 for INLAND RAIL – The South West rail network needs to be included.
- Page 46 in A1.06 MULTI-MODAL FREIGHT ACCESS - while the Warwick Industrial Precinct is mentioned SDRC is curious to know what was meant by appropriate local access.
- Page 46 in A1.10 ROAD CORRIDOR PROTECTION - The Warwick bypass has already been mentioned. It is hoped that within 5 years the corridor can be established and protected under planning instruments.
- Page 46 in A1.12 HEAVY VEHICLE FREIGHT ACCESS – B-Double access needs to be included here for all TMR roads that intersect with highways. For instance the Warwick - Yangan and Freestone Roads cannot support B Double movements from farm gate to highway. In addition to this freight movement should be allowed green wave through Warwick which may include installations of more traffic signals.
- In addition to the above there is the need to include the plan of what freight efficient vehicles will be allowed on what networks. For example AB triples etc.
- The inclusion of previous studies. For example the Warwick Traffic Management Study was a document which provided the necessary infrastructure required between the highway conditions of years ago through Warwick and the future bypass of the town. Critical infrastructure such as traffic lights and lane widenings need to be addressed within the next 5 years. This also includes the OO Madsen Bridge where a Federal Minister said that the Federal Highway will never be cut again. A duplication of the bridge and the adjacent rail over bridge are required with better flood immunity.
- New studies are also required for existing towns like Stanthorpe and Allora to project the future requirements for projects.
- Page 46 in A1.15 RAIL TRAILS AND ICONIC CYCLE ROUTES – Cyclists are looking for long distance rides under permit from both Council and TMR. The current network is dangerous given state of road where cyclists occupy – that is narrow, rough, high speed, and high numbers of commercial vehicles. Support is requested to develop cycle network on lower volume shire and TMR roads that enable 20km and 40km circuits. Council would be interested in such an area around the Morgan Park facility.

**4.2 Priority 2: Enhancing liveability**

- The picture on page 49 should read Palmerin Street and not Main Street.
- Section 4.2 Enhancing liveability – need to address beautification, e.g. tree planting, garden beds, etc, which is paramount to support liveability.
- A2.13 TOOWOOMBA TO BRISBANE PUBLIC TRANSPORT – SDRC would like to piggy back off this connection. With congestion in Brisbane and parking fees there would be incentive to link Warwick with Toowoomba with the ability to go to Brisbane without taking a vehicle. This would include the Wellcamp airport. Perhaps a subsidy system to encourage rural folk to fly out of Toowoomba that is competitive with Brisbane air fares.



**SDRC Response to the Draft Regional Transport Plan**

**15 February 2019**

**4.3 Priority 3: Transport Safety**

- Page 58 SDRC is proposing an additional strategy. That is provision of learn to ride facilities for young cycle riders so as to become familiar with road rules. This could be integrated with schools where part of the curriculum is to learn how to ride safely in a secure environment. Additionally Warwick and Stanthorpe have race facilities. Can consideration be given to first time drivers for an off road facility to get to know how to operate a vehicle without being in the main stream. It's a concern that P platers have a bullet proof attitude and combine that with mobile devices is toxic.
- Page 58 SDRC has a specific issue of international drivers that are predominately backpackers. Approximately 7,000 of them make their way into our region. Their driving habits are quite different and they are over represented in crash statistics. Some treatments have been applied but need to be revisited.
- Page 58 SDRC has over the years been requested to provide car parking for state government Instruments such schools and hospitals on safety reasons. Normally Council would request the land owner to fund their own parking through the development process. Council would appreciate some investment in time and money to tackle this from a safety portfolio.

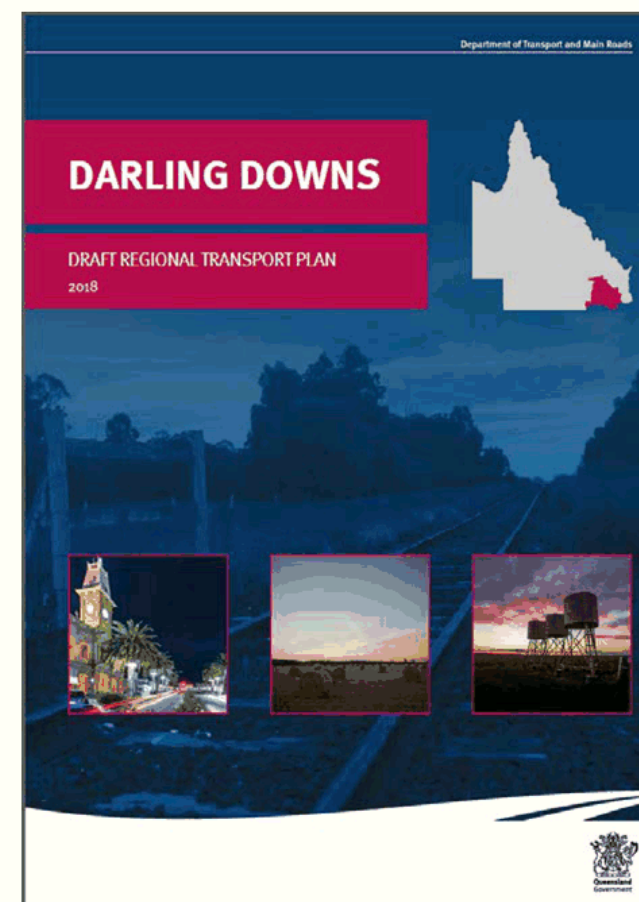
**4.4 Priority 4: Network Resilience**

- Page 61 SDRC through a collaborative project with the University of Queensland is looking at installing fast charge stations with the CBD of Warwick at one location. The next step will be rolling this out across the Highways? Current electric vehicles are in the vicinity of \$138,000. Models released in late 2019 will be approximately \$60,000.
- A4.02 BRIDGE RENEWAL – Should this action also include bridges with a high crash history such as Accommodation Creek?



# Context

The Department of Transport and Main Roads has requested Council asked to review and provide a response by Friday 1st March 2019 on the Draft Darling Downs Regional Transport Plan (DDRTP)





# Purpose

This briefing is to provide Councillors with information about the Draft Regional Transport Plan and the opportunity to view and accept or amend the prepared response by officers.



Condamine River, Warwick



# Background

## Purpose of the *DDRT* :

- Is to set out regional transport priorities and actions for developing the transport system
- To support regional goals for the community, economy and environment.
- Developed in accordance with the *Transport Planning and Coordination Act 1994*
- Meets legislative responsibility to develop integrated RTPs that complement land use planning, and support the goals and objectives of regional plans.
- Defining local responses to wider community goals, system objectives, problems and priorities.
- Development of policy choices and transport system strategies at a regional level.





The approach to developing Regional Transport Plans is aligned with the *Australian Transport Assessment and Planning Guidelines* for best practice transport assessment and planning.

The regional policy choices and system strategies expressed in this Plan are used to:

- inform more detailed planning or investigations at a network, area, corridor, route or link level
- guide development, assessment and selection of specific investment solutions.

The Darling Downs region is home to more than 284,000 people and includes the local government areas of Goondiwindi, Lockyer Valley, Southern Downs, Toowoomba and Western Downs.<sup>1</sup>





This DDRTP has been developed:

- In the context of policies, strategies, plans and investment frameworks across all levels of government.
- The adjacent table shows its relative position.



Table 1: The strategic fit of Regional Transport Plans

FRAMEWORK ELEMENT	DIRECTION SETTING	STRATEGIC PLANNING	PROGRAMMING (including investment)	DELIVERING
National	<ul style="list-style-type: none"> <li>Australian Infrastructure Plan</li> </ul>	<ul style="list-style-type: none"> <li>Australian Transport and Assessment Planning Guidelines</li> <li>Infrastructure Australia's Infrastructure Priority List</li> <li>National Land Freight Strategy</li> <li>Regional, Education, Skills and Jobs Plan, Darling Downs and South West</li> <li>Infrastructure Australia's Urban Transport Strategy</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure Investment Program</li> <li>Australian Infrastructure Audit</li> <li>National Land Transport Network investment strategies</li> <li>Building Better Regions Fund</li> </ul>	<ul style="list-style-type: none"> <li>Toowoomba to Oakley Duplication Stages 1 and 2</li> <li>Toowoomba Second Range Crossing</li> </ul>
Queensland Government	<ul style="list-style-type: none"> <li>Objectives for the community</li> <li>Advance Queensland</li> <li>State Planning Policy</li> </ul>	<ul style="list-style-type: none"> <li>Regional Plans                             <ul style="list-style-type: none"> <li>Darling Downs Regional Plan 2013</li> <li>ShapingSEQ</li> </ul> </li> <li>State Infrastructure Plan Part A</li> <li>Building Queensland's Infrastructure Pipeline</li> <li>Queensland Cycling Strategy 2017–2027</li> </ul>	<ul style="list-style-type: none"> <li>Project Assessment Framework</li> <li>State Infrastructure Plan Part B</li> <li>Building Queensland Business Case Assessment</li> <li>Warrego Highway Upgrade Program</li> </ul>	<ul style="list-style-type: none"> <li>Royalties for the Regions</li> <li>Bridges Renewal Program</li> <li>Various intersection improvements on Gatton–Esk Road</li> <li>Construction of a new concrete bridge at Jingi Jingi Creek</li> <li>Upgrading the Toowoomba–Cecil Plains Road</li> </ul>
Departmental	<ul style="list-style-type: none"> <li>Transport Coordination Plan 2017–2027</li> <li>'Queensland Transport Strategy' (draft)</li> <li>Transport and Main Roads Strategic Plan 2016–2020</li> </ul>	<ul style="list-style-type: none"> <li><b>Regional Transport Plans</b></li> <li>System strategies and plans (e.g. rail, ports, freight, passenger, road safety)</li> <li>Area and corridor transport strategies</li> <li>Route and link plans</li> <li>Principle cycle network plans</li> </ul>	<ul style="list-style-type: none"> <li>10-year transport infrastructure portfolio investment planning</li> <li>Queensland Transport and Roads Investment Program (QTRIP)</li> <li>Highway investment strategies</li> <li>Transport System Planning Program</li> </ul>	<ul style="list-style-type: none"> <li>Transport service contracts</li> <li>Transport Infrastructure Development Scheme</li> <li>Safer Roads Sooner</li> <li>Public transport infrastructure upgrades</li> </ul>
Local	<ul style="list-style-type: none"> <li>Vision statements</li> <li>Strategic/corporate plans</li> </ul>	<ul style="list-style-type: none"> <li>Planning schemes</li> <li>Local area plans</li> <li>Local transport plans</li> </ul>	<ul style="list-style-type: none"> <li>Local government infrastructure plans</li> <li>Local government investment and works programs</li> </ul>	<ul style="list-style-type: none"> <li>Local roads projects</li> <li>Bikeway and footpath projects</li> <li>Local bus infrastructure projects</li> </ul>



## Process

The *Darling Downs Regional Transport Plan* was developed with a 'customer-first' and 'one network' approach. Early engagement with customers, stakeholders and partners was vital to identify and understand the region's issues, challenges, opportunities, goals and priorities for taking action. Key stages in the development process are set out below.

Early engagement with partners, stakeholders and customers through meetings and workshops to understand regional goals, challenges and opportunities

Review of relevant strategies, plans and policies to establish a holistic understanding of transport objectives and desired regional transport outcomes

Analysis of economic and population trends to understand key drivers underpinning future transport needs

Collaborative development of priorities and actions to set a framework for future planning and delivery partnerships

Submissions are due by 1<sup>st</sup> March 2019 and has a projected life of 15 years.



## **DDRTP Structure**

The document comprises five chapters and the sequence and content of chapters reflects the development and implementation stages for the Plan.

- **Chapter 1** introduces the purpose, scope and strategic alignment of the Regional Transport Plan.
- **Chapter 2** provides an overview of the region's community, economy and transport system.
- **Chapter 3** describes the region's goals, challenges and opportunities and their relationship to transport.
- **Chapter 4** sets out the priorities, objectives and actions for shaping the transport system over the next 15 years.
- **Chapter 5** outlines the Plan's implementation and review process.



# Benefits for SDRC

RTP PRIORITIES	<b>PRIORITY 1</b> Supporting economic growth	<b>PRIORITY 2</b> Enhancing liveability	<b>PRIORITY 3</b> Transport safety	<b>PRIORITY 4</b> Network resilience
	A transport system that supports economic growth through efficient access to local and global markets.	A transport system that supports connected and liveable communities.	A safer transport system.	A resilient and responsive transport system.

- Continued planning for a Warwick Bypass
- Completion of planning on Accommodation Creek Project
- enable access for high productivity vehicles and the oversize over mass network
- Multi-modal freight access to Warwick industrial precinct, abattoirs, and feedlots
- Continued planning for a Warwick Bypass
- Cycling, airports, walking and boat ramps.
- Public transport systems
- Safety programs – Blackspot, SRS
- Bridge renewals and flood immunity
- Disaster management
- Electric vehicles.



# Feedback Submission from SDRC

SDRC provided 30 items as feedback – highlights

- Council would like motor scooters included
- Driving habits of international backpackers
- Intermodal facility at Hendon & WATCO
- Inclusion of airports in Stanthorpe and Warwick
- Warwick achieved No.10 in Wotif
- Inclusion of 10 new large projects and 3 major completions since work started on RTP
- Warwick about to install 3 fast chargers for electric vehicles – Electric super Hwy.
- Corridor protection of a possible Heavy Vehicle Bypass of Warwick
- B-Double access priority development off highway onto side roads
- Take cyclist events off highway – suggest Morgan Park & circuits 20 & 40km on local roads
- Implement learn to ride facilities for learner cyclists
- Parking for state government facilities based on safety outcomes
- Linkage of public transport from SDRC to Wellcamp and proposed passenger rail link from Twmba to Brisbane.



# Financial

The financial implications for SDCR are:

- The actions in many cases are very generic.
- This indicates that as time progresses there will be some requests for projects against those actions.
- In most cases funding requirements for projects will normally be on a 50/50 basis or better between Council and TMR.
- At this time there are no new projects Council is not aware of.



# Risk/Mitigation

Risk	Mitigation
The document is very Toowoomba centric given its size and its hub as a rail and major highway connector – risk of lack of projects outside TRC.	<ul style="list-style-type: none"><li>• SDRC needs to ensure it clearly identifies projects that will meet the RTP actions so it will be in a position to nominate them in future programs.</li><li>• Develop concept plans from seed funding.</li></ul>
SDRC fails to maintain a good relationship and reputation with TMR as future projects are developed.	<ul style="list-style-type: none"><li>• Plan to have regular DDRTP meetings between TMR and SDRC to discuss potential actions and projects.</li><li>• Deliver projects on time, on budget and desired quality.</li></ul>
The RTP becomes outdated. Since consultation over the document there have been 10 new developments in SDRC.	<ul style="list-style-type: none"><li>• Within regular meetings have an agenda item to list updates for DDRTP.</li></ul>




# Next Steps

- Provide the Report to Council for the February meeting noting the submission to TMR.
- Pending Council decision - provide the Feedback Submission by 1<sup>st</sup> March 2019 to TMR as requested .



## 11.3 Stanthorpe Fitness Centre - Amendment to Fees and Charges

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Manager Community Services & Major Projects	<b>ECM Function No/s:</b> 12.11

### Recommendation

THAT Council amend its 2018/2019 Schedule of Fees and Charges for the Stanthorpe Fitness Centre to include fees at a discounted rate for school hire usage outlined in the attachment.

### Report

Council has managed the Stanthorpe Fitness Centre (formerly known as the Stanthorpe YMCA) since 1 January 2018.

The former YMCA Stanthorpe provided a heavily discounted rate (approximately 90% off) to the local schools, which Council agreed to continue during the initial year of transition, being 2018. Whilst this was continued, it was not clearly articulated in the Council fees and charges and only came to Council's attention later in 2018.

The Stanthorpe Fitness Centre works closely with the local schools, to ensure sufficient sport and recreational opportunities are provided to the Southern Downs youth.

The Stanthorpe State High School has again shown interest in increasing their usage at the Fitness Centre, subject to discounted rates. Therefore, a separate fee to hire the court and aerobics room is being proposed for school usages. This is to ensure that our local schools continue to support the Fitness Centre and keep coming back. The proposed fee is:

- **Hire for Court hire \$30 per hour**
- **Hire for Aerobic Room \$20 per hour**

### Budget Implications

The introduction of additional fees provides a defined revenue stream for the Stanthorpe Fitness Centre, which is specific to a regular educational user of the facility.

### Policy Consideration

Community Plan 2030 – Healthy and Active Southern Downs

2.24 Increase accessible, inclusive and diverse recreation activities through the provision of quality infrastructure and facilities across the region.

### Community Engagement

Nil

### Legislation/Local Law

*Local Government Act and Local Government Regulation*



**Options**

1. Council amends the 2018/2019 Schedule of Fees and Charges to include the new fees for School usage of court and aerobic room identified in Annexure A.
2. Council does not amend the 2018/2019 Schedule of Fees and Charges to include the new fees for school identified in Annexure A.

**Attachments**

1. Updated Schedule of Stanthorpe Fitness Centre Fees and Charges [View](#)




STANTHORPE FITNESS CENTRE			
		GST Treatment	2018-2019
<b>GYM ONLY</b>			
Casual Visit		GST	10.00
Casual Visit -Student		GST	9.00
Casual Visit- people with disability via NDIS/Endeavour Foundation		GST	3.00
1 Month		GST	50.00
12 Month			500.00
<b>Gym and Exercise classes</b>			
1 Month		GST	75.00
12 Month		GST	750.00
<b>GENERAL Fees &amp; Charges</b>			
10 Visits		GST	80.00
20 Visits		GST	160.00
Court hire (between 8pm to 10pm)		GST	50.00/HR
Court hire (between 7am to 8pm)		GST	40.00/HR
Gymnastics		GST	12.50 per 1.5hrs
Gymnastics		GST	10.00/hr
Local School usage			
Court Hire		GST	30.00/hr
Aerobics room		GST	20.00/hr



## 12. SUSTAINABLE DEVELOPMENT REPORTS

### 12.1 Council Operations over the 2019 Christmas/New Year Period

#### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Manager Corporate Services	<b>ECM Function No/s:</b> 05.49

#### Recommendation

THAT all Council staff cease work at close of business on 24 December 2019 with normal business operations resuming on 30 December 2019.

#### Report

Prior to the Christmas/New Year period of 2017, the usual practice of Southern Downs Regional Council ('SDRC') was that Council Offices and Libraries closed and the majority of work crews ceased operations over the Christmas/New Year period. Essential services were still maintained by skeleton work crews and on-call staff operated to ensure that the community was still well serviced. Council staff accessed leave entitlements during the closedown period (excluding statutory public holidays). The taking of leave during this period was beneficial in reducing excess leave entitlements that would have potentially been paid at a higher pay rate in the future.

Statistics relating to Community Contact and Library operations during the Christmas/New Year period in 2018 (during which the Administration and Library offices remained open), with comparative statistics for a normal three day operational period are as follows:

#### Phone Calls

	<b>Average calls per day 27 to 31 December excluding repeats</b>	
<b>Mean average daily calls for peak (Aug) and low (Sept)</b>	2018	2017
176 calls per day	51	75*

\*this total is exacerbated by calls received from many residents in the Leyburn district who were badly affected by an intense storm event.

This represents a 71% reduction in comparison to normal business calls received for the 2018 Christmas and a 58% reduction for the 2017 Christmas period.



## **Counter Transactions**

	<b>Average counter transactions per day 27 to 31 December</b>	
	2018	2017
<b>Mean average counter transactions for peak (Aug) and low (Sept)</b>		
113 transactions per day	24	32

This represents a 78% reduction in comparison to normal counter transactions during the 2018 Christmas and a 72% reduction during the 2017 Christmas period.

These statistics clearly show a major downturn in community dealings during the Christmas/New Year period.

It is therefore proposed that Council's office and Libraries staff and the majority of external work crews cease work during the 2019 Christmas/New Year period with skeleton external work crews continuing to operate over the 2019 Christmas/New Year period (excluding statutory public holidays).

Council staff would be required to take accrued leave during the closedown period, being 27, 30 and 31 December 2019.

## **Budget Implications**

The taking of leave during this period is beneficial in reducing excess leave entitlements that would have potentially been paid at a higher pay rate in the future.

## **Policy Consideration**

Nil

## **Community Engagement**

Nil

## **Legislation/Local Law**

Nil

## **Options**

1. All Council staff cease work at close of business on 24 December 2019 with normal business operations resuming on 30 December 2019.
2. Council offices and Libraries remain open and work crews continue to operate over the 2019 Christmas/New Year period (excluding statutory public holidays). Council staff be provided with the option to either take leave or continue to work over this period.


## **Attachments**

Nil



## 12.2 Appeal to Planning and Environment Court - Marino v Southern Downs Regional Council & JYV Pty Ltd

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Planning and Compliance Coordinator	<b>ECM Function No/s:</b> MCU\02007

### Recommendation

THAT, for the matter of Planning and Environment Court Appeal No. 238 of 2019 - Marino v Southern Downs Regional Council & JYV Pty Ltd, Council:

- (i) Delegates to the Chief Executive Officer power to engage legal counsel and expert witnesses as necessary in defending Council's decision on this development application; and
- (ii) Appoints the Chief Executive Officer as its delegate to participate in any formal mediation or without prejudice proceedings. The delegate is to have authority to commence, negotiate, mediate or settle this action and make an agreement as a result of without prejudice discussions, legal advice or mediation upon such terms as Council's legal advisor may recommend or approve.

### Report

Council issued a Development Approval on 12 December 2018 in relation to an application by JYV Pty Ltd for a Retirement facility at Torrisi Terrace, Stanthorpe.

Four submitters to application have filed an appeal with the Planning and Environment Court against the approval of the application on the grounds of excessive site coverage and inadequate stormwater management. The four Appellants are adjoining landowners. A copy of the Notice of Appeal is attached.

It is recommended that Council delegate authority to the Chief Executive Officer to conduct the appeal.

### Budget Implications

There will be costs associated with engaging legal counsel and expert witnesses. The extent of costs will depend on whether the matter is settled through mediation or proceeds to a hearing.

### Policy Consideration

Nil

### Community Engagement

The development application underwent public consultation in accordance with the *Planning Act 2016*.

### Legislation/Local Law

*Planning Act 2016*  
Southern Downs Planning Scheme



## **Options**

Council:

1. Delegates authority to the Chief Executive Officer for the conduct of the appeal.
2. Does not delegate authority to the Chief Executive Officer for this matter.

## **Attachments**

1. Notice of Appeal [View](#)



In the Planning and Environment Court  
Held at: Brisbane

Appeal 238 of 2019

Between:	<b>Mario Marino Salvatore Marino Venerando Marino Santina Marino</b>	Appellants
And:	<b>Southern Downs Regional Council</b>	Respondent
And:	<b>JYV Pty Ltd ACN 622 605 958</b>	Correspondent

### NOTICE OF APPEAL

Filed on: 25/1/2019

Filed by: **QuDA**  
Service address: Level 22 69 Ann Street BRISBANE QLD 4000  
Phone: 0417 330 433  
Email: andrew.davis@quda.com.au

**Mario Marino** of 119 College Road, Stanthorpe, **Salvatore Marino** of 76 Britannia Street, Stanthorpe, **Venerando Marino** of 113 College Road, Stanthorpe and **Santina Marino** (aka Santa Marino) of 76 Britannia Street, Stanthorpe, all in the State of Queensland appeal to the Planning and Environment Court at Brisbane against the decision of the respondent made on 12 December 2018 (but communicated to the Appellant on 24 December 2018) to approve a development application ("development application") for a development permit for building work (relocation of house) and a development permit for a material change of use (retirement facility – 90 units) ("development") for land at lot 43 Torrisi Terrace, Stanthorpe in the State of Queensland and more particularly described as lot 43 on SP185955 (land the subject of the

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**NOTICE OF APPEAL**  
Filed on behalf of the Appellants

Form PEC-1

Page 1 of 8

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**QuDA**  
Level 22 69 Ann Street  
BRISBANE QLD 4000  
Contact lawyer:  
**Andrew Davis**  
0417 330 433  
andrew.davis@quda.com.au



**development application") bearing the respondent's application reference MCU\02007 and seeks the following orders or judgment:**

- 1 the appeal be allowed**
- 2 the development application be refused**
- 3 such further or other order as this Honourable Court may require**

**The grounds of appeal are:**

**The land the subject of the development application**

- 1 The land the subject of the development application:**
  - (a) is vacant, undeveloped and entirely pervious**
  - (b) Is 4.3410ha in area**
  - (c) is in the Low Density Residential Zone in the respondent's planning scheme, which commenced to operate on 12 March 2018**
  - (d) is downstream of 4 stormwater catchments ("upstream catchments") measuring:**
    - (i) for catchment EXT1 - 3.3632ha**
    - (ii) for catchment EXT2 - 0.4175ha**
    - (iii) for catchment EXT3 - 1.4079ha**
    - (iv) for catchment EXT4 - 17.3107ha**
  - (e) does not enjoy the benefit of any easement or agreement for the discharge of stormwater onto adjoining land**

**The appellants' land**

- 2 The appellants are the owners of lots 1 and 2 on RP225389 ("the appellants' land"), which share a common boundary with the land the subject of the development application**



### **The development application**

#### **3 The development application:**

- (a) was made on or about 10 September 2018
- (b) required impact assessment
- (c) required referral to the Department of State Development, Manufacturing, Infrastructure and Planning for development Impacting on State transport infrastructure

### **The development**

#### **4 According to the development application, the development involves 43% site cover calculated as follows:**

<b>Area of the land the subject of the development application</b>	<b>4.3410ha</b>
<b>Less internal road area (A)</b>	<b>0.64ha</b>
<b>Subtotal</b>	<b>3.701ha</b>
<b>Less communal open space (B)</b>	<b>0.9ha</b>
<b>Subtotal</b>	<b>2.801ha</b>
<b>Less private open space around individual dwellings/duplexes (C)</b>	<b>1.1ha</b>
<b>Subtotal (D)</b>	<b>1.791ha</b>
<b>Divided by the Area of the land the subject of the development application</b>	<b>4.3410ha</b>
<b>Site cover</b>	<b>43%</b>

#### **Notes:**

- (A) This includes car parks



- (B) This includes the area of 2 detention basins, and the narrow verges of internal roads, but excludes 0.1ha of central facility building
- (C) This includes all area around individual dwellings/duplexes, whether the area is useable private open space or not
- (D) Which is the balance of area of the land the subject of the development application being the area of the land covered by buildings

**5 According to the development application, the development involves:**

- (a) for stormwater from the upstream catchments, the:
  - (i) collection of the stormwater
  - (ii) conveyance of the stormwater through the land the subject of the development application via underground pipe
  - (iii) discharge of the stormwater in a concentrated fashion more or less directly onto the appellants' land
- (b) 2.8851ha of impervious area, which is 66% of the area of the land the subject of the development application
- (c) for stormwater on the land the subject of the development application:
  - (i) collection of the stormwater into 2 detention basins
  - (ii) discharge of the stormwater in a concentrated fashion more or less directly onto the appellant's land
- (d) finished levels such that stormwater runoff from all or part of the allotment cannot be gravity discharged to the street

#### **Submissions**

**6 Ten submissions were made about the development application.**

#### **Site cover**

**7 The low density residential zone code includes acceptable outcome AO2 stating "The maximum site coverage of all buildings and structures is 40%"**



- 8 The correct calculation of site cover for the development is 63% calculated as follows:

Area of the land the subject of the development application	4.3410ha
Less internal road area (A)	0.64ha
<b>Subtotal</b>	<b>3.701ha</b>
Less communal open space (B)	0.9ha
<b>Subtotal</b>	<b>2.801ha</b>
Less private open space around individual dwellings/duplexes (C)	1.1ha
<b>Subtotal (D)</b>	<b>1.791ha</b>
Divided by:	2.801ha
(i) the Area of the land the subject of the development application	
less	
(ii) internal road area	
less	
(ii) communal open space	
<b>Site cover</b>	<b>63.9%</b>

- 9 The low density residential zone code includes performance outcome PO2 stating, the site cover of buildings and other roofed structures:
- (a) does not present an appearance of bulk to adjacent properties or roads
  - (b) allows for soft landscaping between buildings and between the buildings and the road
  - (c) allows for adequate area at ground level for outdoor recreation, entertainment, clothes drying, and vehicle access



- 10 The site cover of buildings and other roofed structures of the development:
- (a) presents an appearance of bulk to adjacent properties or roads
  - (b) does not allow for soft landscaping between buildings and between the buildings and the road, including the internal road
  - (c) does not allow for adequate area at ground level for outdoor recreation and entertainment
- 11 The site cover of buildings and other roofed structures of the development constitutes a significant overdevelopment of the land the subject of the development application.

**Stormwater**

- 12 The development involves changes to the stormwater discharge characteristics of the land the subject of the development application that would substantially damage the appellants' land
- 13 By virtue of the matters in paragraphs 1(e) and 12, a lawful point of discharge for the development is required.
- 14 The development approval includes the following conditions: (underlining emphasis added)
- 1. The development of the site is to be generally in accordance with the following proposal plans submitted with the application, and subject to the final development being amended in accordance with the conditions of this approval.  
.....
  - 2. Where there is any conflict between the conditions of this approval and the details shown on the approved plans and documents, the conditions of approval prevail.
  - 25. A stormwater drainage system serving the development is to be constructed and the stormwater disposed of to a lawful point of discharge, in accordance with the Queensland Urban Drainage Manual (QUDM)  
Where the finished levels are such that stormwater runoff from all or part of the allotment cannot be gravity discharged to the street, an underground drainage line shall be provided to discharge the runoff from the allotment  
  
Where necessary, suitable easements may be required over adjoining properties. The easements shall be provided to Council, at the developer's cost. All drainage works should meet the requirements of the Queensland Urban Drainage Manual (QUDM). Site stormwater runoff must be collected, detained and discharged where appropriate in a manner that does not increase the quantity or concentration of stormwater flow in comparison to the pre-development condition. Where necessary, suitable easements to lawful points of discharge, which may include surrounding properties, shall be provided to Council, at the developer's cost



- 15 For condition 1, none of the conditions of the development approval require the amendment of the proposal plans.
- 16 The approved plans conflict with condition 25 because:
- (a) The approved plans do not depict stormwater being disposed of to a lawful point of discharge
  - (b) The approved plans depict a stormwater drainage system that does not involve any underground drainage line to discharge the runoff from the land the subject of the development application
- 17 The way the approved plans, and the development proposal more generally, ought to be modified to give effect to condition 25 is vague and uncertain.
- 18 If the vagueness and uncertainty cannot be addressed, the development application ought to be refused.
- 19 The appellant seeks an Order that:
- (a) the appeal be allowed
  - (b) the development application be refused

**QuDA**

**QuDA**  
Solicitors for the Appellants  
Dated 24 January 2019



**If you are named as a respondent in this notice of appeal and wish to be heard in this appeal you must:**

- (a) within 10 days after being served with a copy of this Notice of Appeal, file an Entry of Appearance in the Registry where this notice of appeal was filed or where the court file is kept; and**
- (b) serve a copy of the Entry of Appearance on each other party.**

**The Entry of Appearance should be in Form PEC – 5 for the Planning and Environment Court.**

**If you are entitled to elect to be a party to this appeal and you wish to be heard in this appeal you must:**


- (a) within 10 business days of receipt of this Notice of Appeal, file a Notice of Election in the Registry where this notice of appeal was filed or where the court file is kept; and**
- (b) serve a copy of the Notice of Election on each other party.**

**The Notice of Election should be in Form PEC – 6 for the Planning and Environment Court.**



## 12.3 Community Infrastructure Ideas Register

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Governance and Grants Officer	<b>ECM Function No/s:</b> 15.02

### Recommendation

THAT Council prepare correspondence to the Australian Local Government Association advising that Southern Downs Regional Council is seeking the inclusion of the following projects for the National Register for Community Infrastructure:

- (i) Stanthorpe Art Gallery
- (ii) Relocation of the Stanthorpe Waste Water Treatment Plant; and
- (iii) Allora Waste Water Treatment

### Report

The Australian Local Government Association (ALGA) is developing a register of potential community infrastructure projects around Australia. ALGA will draw on this register in building the evidence base to strengthen the case for a Commonwealth funding program to assist Councils to undertake vital projects to meet community needs.

ALGA is requesting all Council's to register at least three projects with particular emphasis on the importance of the project and why it is significant to the community.

All projects must be selected from a list of categories. Those categories relevant to SDRC include:

- Aerodromes and airstrips;
- Community centres and public halls;
- Library and information centres;
- Main streets and public squares;
- Park equipment e.g. playgrounds, benches and BBQS;
- Recreational facilities, including swimming pools and playing fields;
- Senior citizen centres;
- Stormwater and water cycle management;
- Theatres, galleries and museums;
- Tourism information centres;
- Water and wastewater.

The projects that we recommended for SDRC to put forward on the register include:

#### **Stanthorpe Art Gallery**

The Stanthorpe gallery has outgrown its current facility and while options for expanding the building have been investigated, these have fallen short of delivering on the gallery's full potential. The Stanthorpe Art Gallery is the second largest regional art gallery in Queensland with the



potential to become an arts Hub of Queensland and contribute to the region's tourism, education, creative economy and community engagement.

The gallery has aspirations to develop a purpose built facility that enables it to deliver on its vision and reflect the success of the gallery as an outstanding regional centre for art. In December 2018 Council submitted a funding application under the Building Better Regions Fund program and the outcome of which is still pending. Investment in vital community infrastructure that helps to showcase the region and it's assets is pivotal to the sustainable development of the region.

### **Relocation of the Stanthorpe Waste Water Treatment Plant**

This project has been identified as being vital. Due to the current treatment plant being located approximately 40 to 50 metres from the creek, flooding can envelope the plant and create overflow and negative environmental issues. Water is a vital asset for every community.

### **Allora Waste Water Treatment**

This project has long been under consideration by Council. Understandably, funding has always remained the issue. Highlighting the need for this project and the significance to the community will alert the Commonwealth to the importance of supporting small regional communities.

### **Budget Implications**

Council has the potential to attract future funding for these project should they be listed on the ALGA's Community Infrastructure Ideas Register.

### **Policy Consideration**

Corporate Plan 2014-2019 (Revised Edition)

#### **4. The Economically Strong, Sustainable and Diverse Southern Downs:**

4.1 Identify new external revenue sources, including grants, to fund regional infrastructure and services.

4.8 Maximise private and government funding opportunities to foster both community and business growth throughout the region.

### **Community Engagement**

ALGA will utilise the national register to advocate and lobby the Federal Government.

### **Legislation/Local Law**

All projects must be completed in accordance with applicable legislation, including Council's Procurement Policy.

### **Options**

Council:

1. Prepare correspondence to the Australian Local Government Association advising that Southern Downs Regional Council is seeking the inclusion of the following projects for Southern Downs Regional Council:
  - (i) Stanthorpe Art Gallery
  - (ii) Relocation of the Stanthorpe Waste Water Treatment Plant



(iii) Allora waste water treatment

2. Prepare correspondence to the Australian Local Government Association advising that Southern Downs Regional Council is seeking the inclusion of other projects as nominated.


**Attachments**

Nil



## 12.4 Material Change of Use - Hutchison Quarries Pty Ltd, Pink Gum Lane, Leslie Dam

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Acting Development Assessment Coordinator	<b>ECM Function No/s:</b> MCU\01996

<b>APPLICANT:</b>	Hutchison Quarries Pty Ltd
<b>OWNER:</b>	Denis H J Middleton
<b>ADDRESS:</b>	Pink Gum Lane, Leslie Dam
<b>RPD:</b>	Lots 2, 3 and 518 on RP814311, Parish of Warwick
<b>ZONE:</b>	Rural
<b>PROPOSAL:</b>	Extractive industry (expansion of existing quarries from 305,000 tonnes per year to 400,000 tonnes per year).
<b>LEVEL OF ASSESSMENT:</b>	Impact assessment
<b>SUBMITTERS:</b>	Nil
<b>REFERRALS:</b>	Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP)

### Recommendation Summary

THAT the application for Material Change of Use for an extension to existing Extractive industries on land at Pink Gum Lane, Leslie Dam, described as Lots 2, 3 and 518 on RP814311, Parish of Warwick, County of Merivale, be approved subject to conditions.

### Report

The proposal seeks development approval for the consolidation of two existing, adjoining and approved extractive industry operations, as well as an increase in the level of extractive production at one of these sites from 5,000 tonnes per year up to 100,000 tonnes per year (t/yr).

The proposed development sites are located at the southern end of Pink Gum Lane, Leslie Dam, approximately 9 kilometres west of Warwick, and adjoining Sandy Creek.

The existing quarrying operations are described by the applicant in their report as Site 1 (northern operation) and Site 2 (southern operation); this description will be used for the purposes of this assessment report.

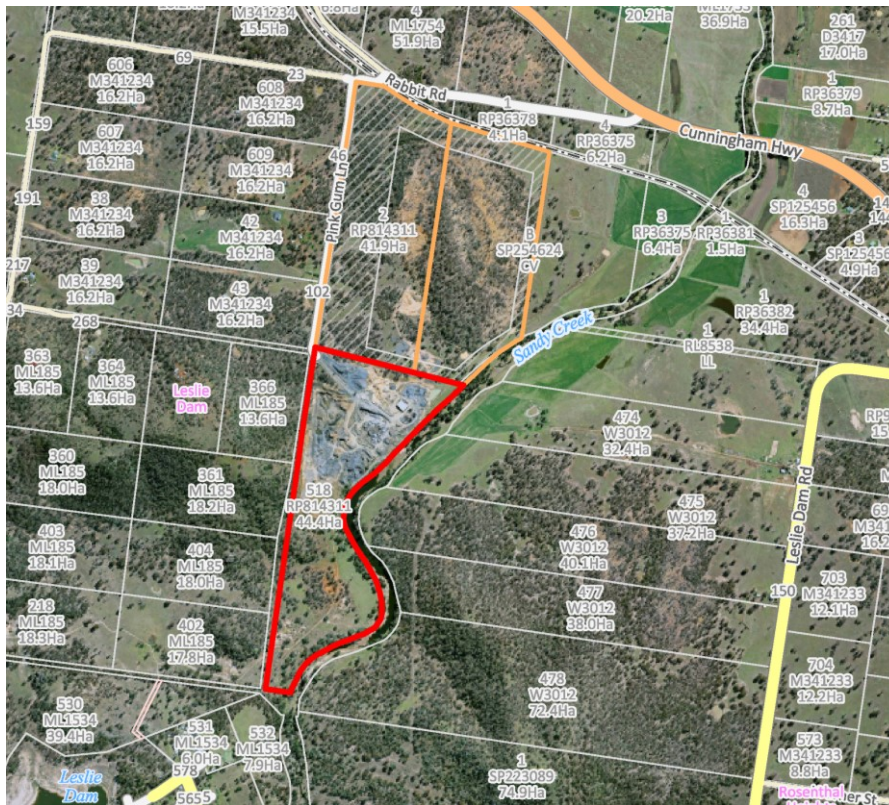
Site 1 (Lots 2 and 3 on RP814311) is approved for extraction of up to 5,000 t/yr.

Site 2 (Lot 518 on RP814311) is a hard rock quarry approved for extraction of up to 300,000 t/yr. This site is known as Hutchison's Quarry.

The two sites are currently operationally linked, and machinery has been accessing Site 1 through the adjoining boundary with Site 2. The screening facilities and weighbridge on Site 2 are used for material removed from Site 1.

The proposal does not seek to increase the amount of material extracted from Hutchison's Quarry (Site 2) and there is no proposed overall increase in approved excavation areas, or the overall development footprint.





**Figure 1 Site location**

The land is previously cleared open land, formerly used for grazing purposes. Quarrying on Site 2 began on the subject land in the 1960s to supply material for construction of the nearby Leslie Dam wall.

A water course traverses Site 1 which drains to an existing dam in the south east portion of Lot 3 on RP814311.

Vehicle access is currently gained from the Cunningham Highway via Rabbit Road and Pink Gum Lane.

Part of the subject land is included on the Environmental Management Register (EMR). Lots 2 and 3 on RP814311 are not listed on either the EMR or Contaminated Land Register (CLR), but Lot 518 is listed on the EMR for *Notifiable Activity 29 - Petroleum Product or Oil Storage - storing petroleum products or oil*, in relation to fuel storage for the onsite plant and machinery.

### **Current operations on the sites**

The following description of existing activities on the sites is provided by the applicant:

*The quarry currently operates at the site both a borrow pit and hard rock quarry and makes use of a fixed centralised crushing floor that produces the following products:*

- *rock flour;*
- *rail ballast;*
- *deco granite;*
- *general and select fill;*
- *crusher dust (4mm);*
- *aggregates (5, 7, 10, 14 and 20mm) including pre-coated aggregate;*
- *drainage, armour and gabion rock; and*
- *roadbase (CBR 15, 45, 60 & 80).*



*The hard rock quarry component of the operation comprises of a large single pit with a single face. The quarrying process begins with removal of overburden material and excavation at the quarry face and/or floor using various heavy machinery (excavators, bulldozers and wheeled loaders).*

*To reach the parent material, drilling and blasting is generally also required with drilling and blasting required every 40,000 tonnes of material. Although the exact number of blasts cannot be determined for any given period, this equates to approximately 12-15 blasts per annum, and are generally 4-6 weeks apart. On some occasions follow up blasts are required to fracture the desired amount of material (i.e. the 40,000 tonnes) for processing.*

*Beyond the approved existing quarry pit on Site 2, blasting on Site 1 will be required to loosen harder parent material expected to be encountered in the hill in this location. Blasting here is expected to likely occur 4-6 times per annum.*

*Drilling would typically occur over a 5-7 day period, cumulating in a blast at the end of this period. Once set a shot is then let off and fragmented material begins its processing journey.*

*The fragmented material is transported from the pit floor to the onsite processing area (referred to as the crushing floor) using dump trucks traversing a haul road up and out of the pit to the feeder dump point above the crushing floor.*

*The crushing floor comprises of an array (or train) of equipment including a grizzly feeder, cone and jaw crushers, and impactors as well as numerous conveyors and screens. This crushing floor is a permanent fixture and the range and the type of material being processed and its required sizing dictate the number of crushers, conveyors and screens used at any point in time.*

*It is important to note that not all crushing plant is operated simultaneously. Once crushed and screened, the final product is then loaded again into dump trucks and transported along haul roads to stockpiles awaiting sale or further processing (i.e. aggregate coating). Upon sale, the final product is loaded at its stockpile into truck and dog haul trucks for transportation offsite.*

*In addition to operating the hard rock quarry on Lot 518, Hutchison also extracts soils and gravel via borrow pits to produce roadbase along with general and select fill. Here borrow pits are excavated using excavators and material won is processed on the crushing floor using a variety of screens to achieve desired grades and sizing.*

*The operation also includes running a pre-coating aggregate plant and pugmill plant. The pre-coating plant involves the coating of aggregate using bitumen based materials. Products from the pre-coating plant are utilised in road applications. The pugmill involves the mixing of aggregate material with water using a mixing head to achieve the desired moisture content.*

The hours of operation for all activities onsite are detailed in the table below. No activities are carried out on Sundays or Public Holidays. Operations will cease when activities and/or conditions are considered detrimental to the environment or risk causing environmental harm, such as during either wet or dry weather conditions.

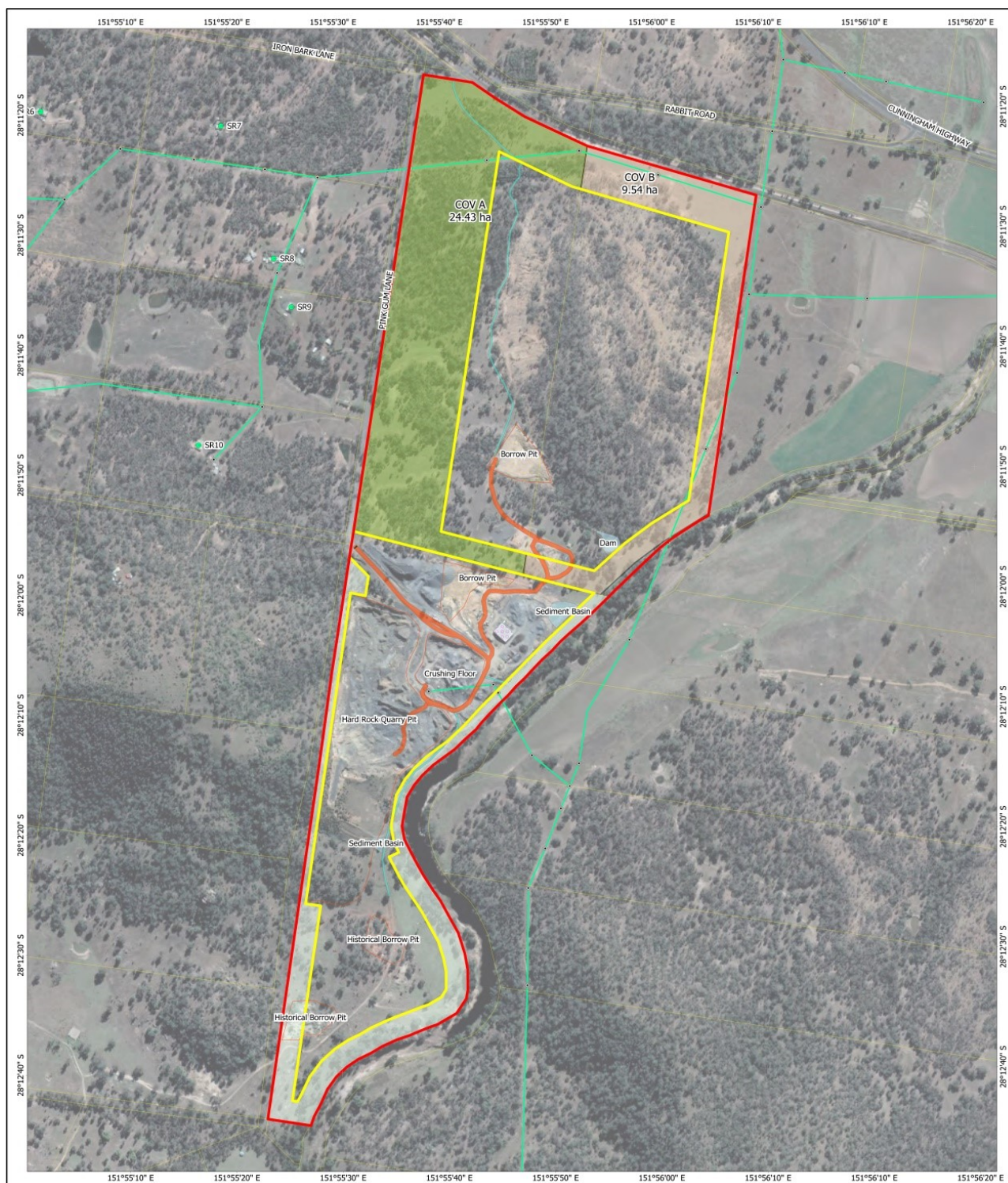
**Table 1                      Hours of Operation**

ACTIVITY	MONDAY - FRIDAY*	SATURDAY*
Extraction / Drilling	7:00AM - 6:00PM	7:00AM - 6:00PM
Crushing & Screening	7:00AM - 6:00PM	7:00AM - 6:00PM
Blasting	9:00AM - 5:00PM	9:00AM - 1:00PM
Machinery Maintenance	6:00AM - 6:00PM	6:00AM - 6:00PM
Administrative Work	6:00AM - 6:00PM	6:00AM - 6:00PM
Material Load Out	6:00AM - 6:00PM	6:00AM - 6:00PM

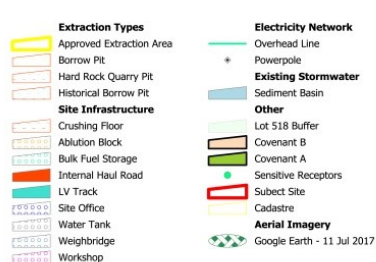
\* Public Holidays excluded

The plan below shows the existing functional layout of the site and operational areas, of note is the covenant areas across the two northern lots separating the two activity areas.

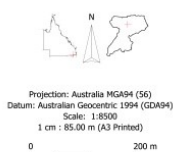




**Figure 4 - Existing Onsite Layout**



Job No: J17\_26  
 Client: Hutchison Quarries Pty Ltd  
 Subject Lot on Plans: 518RP814311; 2RP814311; 3RP814311  
 LGA: Southern Downs Regional Council  
 Physical Address: Pink Gum Lane LESLIE DAM QLD 4370  
 Subject Site Size: 123.29 ha



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## Existing onsite layout



There are covenanted areas around the perimeter of Site 1 (i.e. Lots 2 and 3 on RP814311). Extractive activities are not permitted to be conducted within the covenanted areas, to mitigate dust, noise and visual impacts.

The proposal asks for the removal of a section of covenanted areas along the southern boundary of Lots 2 and 3 on RP814311 to facilitate the consolidation of the two extractive industry operations. The proposal provides for no net loss of buffer areas over the full extent of the site, and proposes to add the portions of covenant removed to the existing areas along the site boundaries providing a minor increase in the buffer to the road and between Site 1 and Sandy Creek.

The figure below shows a detailed aerial view showing the covenant areas proposed to be removed.





### **Specialist studies**

In addition to the town planning report the application is supported by relevant technical assessments comprising the following:

- Air Quality (Dust) Impact Assessment;
- Environmental Noise Impact Assessment;
- Traffic Impact Assessment;
- Stormwater Management Plan;
- Site Based Environmental Management Plan (Draft); and
- Rehabilitation Plan.

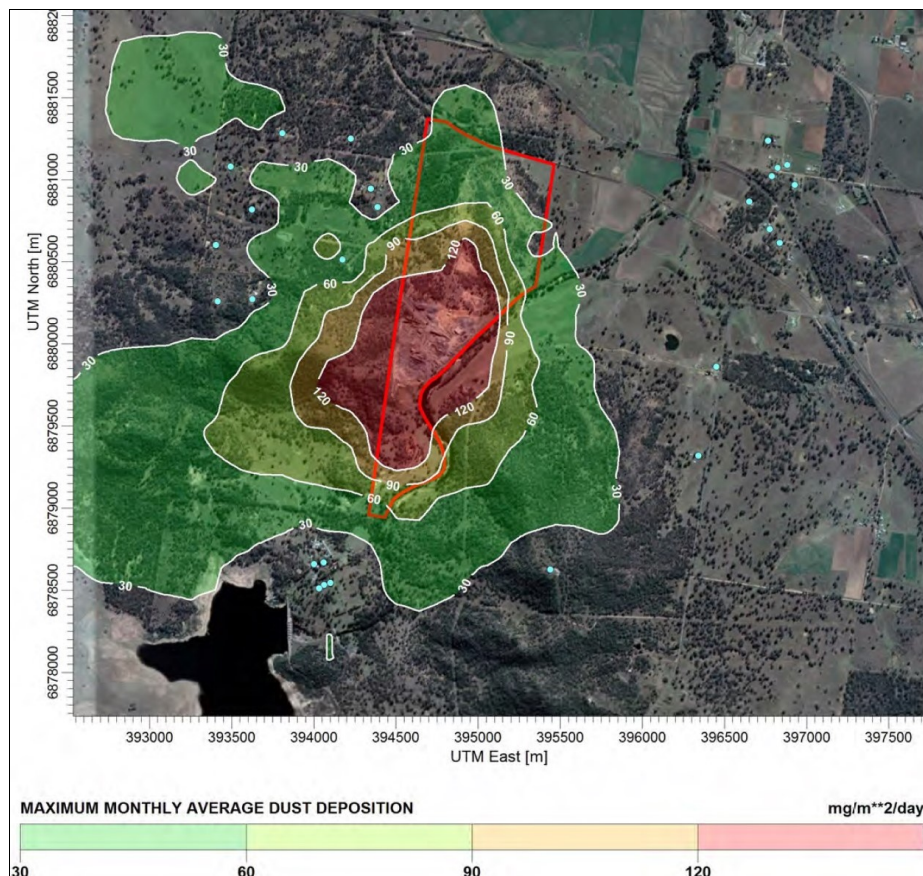
Council's engineering and environmental officers have undertaken an assessment of the technical studies. This assessment has revealed the study methodologies used by the applicant and consultants to be sound and in accordance with legislative requirements and Australian Standards where appropriate.

In addition, a range of measures are recommended by the respective specialist reports which, if the development application is approved, would form part of the operational requirements of both sites. This includes stormwater management of both sites which may provide, through conditioning, an opportunity to reduce impacts to Sandy Creek through a coordinated approach to managing and controlling overland stormwater flows on the subject land.

### ***Air Quality (Dust) Impact Assessment***

The Air Quality (Dust) Impact Assessment utilises emission sampling undertaken in 2013 on several sites adjacent the property in Iron Bark Lane. The study concludes that existing measures being undertaken are sufficient to cater for the proposed transition of the operations, including the increase in production rates for Site 1. Dust control measures include the use of water trucks to wet down roads, pads, and blast surfaces prior to firing, and dust suppression systems (sprinkler).

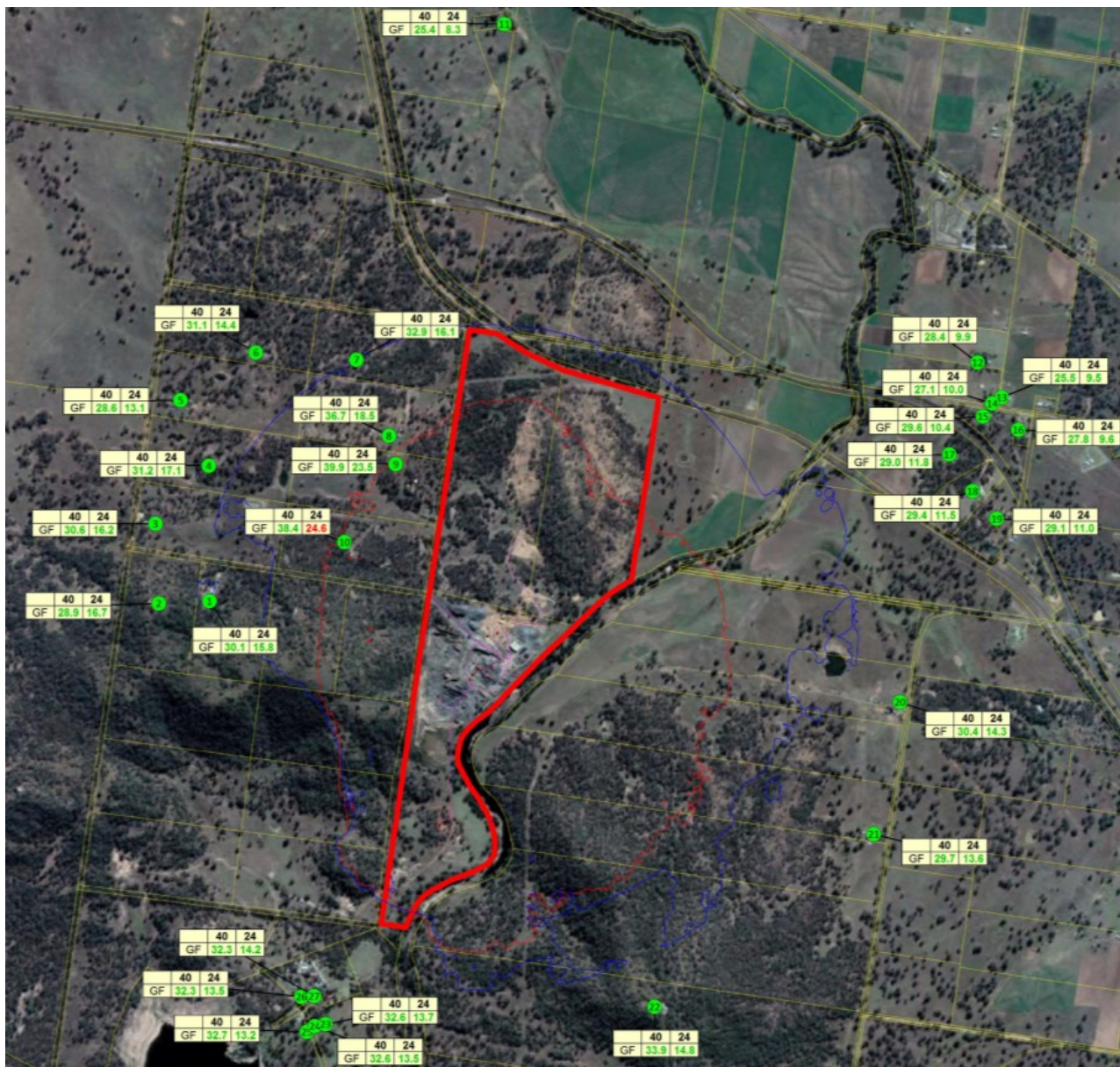
The figure below provides a visual representation of predicted cumulative maximum monthly dust deposition rates, expected from the assimilated quarrying operation, i.e. sites 1 and 2 combined.





## Environmental Noise Impact Assessment

The monitoring of ambient and background noise for this study was conducted at the boundary of the subject site at two locations and through software modelling, predictions of noise emissions and their impact on a nearby sensitive receptors were examined. The figure below shows the location of the sensitive receptors surrounding the sites, and the predicted (day and night) noise levels from the combined operations.



The study utilises the correct criteria in its assessment of the predicted noise impacts and the approach taken in preparation of the report is clear and structured in providing the information. The data set obtained from setting up two noise loggers has been analysed by making comparison against the criterion.

Sound Plan software package has been used for predicting the noise impact from sound powers levels (LwA) for the types of noise sources identified in the report. The night time LAeq level is predicted to exceed at SR10 (102 Pink Gum Lane) by 0.6dB. However, this exceedance will be barely noticeable in terms of sound perceptibility at the sensitive receptor.

The study suggests that acoustic barriers and/or berms are not required or proposed as the natural topography in combination with the existing embankments along the western and northern frontage and the floor height of the crushing floor and stockpile areas play a crucial role in containing noise emissions originating from plant and equipment in these areas. It is recommended that all



crushing and screening activities of hard rock material be only undertaken on the existing crushing floor.

The study provides the following recommendations in the report for timing and placement of those activities likely to impact residents adjacent the sites:

- *Hours of operation be restricted to the following:*
  - *Extractive activities - defined as extraction, screening and crushing - between the hours of 7.00AM to 6.00PM Monday to Saturdays;*
  - *Administrative work, general maintenance of equipment and machinery and loading of material - between 6.00AM to 6.00PM Monday to Saturdays; and*
  - *Blasting - between 9.00AM to 3.00PM Monday to Fridays and 9.00AM to 1.00PM on Saturdays.*
- *The crushing and screening of hard rock material won (but not gravel, sand and soils or screening carried out as part of aggregate coating) be restricted to occurring only within the existing crushing floor.*

### **Traffic Impact Assessment**

The proposed quarry expansion has been assessed for expected traffic impacts in accordance with the Guide to Traffic Impact Assessment (2017); as well, baseline information has been informed by previous traffic impact assessment studies conducted for the existing quarry on Site 2, undertaken by Ausrocks, August 2011 (Ausrocks Report) and Hayes Traffic Engineering Report, October 2011 (Hayes Report).

The following recommendations are provided in relation to the Traffic Impact Assessment:

- *the Cunningham Highway/Rabbit Road intersection to be upgraded to a BAR/BAL treatment;*
- *truck turning signs for both directions of the Cunningham Highway are required to account for the safe intersection sight distance being at a minimum.*
  - *Signs are already installed either side of the intersection, however condition and size of the signs shall be checked and upgraded if necessary as part of detail design of the intersection.*
- *the additional truck traffic on the Rabbit Road/Pink Gum Lane links are expected to reduce the remaining pavement life by approximately 4.5 years.*
  - *the rehabilitation of the link would need to be brought forward from the design year of 2032, by approximately 4.5 years and require rehabilitation between 2027 and 2028.*

### **Stormwater Management Plan**

The stormwater management plan provided by the applicant's consultants identifies the sub-catchments for the site including modifications, i.e. bunds, channels and sediment detention basins within the site. The general approach taken by the quarry operation to protect water quality within and leaving the site, is to divert external (or clean) water around the site, so that water quality infrastructure for treatment of internal water (contaminated or dirty) is not unnecessarily oversized by having to treat all water. Catchment sizes and characteristics were determined by the applicant's consultants from LiDAR contour information (2010), site inspection and examination of aerial photography. Modelling undertaken assumes scenarios for overflow of the sediment basins though it is anticipated that the operator will maintain the natural profile of the ground and maintain a vegetative cover from the spillway to the creek, i.e:

- *the spillway for all existing and proposed sediment basins are to be maintained with grass cover to prevent erosion.*

This requirement will be included as a condition of development.



### **Site Based Environmental Management Plan**

The Site Based Environmental Management Plan (SBEMP) provided by the applicant includes individual topic plans targeting the key areas likely to be impacted from the proposed extraction operations, including:

- air quality (dust);
- blasting;
- chemical & fuel storage;
- rehabilitation;
- cultural heritage management;
- erosion & sediment control;
- noise management;
- vegetation & fauna;
- visual amenity;
- waste management; and
- water quality.

These plans provide management objectives for specific activities and establish the mechanisms for implementing mitigation measures, monitoring and reporting requirements, corrective actions and auditing and reviews. The plans will be updated to reflect the relevant conditions imposed by Council and DSDMIP.

In addition to the individual operations plans, the applicant has provided a Community Relations Plan, Complaints Management Plan and Emergency, Hazard and Contingency Plans. The key sensitive receptors surrounding the site have been identified and will form a register of the most potentially affected stakeholders for this proposal (refer to Figure 10).

The SBEMP includes the Environmental Monitoring Program for the extraction operations for both sites. The purpose of this document is to ensure that monitoring and auditing undertaken for the operations is carried out in compliance with any legislative requirements / nominated performance criteria and also identifies whether environmental management practices have been successful in protecting the amenity of surrounding areas.

This section of the SBEMP will undergo amendment to incorporate requirements of approvals including any emission limits set for blasting, dust, noise and water quality monitoring that will be required. The SBEMP includes the following community notification procedures applicable to all residents within 1.5km who elect to be included on a Blast Notification List. Leading up to scheduled blast activities:

- *No less than seven (7) days prior to a scheduled blast provide advance notification that a blast is scheduled and likely to take place on the nominated day(s).*
- *No less than 24 hours prior to a scheduled blast provide notification blasting is to take place the following day with the approximate time provided.*
- *Update the Blasting Notification Board at the entrance to the quarry no less than 24 hours prior to a scheduled blast detailing the date and time proposed.*

The form of the notice is dependent upon the requirements of the resident and may include telephone, email, text message or letter box drop. Residents will be able to request to be added to the Blast Notification List through the Hutchison Quarry website or through direct contact with Hutchison Quarries.

### **Rehabilitation Plan**

The Rehabilitation Plan provided by the applicant describes measures for:



- management and restoration of plant communities in the buffer zones;
- rehabilitation of quarried areas with native vegetation cover where appropriate for short term visual amenity purposes and longer term stabilisation; and
- identifying post extraction land use and conceptual final landform to inform the direction of pre and post closure rehabilitation.

The goal of the plan is to direct rehabilitation activities during the operational life of the quarry to produce a final “*walk away*” stable landform that blends aesthetically into the surrounding landforms, yet as far as possible does not limit possible future land uses. The plan separates rehabilitation activities into three components:

- buffer zone restoration works
  - areas outside of the footprint of the quarry, these works are ongoing over the life of the quarry;
- quarry zone rehabilitation works
  - areas within the quarry footprint, rehabilitation works occur at the completion of various separable portions of the quarry construction and in some cases are temporary; and
- quarry zone decommissioning
  - final terminal earthworks, rehabilitation and stabilisation.

The timeframe for final rehabilitation will be dependent on the rate of economic extraction of material from the quarry, but is generally anticipated to be in the vicinity of 40-60 years.

The initial rehabilitation activities target the ecological restoration of the buffer zone, to improve existing habitat and strengthen ecological linkages, as well as the rehabilitation and restoration of the Sandy Creek riparian area.

The buffer zone has been divided into several precincts (refer to Figure 11) according to ecological restoration approaches outlined in the plan including:

- Natural regeneration
  - applies to areas of the site that are currently mapped as remnant regional ecosystems or advanced regrowth areas; and
- Assisted natural regeneration
  - applies to areas that consist of regrowth vegetation or cleared areas where past clearing has significantly affected the capacity for natural regeneration.

Buffer restoration will be ongoing based on the methods prescribed in the South East Queensland Ecological Restoration Framework (Chenoweth EPLA & Bushland Restoration Services, 2012) using specialist contractors conducting restoration activities in accordance with the plan and adaptive management approaches as guided by monitoring.

Quarry zone rehabilitation has several purposes associated with visual impact mitigation, stabilisation of select non-terminal benches and borrow pits where these will not be worked for lengthy periods, and to make inroads in terminal areas to reduce the burden of decommissioning rehabilitation upon cessation of quarrying at the site.

Rehabilitation works will be progressive and follow quarry construction, beginning with existing terminal batters then new (as new sub catchments are entered). Borrow pits once exhausted (i.e. terminal) will be progressively rehabilitated. Borrow pits which are intended to be used for future site infrastructure such as stockpiling pads will not be progressively rehabilitated, their permanent rehabilitation will be undertaken during decommissioning rehabilitation works.

Quarry Zone Rehabilitation also includes interim (non-terminal) works. Where non-terminal borrow pits are exposed for periods greater than 10 years, for the purposes of rehabilitation, they are treated as terminal.



Quarry decommissioning will occur after extraction has ended where quarry benches and faces, and borrow pits not already rehabilitated, will become terminal and will not be subjected to further excavation. Design specifications for the final landform will be detailed in a future Quarry Closure and Decommissioning Plan to be prepared prior to closure.

The following will need to be considered when assessing the geotechnical stability of the quarry pit faces:

- Long term final void water levels;
- Height and inclination of slope and number and spacing of intermediate benches;
- Shear strength of the face soils and rocks;
- Density and orientation of fractures, faults, bedding planes, and any other discontinuities, and the strength along them; and
- The effects of the external factors, such as surface runoff.

Prior to closure, investigations will be undertaken to confirm the criteria above and these details will be included in the Quarry Closure & Decommissioning Plan. Figure 13 provides a breakdown of the tasks and techniques recommended for these activities in the buffer areas.

The Rehabilitation Plan and supplementary report (Version 3) describes the monitoring methods for the progressive rehabilitation of the sites, with monitoring of quarry works rehabilitation to be undertaken at least twice during the 24 month maintenance period. Monitoring of buffer zone restoration will be conducted in plots identified at the commencement of works every 2 years for the first 10 years following commencement of construction.

The technical study findings and recommendations are acceptable to Council and can be utilised in the preparation of conditions to regulate the activities proposed that are most likely to provide impacts to the land and receiving environment, including riparian areas and the local community.

### ***Referral***

The development application was referred to the Department of State Development, Manufacturing, Infrastructure and Planning (DSDMIP) under the following provisions of the *Planning Regulation 2017*:

- 10.5.4.2.1 Environmentally relevant activities;
- 10.9.4.1.1.1 Infrastructure - state transport infrastructure; and
- 10.9.4.2.4.1 State transport corridors and future State transport corridors.

The DSDMIP has approved the development application with conditions; these are attached at Schedule 2.

### ***Submissions***

No properly made submissions were received for this application, though Council did receive a complaint in relation to dust emissions from the existing operations affecting water quality from rooftop collection and an enquiry regarding traffic generation from the proposed expansion of operations.

### **Assessment against the Planning Scheme**

This application required assessment against the following benchmarks:

- Rural Zone Code
- Carparking and Loading Code
- Extractive Industry Code
- Landscaping Code
- Outdoor Lighting Code
- Physical Infrastructure Code
- Biodiversity Areas Overlay Code



- Bushfire Hazard Overlay Code
- Extractive Resources Overlay Code
- Flood Hazard Overlay Code

The following tables provide an assessment of the proposed expansion to extractive industry against the Planning Scheme Codes relevant to the proposal. Assessment responses for Code criterion not applicable to the proposed development have been omitted.

### **Rural zone code**

<b>Benchmark</b>	<b>Assessment</b>
<b>PO1</b> <i>The rural or natural environment character of the land is retained. Uses established in the Rural zone do not conflict with rural land uses or the natural, scenic and community values of the area.</i>	<p>The use is an existing approved use for extraction of material from both sites, with expected impacts on the rural and natural environment character of the land.</p> <p>The applicant's response asserts there would be no increase in any visual impacts on the existing scenic amenity and rural character of the locality as both sites of the development would maintain existing approved buffers to external boundaries.</p> <p>The applicant's specialist studies identify minimal additional impacts to the local residents, resulting from the increased production of material from Site 1.</p>
<b>PO2</b> <i>Rural activity on land is protected from conflict with other uses that are not rural uses.</i>	<p>The proposal retains existing approved buffers to external boundaries, roads, railway land and surrounding land uses.</p> <p>The vegetated buffers provided appear to be adequate for the proposed expansion of Site 1 production. In addition the applicant has provided commitments within the Detailed Landscape Rehabilitation Plan in regard to planting, monitoring and maintaining the buffers.</p> <p>The buffers to Site 1 are held under statutory covenants, to be maintained for the life of the use.</p>
<p><b>AO4.1</b> <i>All uses are on lots that have frontage to a constructed road.</i></p> <p><b>AO4.2</b> <i>Uses ... have access to the Region's road network via fully constructed sealed roads from the property boundary.</i></p> <p><b>PO4</b> <i>The safe and efficient operation of roads and access is maintained having regard to the nature of vehicles using the road, the location of uses that may be adversely affected by noise or dust generated by the use of the road and the location and design of access.</i></p>	<p>Pink Gum Lane is a constructed (sealed) road providing access to the region's road network from the property boundary.</p>
<p><b>PO5</b> <i>There are no significant adverse impacts on public health and safety with regard to:</i></p> <p>(a) <i>the siting scale and design of buildings or other works;</i></p> <p>(b) <i>waste water disposal;</i></p> <p>(c) <i>the permanent or temporary occupation of or access to areas subject to natural hazards.</i></p>	<p>The findings of the specialist studies suggest the proposed increase to the production (extraction) of material from Site 1 is not expected to generate any significant adverse impacts on public health.</p> <p>The applicant has provided an Air Quality (Dust) Impact report to assess likely impacts from dust generation. The report provided states that the emission rates are within the requirements set by the operations environmental licence conditions including</p>



Benchmark	Assessment
	<p>in relation to impacts to sensitive receptors.</p> <p>The predicted day and night noise levels for the combined operations showed one exceedance at a sensitive receptor identified during the 6am – 7am period, being the loading of material. This impact is acceptable as it is likely the level or degree of exceedance is not perceptible by the human ear.</p> <p>The siting of the works (extraction and associated use areas) is confined to the existing operational areas approved for extraction.</p> <p>The extraction and screening within the area where the two sites adjoin (currently under covenant), poses no additional risk to public health and safety.</p> <p>The existing on-site pump-out waste water disposal system is considered adequate to cater for the proposed development as there is no significant increase in employees proposed.</p>
<p><b>PO8</b> Development is sensitive and responsive to the scenic amenity of the area. The appearance and siting of buildings, other structures, carparking areas or signage is compatible with the scenic character of the area, particularly when viewed from roads. The development is sensitive to the design of any nearby structures and is respectful and sympathetic to any Local heritage place.</p>	<p>The visual amenity impacts of both of the approved extractive industry uses were considered and assessed as part of the approval process for the original applications for each site.</p> <p>There are no additional extraction areas or associated use areas proposed with this application that may potentially detract from the scenic character of the area.</p>
<p><b>PO11</b> Uses are limited to uses that add value to the productive use of the land and do not conflict with or reduce the productive capacity, hydrological functions or scenic values of the land. In particular –</p> <ul style="list-style-type: none"> <li>(a) The use is associated with rural activities on or nearby the subject land;</li> <li>(b) The use is not likely to cause conflict with agricultural practices;</li> <li>(c) The use has low visual impact particularly where located on highways, main roads or tourist routes;</li> <li>(d) The development is located on cleared land and there is no proposed clearing of remnant vegetation;</li> <li>(e) Development is sited on the least productive, lower agricultural quality parts of the site; and</li> <li>(f) The use does not increase built infrastructure or earthworks in the flood plain.</li> </ul>	<p>The site in general has largely been disturbed by past extraction activities and is approved for extraction. The proposal does not further reduce the productive capacity, hydrological functions or scenic values of the land.</p> <p>The existing and proposed measures to maintain the vegetated buffers should address impacts to adjacent agricultural activities.</p> <p>The current and proposed activities are screened from the highway by the vegetated buffer reinforced through a statutory covenant; and there is no remnant vegetation identified on the property.</p> <p>A small portion of the site is with the Flood hazard overlay. There is no built infrastructure within this area.</p>
<p><b>PO13</b> Development within the flood plain does not impact on the flood plain functions (including flow regimes, rate of runoff, period or intensity and the like).</p>	<p>The applicant has provided a Stormwater Management Plan and Draft Site Based Environmental Management Plan. These plans have addressed the likely impacts on the flood plain functions (including flow regimes, rate of runoff, period or intensity).</p> <p>It is anticipated that the conditions attached to the environmental authority (in addition to the site rehabilitation) will provide surety for compliance with this criterion.</p>



<b>Benchmark</b>	<b>Assessment</b>
<b>PO14</b> <i>Infrastructure and earthworks do not significantly alter flow patterns and the velocity and turbulence of runoff.</i>	The applicant's Stormwater Management Plan demonstrates that the proposed increase in activity on Site 1 is able to be managed to mitigate any impact from likely changing flow patterns. The management plan also provides commitments for controls to manage the velocity and turbulence of runoff from work areas and the site to Sandy creek.
<b>PO25</b> <i>Uses are limited to uses that do not conflict with or reduce the productive capacity, or scenic values of the land. In particular –</i> <i>(a) The use is located, constructed and operated so it is not likely to cause conflict with agricultural practices;</i> <i>(b) The use has low visual impact particularly where located on highways, main roads or tourist routes;</i> <i>(c) The development is located on cleared land and there is no proposed clearing of remnant vegetation;</i> <i>(d) Development is sited on the least productive, lower agricultural quality parts of the site.</i>	<p>The majority of the site is included in the Sandstone Rises and Traprock Hills Precinct.</p> <p>The areas have been modified by past extraction activities and no new areas of extraction are proposed, only the change in rate of extraction from Site 1.</p> <p>The use can be carried out without further conflict with the productive capacity, or scenic values of the land.</p> <p>The existing and proposed measures to maintain the vegetated buffers should address impacts to adjacent agricultural activities.</p> <p>The current and proposed activities are screened from the highway by the vegetated buffer reinforced through a statutory covenant; and there is no remnant vegetation identified on the property.</p>

#### **Extractive industry code**

<b>Performance outcome</b>	<b>Assessment</b>
<b>AO1.1</b> <i>No extractive industry process is carried out within 100 m of a road or any land that is not being used for extractive industry purposes.</i>  <b>AO1.2</b> <i>Shrubs and trees are either retained or planted to screen the activities on the site from any public area. The screened buffer area is at least 50 m wide and adjoins all boundaries.</i>  <i>Where it is not possible to provide a 50 m wide vegetated buffer, mounding with a minimum height of 1.8 m is erected within 10 m of the property boundary. Shrubs and trees are planted on the mounding.</i>  <b>PO1</b> <i>The development of the site achieves an acceptable standard of visual amenity having regard to the characteristics of the site, the resource, the surrounding area and the character of the locality.</i>	<p>The existing and proposed separation distances to roads from extraction activity areas currently exceed 100 metres to any road.</p> <p>The applicant has provided a performance solution for this criterion; though the proposal seeks to increase the buffers currently approved less than 50 metres in several areas. The criterion suggests screening to public areas is the main objective.</p> <p>The proposed development will achieve a screened buffer in excess of 50 metres to most adjoining boundaries, and as the proposal commits to increase the width of the buffer in several areas, compliance is achieved.</p>
<b>PO2</b> <i>The extractive industry operation does not impact on the scenic qualities of the area and significant vistas are maintained.</i>	<p>Existing buffers surrounding both sites provide sufficient screening from public roads (at least 300 metres from the Cunningham Highway).</p> <p>The increase in production for Site 1 and the continuation of extraction activity on Site 2 will not further alter the scenic qualities of the area.</p>
<b>AO3</b> <b>(a)</b> <i>Extractive industry operations:</i>	Whilst it is acknowledged that the demand for various quarry materials as well as operational



<b>Performance outcome</b>	<b>Assessment</b>
<p>(i) <i>that involve blasting, crushing or screening - are located a minimum separation distance of 1000 metres from a sensitive land use;</i></p> <p>(iii) <i>are located a minimum of 500 metres from a Matter of State Environmental Significance (MSES).</i></p> <p>(b) <i>Haul routes, except those that involve a State controlled road or an existing rail line, are more than 100 metres from a sensitive land use or land in a residential zone.</i></p> <p><i>Note: A topographic feature providing a natural buffer between extractive and processing activities and a sensitive land use may justify provision of lesser separation distances.</i></p> <p><b>PO3</b> <i>The effects of Extractive industry operations (dust, air and noise emissions, blasting, vibration and overpressure) and from associated transport movements do not create significant environmental harm or unreasonably disrupt the amenity of sensitive land uses or land identified for future sensitive land uses.</i></p>	<p>considerations will drive the sequencing of extraction, the applicant has provided sufficient information to describe the term, extent, timing and sequencing (staging) of extraction activities proposed over the life of the operation for Sites 1 and 2.</p> <p>The applicant has provided a performance solution in regard to impact management for the blasting, crushing or screening activities where the separation distance required for blasting, crushing and screening activities is unable to be achieved. This includes reliance on the findings of the technical studies that capture likely impacts from dust, air and noise emissions, blasting, vibration and overpressure, and traffic.</p> <p>The findings of these studies suggest that the use can be undertaken in an acceptable manner so as not to cause undue impacts on sensitive land uses.</p> <p>The closest residence to the site is estimated to be more than 600 metres from the areas subject to blasting, screening or crushing.</p> <p>Where the proposed operations are managed by the actions outlined in the Draft Site Based Environmental Management Plan, impacts from dust, noise and other nuisances will be minimised to acceptable levels. It is noted that compliance to this criterion will be managed through the Environmental Authority administered by the Department of Environment and Science.</p>
<p><b>AO4</b> <i>In partial fulfilment of the PO –</i></p> <p>(a) <i>Hours of operation are 7.00 am to 6.00 pm.</i></p> <p>(b) <i>Blasting is restricted to the hours of 8.00 am to 5.00 pm.</i></p> <p>(c) <i>No operations are undertaken on Sundays or public holidays.</i></p> <p>(d) <i>Noise buffering structures such as earth embankments are to be constructed to minimise the impact of noise from equipment and vehicles on surrounding noise sensitive areas.</i></p> <p><b>PO4</b> <i>The development is designed and operated to minimise noise impacts on the surrounding area and not increase noise levels to an unacceptable level at any sensitive receptor.</i></p>	<p>The applicant has proposed a performance solution in relation to the commencement of administrative work, general maintenance of equipment and machinery and loading of material prior to 7.00am, i.e. 6.00am.</p> <p>The Environmental Noise Impact Assessment provided by the applicant was prepared using the start times for these activities.</p> <p>It should be noted that the only exceedance for the operations in terms of noise is for the loading activities that occur within this time frame, i.e. 6am - 7am.</p> <p>As previously mentioned this impact is acceptable as it is likely that the level of exceedance is not perceptible by the human ear.</p> <p>The operations should be carried out in accordance with the recommendations within the Noise Impact Assessment, i.e. that crushing and screening of hard rock material won is to be restricted to occurring only within the existing crushing floor.</p>
<p><b>AO5</b> <i>In partial fulfilment of the PO – Internal roads are to be sealed or other adequate dust suppression techniques are to be used.</i></p> <p><b>PO5</b> <i>The development minimises air pollution.</i></p>	<p>The dust suppression techniques that address the control of dust emissions, as described in the applicant's study Air Quality (Dust) Impact Assessment, are appropriate to comply with this criterion.</p>
<p><b>AO6</b> <i>In partial fulfilment of the PO –</i></p>	<p>The haul route utilises fully constructed and sealed</p>



<b>Performance outcome</b>	<b>Assessment</b>
<p><i>The haul route is along roads that are fully constructed and sealed.</i></p> <p><b>PO6</b> <i>The haul route is along roads that are designed and constructed to a standard to meet the needs of the traffic generated by the use without compromising the safety and amenity of residential uses fronting the haul route.</i></p>	<p>roads. The Traffic Impact Assessment provided by the applicant has assessed the impacts of the development traffic on the haul route, and includes a safety assessment. The study asserts that the proposal can achieve the required level of safety, and not interfere with the functioning of haul route and its intersections.</p>
<p><b>A07</b> <i>In partial fulfilment of the PO –</i>  <i>(a) The load is covered.</i>  <i>(b) Wheel cleaning equipment is used to prevent wastes, stone and soil adhering to wheels and being deposited on access roads.</i></p> <p><b>PO7</b> <i>The transport of materials from the site minimises the impacts on the environment, the road system and premises along the haul route.</i></p>	<p>The current operating procedures require loads to be covered and wheel cleaning equipment is utilised, the proposal does not alter the existing requirements.</p> <p>The Traffic Impact Assessment identifies that subject to the upgrade of the Cunningham Highway and Rabbit Road intersection and associated signage, road transport, in particular, haulage of materials to and from the land will not adversely impact on the road system.</p>
<p><b>A08</b> <i>Safety fencing is to be provided for the full length of the perimeter of the site and around extractive industry stockpiles and operations.</i></p> <p><b>PO8</b> <i>Public access to the site is controlled.</i></p>	<p>Rural type fencing is provided around the perimeter of the land. Whilst this is not typically considered as 'safety fencing', given the large extent of the subject land, the vegetation bordering the site and setback distances from the property boundaries to extraction areas, the existing fencing provides an appropriate degree of public safety. Additionally, the main entrance to the property is well signed to indicate that no unauthorized entry is allowed.</p>
<p><b>A09</b> <i>In partial fulfilment of the PO –</i>  <i>(a) Extraction does not change the course of a waterway (other than for riverine quarry materials). There is no damage to the bed or banks of a waterway or interference with the flows of water in the water course and all riparian vegetation is retained.</i>  <i>(b) Where a road or vehicle track crosses a waterway the banks are protected from erosion and disturbance.</i>  <i>(c) No wash or waste waters are released to a waterway or riparian zone.</i>  <i>(d) Sediment basins are provided to detain stormwater runoff from disturbed areas.</i>  <i>(e) On site stormwater drains are provided and maintained.</i>  <i>(f) Stormwater runoff is directed away from all disturbed areas.</i></p> <p><b>PO9</b> <i>The development does not result in adverse long term, irreversible impacts on the natural environment.</i></p>	<p>Excavation along the western wall of the hard rock quarry face (Site 2) is extensive, with a relatively sheer/vertical surface, leaving no bench areas for rehabilitation. In addition it is considered that this quarry face may be at risk of becoming unstable in the future.</p> <p>The applicant has provided some guidance on their approach to ensure slope stabilisation in this area as follows:</p> <ul style="list-style-type: none"> <li>• Long term final void water levels;</li> <li>• Height and inclination of slope and number and spacing of intermediate benches;</li> <li>• Shear strength of the face soils and rocks;</li> <li>• Density and orientation of fractures, faults, bedding planes, and any other discontinuities, and the strength along them; and</li> <li>• The effects of the external factors, such as surface runoff.</li> </ul> <p>Prior to closure, investigations will be undertaken to confirm the criteria above and detail included in the Quarry Closure and Decommissioning Plan. These requirements will be conditioned as part of the requirements for approval of the proposed expansion.</p> <p>The existing light vehicle access track on Lot 518 RP814311 is shown to be located within the riparian buffer area of Sandy Creek. A condition will be</p>



Performance outcome	Assessment
	<p>included to require this light vehicle access track to be relocated outside the buffer area.</p> <p>The applicant has provided a performance solution for this criterion in relation to a possible future crossing of a clean water channel (described in the Stormwater Management Plan as - C1).</p> <p>The Department of Agriculture and Fisheries mapping of Waterway Classifications, shows a "low" level stream traversing the property (Site 1) and entering Sandy Creek. Closer inspection of this stream identifies its path to be formed along a string of detention basins. No change to the course of either waterway is proposed. The applicant's Stormwater Management Plan addresses the remaining requirements of this criterion.</p>
<p><b>AO10</b> <i>Rehabilitation is carried out in accordance with an approved site rehabilitation plan which provides for the following:</i></p> <p>(a) <i>During operation the extraction path is stripped to a maximum of 1 ha ahead of extractions. Top soil is not removed from the site.</i></p> <p>(b) <i>On completion of extraction of each stage, that stage of the site is rehabilitated using clean fill, naturally occurring clay, sand, soil or crushed rock free of contaminants.</i></p> <p>(c) <i>The final surface of the fill is topsoiled, sloped, drained and vegetated to minimise erosion, infiltration and to prevent ponding of stormwater and capture of overland flow.</i></p> <p>(d) <i>The maximum slope of all reformed material is 1 in 6.</i></p> <p>(e) <i>The final layer of compacted earth is at least 0.5 m in depth and covers the entire area of the filled site.</i></p> <p>(f) <i>All disturbed areas are revegetated as soon as practicable after operations cease on that area and vegetation processes are maintained until vegetation cover is re-established.</i></p> <p>(g) <i>Only plant species endemic to the area are used.</i></p> <p><b>PO10</b> <i>As the resource is removed from each section of the extractive industry site it is to be rehabilitated in a manner that results in optimal future land use and avoids adverse impacts on ecological and hydrological processes.</i></p>	<p>The applicant has provided a performance solution for this criterion.</p> <p>The Rehabilitation Plan (Appendix K) provides a strategy for restoration to final landform including mechanisms for site rehabilitation of the three zones identified, i.e. quarry zone rehabilitation, buffer zone restoration and screening, and quarry zone decommissioning.</p> <p>The applicant states that the rehabilitation will generally follow quarrying activities in a progressive manner, beginning with stabilising existing and new permanent earthwork such as infill batters for haul roads as required.</p> <p>The rehabilitation adopts a priority of activities for each zone, where timing of restoration works are dictated by the overall quarry design and where site constraints and conditions require areas to be active.</p> <p>In these areas i.e. screening and crushing area, stormwater detention basins and haul routes, measures to mitigate noise and dust emissions are included within the Environmental Authority.</p> <p>The zone approach to rehabilitation of the Sites outlined in the applicant's Rehabilitation Plan addresses the requirements of this criterion to the degree that the sequence of extraction is dictated by demand.</p> <p>Buffer zone restoration is to commence once the quarry expansion is approved.</p> <p>Quarry zone rehabilitation will commence once construction activities are completed at various phases of quarry development.</p> <p>Quarry zone decommissioning works will include all rehabilitation of areas available only when quarrying ceases, including rehabilitation of the final pit benches, stockpile pads and crushing floor.</p>



## Carparking and loading code

Benchmark	Assessment
<p><b>AO1.1</b> <i>The number of parking and loading spaces is not less than the minimum number specified in Table 9.4.2.4...</i></p> <p><b>AO1.2</b> <i>Car parks are kept and used exclusively for parking and maintained in a suitable condition for parking.</i></p> <p><b>PO1</b> <i>Sufficient carparking is provided to accommodate the number and type of vehicles likely to be generated by the development having regard to the following:</i></p> <ul style="list-style-type: none"> <li><i>(a) the nature and operation of the use;</i></li> <li><i>(b) the likely number of users including residents and employees;</i></li> <li><i>(g) The provisions of Planning Scheme Policy – Off Street Carparking.</i></li> </ul>	<p>The minimum number of car parking spaces required by Table 9.4.2.4 for extractive industry (being any other use if code or impact assessable) is “As determined by Council”.</p> <p>The proposed development includes an additional three employees with the total number of employees on site at any time ranging between 12 to 19. It is considered that the existing carparking area will adequately accommodate the minimal increase in employee numbers and the vehicle movements generated by the proposed development.</p> <p>It is noted that the existing development approvals for extractive industry on both Site 1 and Site 2 do not stipulate any carparking requirements. Reference to a development permit for Site 2 for asphalt manufacturing stipulated the car park area to be sealed. A condition will be imposed to address the requirements of this criterion, i.e. carparking area to be sealed and maintained in a suitable condition for parking.</p>
<p><b>AO2</b> <i>... parking spaces, manoeuvring areas, queuing areas, loading, set down and pickup areas and driveways meet the design requirements of Australian Standard AS 2890.1 – Parking facilities - Off-street car parking and AS 2890.2 Parking facilities - Off-street commercial vehicle facilities.</i></p> <p><b>PO2</b> <i>The layout of the development provides adequate, clearly defined and easily accessible on site vehicle parking and manoeuvring areas and loading and manoeuvring areas for delivery and service vehicles.</i></p>	<p>The dimensions of the car parking area more than adequately meet the standard requirements of AS2890.1</p>
<p><b>AO3</b> <i>... parking areas including parking spaces, queuing areas, loading, set down and pickup areas and driveways are constructed in accordance with Planning Scheme Policy – Carpark Construction.</i></p> <p><b>PO3</b> <i>The carpark is constructed to an acceptable standard in keeping with the character and standards in the locality.</i></p>	<p>The existing carpark is of an acceptable standard, considering the nature of the use and proposed expansion and the location within the site, i.e. adjacent the site office.</p>
<p><b>AO4(a)</b> <i>The carpark is located where it can be monitored by passers by or the occupiers of the development.</i></p> <p><b>PO4</b> <i>Risks to safety and security are minimised within the carpark.</i></p>	<p>The applicant has advised that the carpark is monitored by the staff at the site office and is not open to the general public or at night.</p>
<p><b>AO6(a)</b> <i>Vehicular access is located and designed in accordance with AUSTROADS – Guide to Road Design Part 4: Intersections and Crossings - General requirements for sight distance and Section 3 of AS 2890.1 Parking Facilities.</i></p> <p><b>PO6</b> <i>Vehicular accesses:</i></p> <ul style="list-style-type: none"> <li><i>(a) are appropriate for:</i></li> </ul>	<p>The existing vehicle accesses are not proposed to be altered with this application. The accesses were established under previous development approvals and are considered safe and appropriately located for the number and type and frequency of vehicles and the nature and function of the road.</p> <p>The Traffic Impact Assessment provided by the</p>



<b>Benchmark</b>	<b>Assessment</b>
<p>(i) the capacity of the carpark;  (ii) the volume, frequency and type of vehicle usage; and  (iii) the function and configuration of the access road; and  (b) minimise any potentially adverse impact on:  (i) the safety and efficiency of the road;  (ii) the integrity of any infrastructure within the road reserve; and  (iii) the safety of access to adjacent properties.</p>	<p>applicant provides sufficient detail for compliance with this criterion.</p>
<p><b>PO8</b> Refuse collection vehicles are able to access on site refuse collection facilities.</p>	<p>A bulk bin (skip) is provided near the Site Office of Site 2. The refuse collection area provides for maneuvering of the Design Service Vehicle.</p>
<p><b>PO9</b> Provision is made for the loading, unloading, manoeuvring and access by service vehicles and such provision:  (a) is adequate to accommodate the design vehicle requirements;  (b) protects the safety and efficiency of roads in the vicinity; and  (c) does not unduly impede vehicular and pedestrian circulation within the site.</p>	<p>The extractive industry use requirements for service vehicles are not typical of other development uses.</p> <p>There is ample provision for vehicles to enter the site and undertake activities as and when required.</p>

### **Landscaping code**

<b>Benchmark</b>	<b>Assessment</b>
<p><b>AO1</b> In partial fulfilment of the PO –  Landscaping is carried out in accordance with a planting plan prepared by a suitably qualified landscape designer ...</p> <p><b>PO1</b> Development is landscaped in a manner which:</p> <ul style="list-style-type: none"> <li>• Makes a positive contribution to the streetscape and enhances the appearance of the facility;</li> <li>• Integrates natural landscape features such as rock outcrops and existing large trees and existing native vegetation;</li> <li>• Enhances buffer areas around property boundaries;</li> <li>• Compliments the relative size and nature of the development;</li> <li>• Screens the view of service, carparking and loading areas;</li> <li>• Enhances the appearance of screens and acoustic fences; and</li> <li>• Ensures the functionality of outdoor space.</li> </ul>	<p>Site 1 contains existing vegetated buffers, further commitments to maintain these areas (subject to previous development conditions) is provided in the applicant's Rehabilitation Plan (Appendix K). This plan provides a sufficient level of detail to comply with the requirements for the Acceptable outcomes for this criterion.</p>
<p><b>AO2</b> Plants are generally frost resistant and drought hardy.</p> <p><b>PO2</b> Landscaped areas include plant species that are appropriate to the biophysical conditions of the area.</p>	<p>The applicant's Rehabilitation Plan provides direction and procedures for Planting to ensure appropriate species are propagated and planted stock is maintained.</p>



<b>Benchmark</b>	<b>Assessment</b>
<p><b>AO3</b> <i>Plantings do not include any of the species identified as existing or potential weed species of the Southern Downs.</i></p> <p><b>PO3</b> <i>The landscaped area does not have an adverse effect on the environment by introducing weeds.</i></p>	<p>The applicant's Rehabilitation Plan provides direction and procedures for Planting to ensure weed management and control.</p>
<p><b>PO5</b> <i>All landscaping works maintain adequate safe distance from services and utilities including substations, overhead power lines, power poles and transformers, street lights, stormwater catchment pits and underground serves and utilities.</i></p>	<p>The applicant has advised the following in regard to this criterion:</p> <ul style="list-style-type: none"> <li>• no new plantings are to occur in the vicinity of the overhead electricity lines that traverse the site;</li> <li>• trees and shrubs will also be kept to within the appropriate distances from stormwater catchment and conveyance devices; and</li> <li>• these separations will be maintained on an ongoing basis.</li> </ul>
<p><b>AO6</b> <i>The infiltration and conservation of water is optimised through:</i></p> <ul style="list-style-type: none"> <li>• <i>Selecting endemic native plant species;</i></li> <li>• <i>Grouping plants in mulched beds;</i></li> <li>• <i>Minimising impervious surfaces;</i></li> <li>• <i>Draining hard surfaces to landscaped areas;</i></li> </ul> <p><i>Using surface and subsurface drainage swales.</i></p> <p><b>PO6</b> <i>Landscaping works promote the effective use of water through appropriate plant selection and layout and by maximising opportunities for water infiltration.</i></p>	<p>New and replacement plantings will be undertaken in accordance with the applicant's Rehabilitation Plan and will be selected for minimum maintenance and water use which comply with AO6 to the extent relevant for an extractive industry site.</p>
<p><b>AO7</b></p> <p>(a) <i>Areas of pavement, turf and mulched garden are drained and irrigated.</i></p> <p>(b) <i>Landscaped areas are maintained by ensuring that they are weed free, plants are pruned when necessary, mulched areas are replenished and dead plants are replaced.</i></p> <p>(c) <i>Where maintenance is limited plant species are selected with long life expectancy and minimal litter drop, pruning, spraying, watering and fertilising requirements.</i></p> <p><b>PO7</b> <i>Landscaping works are maintained.</i></p>	<p>The maintenance of and replacement of plants will be in accordance with the applicant's Rehabilitation Plan. The plan asserts that the plant species will be selected to assist with the control of sediment and erosion.</p>
<p><b>AO8</b></p> <p>(b) <i>Runoff from carparking areas is directed to landscaped areas to minimise contaminated run off entering the stormwater system and water courses.</i></p> <p>(c) <i>Where the number of parking spaces in an off-street parking area exceeds 10:</i></p> <p>(i) <i>One advanced tree with a minimum canopy at maturity of 3 m in diameter is provided for every 10 carparking spaces (or part thereof). At least half of the required number of trees is to be located within the carpark area (not around the periphery).</i></p> <p>(ii) <i>The landscaping comprises trees with clear trunks to a minimum height at maturity of 2 m and open, low-growing shrubs and ground covers to a maximum height of 1.2 m.</i></p> <p>(iii) <i>A minimum mulched area of 3 m<sup>2</sup> is provided</i></p>	<p>The off-street car park is existing and was approved under the previous approval for extractive industry activities for Site 2. No additional car parking areas are required. It is noted that the carparking area is located within a working quarry environment, so its visual impact is minimal. Some existing trees are present however; no additional landscaping apart from that described in the applicant's Rehabilitation Plan is warranted to meet this performance outcome.</p>



<b>Benchmark</b>	<b>Assessment</b>
<p>around each tree. This area is to be planted with low growing shrubs or ground covers. The trees are to be protected by tree guards, bollards or similar.</p> <p>(d) The landscaped area is separated from any carparking area by a raised kerb that is designed to ensure that vehicles do not park on or over the landscaped area.</p> <p><b>PO8</b> Landscaping of off street carparking areas is designed to:</p> <ul style="list-style-type: none"> <li>• Reduce the visual impact of the carpark;</li> <li>• Provide for shade;</li> <li>• Ensure landscaping is protected from vehicle damage;</li> <li>• Minimise risk of crime; and</li> <li>• Minimise contaminated runoff entering the stormwater system and water courses.</li> </ul>	
<p><b>PO9</b> Where a buffer is required to separate agricultural and residential land uses, or buffer any use in the Rural zone the buffer is to:</p> <p>(a) Contain random plantings of a variety of native, preferably, endemic tree and shrub species of differing growth habits, at spacings of 4-5 m for a minimum width of 20 m (unless a lesser width is permitted by a use code or an approval);</p> <p>(b) Provide foliage from the base to the crown;</p> <p>(c) Include species which are fast growing and hardy;</p> <p>(d) Have a mature tree height at least 3 m; and</p> <p>(e) Include an area at least 10 m clear of vegetation or other flammable material to either side of the vegetated area.</p>	<p>The existing approved vegetative buffers which have been previously described are established under the existing development approvals of both Site 1 and Site 2. Minor extension of these buffers is proposed along with measures for the continued maintenance of these buffers.</p> <p>The applicant's Rehabilitation Plan provides further commitments and detailed maintenance regimes for the Buffer and Quarry zones that will occur following and during development of the quarry.</p>

### **Biodiversity Areas Overlay Code**

<b>Benchmark</b>	<b>Assessment</b>
<p><b>AO1.1</b></p> <p>(a) Clearing of vegetation within the Biodiversity area is avoided or minimised as much as possible and only occurs where the available cleared or developed land is insufficient to accommodate the development; and</p> <p>(b) Where impacts on Biodiversity areas cannot be avoided, they are minimised by:</p> <ul style="list-style-type: none"> <li>(i) minimising the total footprint of the development;</li> <li>(ii) avoiding the further fragmentation of biodiversity areas and strengthening linkages where possible;</li> <li>(iii) utilising areas of lesser value in terms of biodiversity, so that areas of higher value are conserved to the greatest extent possible;</li> <li>(iv) where a building is located in proximity to a Biodiversity area, the building is setback at least a distance equivalent to the height of</li> </ul>	<p>A review of previous approved plans of development confirm that some portions of approved extraction areas bordering the boundary with the corridor of Sandy Creek may be included in the overlay mapping, though there is an existing 25m buffer from the property boundary along this corridor. The proposal does not include clearing of vegetation in these areas.</p> <p>The State mapped regional ecosystem is contained within the existing approved buffer areas only and no clearing of vegetation is proposed in these areas.</p> <p>Section 8 of the applicant's Rehabilitation Plan provides sufficient detail on the species selection for specific areas of the Sites, in particular those species identified for the riparian precinct.</p> <p>The use will generally not operate at night and includes minimal lighting which is located within the</p>



Benchmark	Assessment
<p><i>the native vegetation; and</i></p> <p><i>(v) new boundaries are aligned to maintain Biodiversity areas; and</i></p> <p><i>(c) Landscaping includes plants endemic to the area, known food and habitat trees and shrubs, and replicates adjacent healthy remnant habitats, including understorey vegetation; and</i></p> <p><i>(d) Lighting is located and orientated to minimise negative impacts on wildlife. Lighting does not produce a level of luminance that exceeds 1 lux within or at the boundary of areas identified in the Biodiversity areas; and</i></p> <p><i>(e) For residual impacts, an environmental offset is provided where applicable for matters of environmental significance.</i></p> <p><b>AO1.2</b> Areas showing signs of degradation are rehabilitated having regard to:</p> <p><i>(a) the use of native plant species that support the habitat needs of any rare or threatened species;</i></p> <p><i>(b) replication of the species and structure of adjacent remnant habitats, including understorey vegetation.</i></p> <p><i>Note: A rehabilitation plan may be required to demonstrate the ability to comply with this criterion or as a condition of approval.</i></p> <p><b>PO1</b> Development protects Biodiversity areas and is designed and constructed to avoid significant impacts on Biodiversity areas.</p>	<p>use areas and away from any areas of biodiversity.</p> <p>There is no clearing of vegetation proposed within the buffer areas that may contain biodiversity values. The proposal seeks to remove the existing covenants currently separating the two Sites (whilst maintaining the buffers to external site boundaries) which do contain some vegetation. This vegetation is not regulated and Environmental offsets are not considered appropriate to compensate for the removal.</p> <p>The applicant has provided an acceptable framework for the ecological restoration of the areas subject to degeneration. The proposed approach includes a precinct based rehabilitation that focuses on natural regeneration and assisted natural regeneration where past clearing has significantly affected the capacity for natural regeneration.</p> <p>Monitoring of quarry works rehabilitation is proposed.</p> <p>The applicant has advised that the operator will utilise 'adaptive management' methodologies for monitoring the rehabilitation of the Sites. This approach is described in the SEQ Ecological Restoration Framework: Manual (Section 7.4) and is an acceptable approach to the rehabilitation of the Sites.</p>
<p><b>AO2.1</b> Existing corridors of native vegetation are retained and enhanced to achieve a minimum width of 200m.</p> <p><b>AO2.2</b> Habitat linkages along waterways, drainage lines and ridgelines are provided where possible.</p> <p><b>AO2.3</b> Unimpeded movement of fauna is facilitated within and through the site, particularly along identified ecological corridors by:</p> <p><i>(a) ensuring that development and associated activities do not create barriers to the movement of fauna along and within ecological corridors;</i></p> <p><i>(b) directing fauna to locations where wildlife infrastructure has been created, to enable wildlife to safely negotiate a development area; and</i></p> <p><i>(c) separating fauna from potential hazards.</i></p> <p><b>PO2</b> Ecological corridors and habitat linkages are maintained and enhanced to provide for viable connectivity between areas with biodiversity values, including along waterways, drainage lines and ridgelines.</p>	<p>The proposed development does not increase already approved extraction areas and will maintain the existing approved buffer to Sandy Creek for Site 2 as well as increase the buffer area to Sandy Creek for Site 1.</p> <p>In consideration of the existing approval for the use of the Sites for extractive industry, the proposal does not constitute a risk to the existing habitat linkages in particular within the riparian areas or existing buffer zones.</p>
<p><b>AO3</b> In partial fulfilment of the PO - Development does not encroach within 20m of existing riparian vegetation or within 20m of the top of the bank of a watercourse.</p> <p><b>PO3</b> The biodiversity values of wetlands and</p>	<p>The proposal maintains the existing buffers for Site 2, with additional maintenance and management measures as outlined in the Detailed Landscape Rehabilitation Plan.</p> <p>The proposal seeks to move the existing</p>



<b>Benchmark</b>	<b>Assessment</b>
<p>waterways in the Biodiversity area are protected by:</p> <p>(a) maintaining adequate separation between waterways and development through the establishment or maintenance of effective stable vegetated buffers;</p> <p>(b) maintaining and enhancing aquatic and terrestrial habitat including vegetated corridors to allow for native fauna (terrestrial and aquatic) movement;</p> <p>(c) maintaining bank stability by minimising bank erosion and slumping;</p> <p>(d) maintaining water quality by providing adequate drainage and buffers to allow capturing and filtering of sediments, nutrients and other pollutants;</p> <p>(e) maintaining and enhancing natural hydrological regimes including natural water quality, quantity and ensuring groundwater is not polluted.</p>	<p>(covenanted) buffer areas that separate the Sites to other areas within Site 1, this includes within the riparian areas bordering Sandy Creek.</p> <p>This minor increase provides additional protection of the biodiversity values for the riparian areas.</p> <p>The applicant's Stormwater Management Plan includes provisions for maintaining the overflow of sediment basins within the site to address potential erosion.</p> <p>The applicant's Site Based Environmental Management Plan provides the most robust measures to reduce erosion and maintain surface water quality leaving the Sites.</p> <p>An Erosion &amp; Sediment Management Plan is proposed to be developed as one of several individual environmental management plans have been developed for significant environmental issues associated with the quarrying operation.</p> <p>Measures for addressing impacts to Ground water quality are contained within both the Stormwater Management Plan and the Site Based Environmental Management Plan.</p>

### **Bushfire Hazard Overlay Code**

<b>Performance outcome</b>	<b>Assessment</b>
<p><b>AO2</b> An unobstructed access at least 3m wide and with a clearance height of 3m is provided from a public road to any dwelling house and household water supply.</p> <p><b>PO2</b> Efficient, practical access to buildings for fire fighting appliances is constructed and maintained.</p>	<p>The development does not involve a dwelling house and new buildings are proposed. Existing buildings have been established in accordance with relevant building approvals.</p>
<p><b>AO3.1</b> The use is sited on land that is determined as not having a bushfire hazard by a site specific bushfire hazard assessment.</p> <p>OR</p> <p>(a) The use is sited on locations of lowest hazard on the lot (where the whole of an allotment is identified as having the same level of bushfire hazard, all locations are taken to be of lowest hazard on the lot);</p> <p>(b) The use is setback at least 1.5 times the predominant mature canopy tree height or 20 metres (whichever is the greater) from hazardous vegetation;</p> <p>(c) The use is sited at least 10 m from any retained vegetation strips or small areas of vegetation;</p> <p>(d) The use is sited so that the elements of the development least susceptible to fire are located closest to the bushfire hazard;</p> <p>(e) The use has on site water storage, of not less than 10,000 litres for each building, that is kept</p>	<p>The current bushfire mapping overlay does not accurately reflect the extent of vegetation within the Sites, with areas subject to excavation still showing bushfire and potential bushfire risk.</p> <p>The proposal will increase the work force on the site by approximately 3 additional people.</p> <p>There is expected to be a reduction over time of the amount of vegetation on the Sites and with that a reduction in the risk of bushfire.</p> <p>There are no proposed changes to approved extractive use areas, or other use areas, i.e. site office and amenities, and other sheds and facilities. There is no proposed new infrastructure that is sensitive to bushfire.</p> <p>Accordingly, there is no increase to any risk to the safety of people or property.</p> <p>Site 1 is provided with several rainwater tanks in various locations.</p> <p>Water for fire-fighting purposes can also be pumped from retention ponds (sediment basins) and Sandy</p>



<b>Performance outcome</b>	<b>Assessment</b>
<p>exclusively for fire fighting purposes and, if a tank, is fitted with approved fire fighting fittings;</p> <p>(f) Efficient, practical access to buildings and water supply for fire fighting appliances is constructed and maintained; and</p> <p>(g) The occupants of the development have more than one effective and reasonable route of escape by standard motor vehicle once they have exited the subject site.</p> <p><b>AO3.2</b> Development complies with a Bushfire Management Plan for the premises.</p> <p><b>PO3</b> Any proposed use does not compromise the safety of people or property from bushfire.</p>	<p>Creek if required.</p> <p>A rainwater tank is provided within 100m of both the Site Office and the Maintenance Shed (the only occupied buildings) Collectively they allow for 40,000 litres to be dedicated to fire-fighting purposes at all times including during dry weather.</p>
<p><b>AO5</b></p> <p>(a) The manufacture or storage of hazardous material in bulk does not occur within a bushfire hazard area; or</p> <p>(b) Development complies with a Bushfire Management Plan for the premises.</p> <p><b>PO5</b> Public safety and the environment are not adversely affected by the detrimental impacts of bushfire on hazardous materials manufactured or stored in bulk.</p>	<p>Section 5 of the applicant's Site Based Environmental Management Plan outlines measures for emergency, hazards and contingency management for bushfire risk (Section 5.1).</p> <p>Section 4.4 of the document provides measures for chemical storage and handling to prevent the contamination of land and water.</p> <p>The storage of materials will also need to comply with the Environmental Authority.</p>

### **Extractive Resources Overlay Code**

<b>Performance outcome</b>	<b>Assessment</b>
<p><b>AO1</b> Development is for extractive industry or directly associated with extractive industry or uses that would not constrain existing or future extractive industries.</p> <p><b>PO1</b> Development within the extractive resource area maintains the long term capability to extract and/or process the resource.</p>	<p>The development site is within the Extractive Resources Overlay Code and the proposed expansion of the extractive industry use complies with this criterion.</p>
<p><b>PO3</b> Development minimises the potential adverse effects from existing or future extractive industries on people working or congregating in the extractive resource separation area. In particular:</p> <p>(a) The number of people working or congregating in the extractive resource separation area is not increased; or</p> <p>(b) Development is compatible with the potential effects arising from existing or potential extractive industry; or</p> <p>(c) Development incorporates design, orientation and construction measures that mitigate the potential adverse impacts from existing or future extractive industry to acceptable levels.</p>	<p>The proposal is for an expansion of an existing extractive industry use; though it should be noted that the proposal provides a robust increase in the measures to protect non extractive industry uses within the extractive resource separation area.</p>
<p><b>AO4</b> Development does not increase the number of properties with direct vehicular access to the transport route.</p> <p><b>PO4</b> Development does not adversely affect the safe and efficient operation of vehicles transporting extractive materials along the transport route.</p>	<p>The Traffic Impact Assessment submitted in support of the development application demonstrates that the additional development traffic would not adversely affect the operation of the existing approved haul route.</p>



## Flood Hazard Overlay Code

Performance outcome	Assessment
<p><b>AO2.2</b> In partial fulfilment of the PO - Non-residential buildings:</p> <ul style="list-style-type: none"> <li>(a) are located and designed so that floor levels (except areas used for car parking) are not subject to flooding;</li> <li>(b) orient to the street by activating the street frontage through ground floor commercial uses or urban design treatments such as recess wall treatments, screening and landscaping;</li> <li>(c) allow for flow through of flood waters on the ground floor; and</li> <li>(d) electrical meter boxes, switchboards, power points and switches are located above the DFE flood level.</li> </ul> <p><b>PO2</b> Development is resilient to flood events by ensuring that design and construction account for the potential risks of flooding.</p>	<p>The existing (non-residential) buildings are not located within areas subject to flooding.</p> <p>The applicant's Stormwater Management Plan provides measures to address potential flooding and storm events appropriately.</p>
<p><b>AO3</b></p> <ul style="list-style-type: none"> <li>(a) Materials manufactured or stored on-site are not hazardous or noxious; or</li> <li>(b) The manufacture or storage in bulk of hazardous materials takes place above the DFE flood level; and</li> <li>(c) Material, manufacturing equipment and containers are located above the adopted flood level or where the flood level is not adopted they are located on the highest part of the site to enhance flood immunity.</li> </ul> <p><b>PO3</b> Development avoids the release of hazardous materials into floodwaters.</p>	<p>All materials that may be hazardous are to be kept secure and above the identified 1 in 100 year flood event.</p>
<p><b>AO5.2</b> Works in areas other than an urban area either:</p> <ul style="list-style-type: none"> <li>(a) Do not involve a net increase in filling greater than 50m<sup>3</sup>; or</li> <li>(b) Do not result in any reductions of on-site flood storage capacity and contain within the subject site any changes to depth/duration/velocity of flood waters; or</li> <li>(c) Do not change flood characteristics (at the DFE) outside the subject site in ways that result in – <ul style="list-style-type: none"> <li>i. Loss of flood storage;</li> <li>ii. Loss of/changes to flow paths;</li> <li>iii. Acceleration or retardation of flows; or</li> <li>iv. Any reduction in flood warning times elsewhere on the floodplain.</li> </ul> </li> </ul> <p><b>PO5</b> Development directly, indirectly and cumulatively avoids any significant increase in water flow, velocity or flood level, and does not</p>	<p>The proposed expansion of extraction of material at Site 1 is not considered likely to significantly increase water flows or affect flood levels. The applicant has provided a performance solution for this criterion.</p> <p>The Storm Water Management Plan submitted with the development application can be considered as addressing the requirements of a flood assessment report.</p> <p>The plan assessed the impacts of the proposed development from flooding and the potential impacts of the development on the flood characteristics of the catchment.</p> <p>The proposed development will be required to be carried out in accordance with the applicant's Storm Water Management Plan.</p>



<b>Performance outcome</b>	<b>Assessment</b>
<i>increase the potential for flood damage either on site or on other properties.</i>	

### **Outdoor lighting code**

It is considered that the development already complies with AS4282. The proposed development does not include any additional lighting.

### **Physical infrastructure code**

#### ***Water Supply***

No reticulated water supply system is available for connection to the site. The use is provided with rainwater tanks to provide potable water for staff and site visitors.

The operation includes sedimentation ponds that collect water for general use such as washing down internal roads, stockpiles and dust suppression during crushing and screening, and maintenance of any vegetation for erosion control or other landscaping.

Tanks are provided which can serve for fire-fighting purposes. Water can also be pumped from sedimentation basins for the watering of landscaping and for fire-fighting if required.

#### ***Waste Water Disposal***

The development would be serviced by the existing amenities located near the Site Office of Site 1. Waste water from the amenities, discharge into a tanked on-site effluent system which is pumped-out and disposed of at a lawful sewerage treatment plant.

#### ***Energy***

The subject land is connected to an existing electricity supply.

#### ***Roads and Rail***

The subject land is connected to the road network via rural roads that are constructed in accordance with Table 9.4.7.4 being stated as a bitumen seal where over 10 vehicles per day. The proposed use is not a noise sensitive use.

#### ***Crime Prevention and Safety***

The site would be operated in accordance with the Draft Site Based Environmental Management Plan which includes provisions to provide a safe working environment on site. Strict protocols and work practices would be followed in accordance with Work Safe Australia.

#### ***Infrastructure Charges***

Extractive industry is categorised as a Specialised use in the Adopted Infrastructure Charges Resolution (No. 2) 2015.

The proposed development is considered to place additional demand for upgrade of Council's road infrastructure networks.

As there is no formulae to calculate the expected impact to Council's road network and no previous infrastructure charges have been levied for the existing operations, no charges are applicable to the proposed expansion unless deemed appropriate by Council resolution.

In accordance with Section 122 of the *Planning Act 2016*, any infrastructure charges applied to the proposed development are payable when the change of use happens.

#### ***Options***

Council:



1. Approve the application subject to conditions as recommended.
2. Approve the application subject to conditions other than as recommended.
3. Refuse the application giving reasons for the refusal.



## Recommendation

THAT the application for Material Change of Use for an extension to existing Extractive industries on land at Pink Gum Lane, Leslie Dam, described as Lots 2, 3 and 518 on RP814311, Parish of Warwick, County of Merivale, be approved subject to the following conditions:

### Schedule 1 - Southern Downs Regional Council's Conditions

#### Approved Plans

1. The development of the site is to be generally in accordance with the following proposal plans and specialist studies submitted with the application, and subject to the final development being amended in accordance with the conditions of this approval.

Document/Plan Name	Plan No.	Date
Proposed Onsite Layout	Figure 1	12 February 2019
Proposed Onsite Layout	Sheets 1-13	22 July 2018
Stormwater Management Plan, prepared by Geneng Solutions	Rev 2	2 November 2018
Site Based Environmental Management Plan prepared by Yarramine Environmental	Version 0.2	16 November 2018
Rehabilitation Plan prepared by Yarramine Environmental	Version 3	30 November 2018

2. Where there is any conflict between the conditions of this approval and the details shown on the approved plans and documents, the conditions of approval prevail.

#### Reconfiguration of a Lot

3. Lots 2, 3 and 518 on RP814311 are to be amalgamated into one allotment and a new Certificate of Title issued to cover the newly created allotment.

#### Easements and Covenants

4. The statutory covenants identified on Lots 2 and 3 on RP814311 (Covenants A and B SP254624) are to be amended in accordance with the "Proposed onsite layout", Sheets 1-8 prepared by Yarramine Environmental. The covenant documentation is to be prepared at the developer's expense and submitted to Council for signing.
5. The covenanted areas, and the setback areas shown on the Proposed Onsite Layout plan, must not be used for activities associated with the extractive industry. These areas are to be maintained as vegetated buffers.

#### Land Use and Planning Controls

6. This approval allows for the use of the sites for the following purposes only:
  - Extractive industry – extraction and processing of up to 400,000 tonnes of material per year
7. Once this approval is acted upon, all previous development approvals for extractive industries on Lots 2, 3 and 518 on RP814311 will cease to have effect.
8. The development shall generally operate within the following hours of operation:
  - (a) Extractive activities (defined as extraction, screening and crushing) are to be carried out between the hours of 7.00 am to 6.00 pm, Monday to Saturdays;
  - (b) Administrative work, general maintenance of equipment and machinery, and loading of material are to be carried out between 6.00 am to 6.00 pm, Monday to Saturdays; and
  - (c) Blasting is to be carried out between 9.00 am to 3.00 pm, Monday to Fridays, and 9.00 am to 1.00 pm on Saturdays.
  - (d) The site is not to operate on Sundays or Public Holidays.
9. All administrative work, general maintenance of equipment and machinery, and loading of



material, conducted before 7.00 am must be undertaken in accordance with the approved Environmental Noise Impact Assessment (Applicant's Appendix H, Revision 4, 5 April 2018) and in accordance with the relevant noise criteria of the *Environmental Planning Policy (Noise) 2008*.

#### **Building, Health & Development Compliance**

10. **This approval is limited to a period of 28 years from the day the approval takes effect.** Any application to extend the approval will be subject to a review of compliance with the conditions of this Development Permit in accordance with Council's standard requirements at that time.
11. All extraction, screening, material haulage and rehabilitation activities are to be undertaken in accordance with the approved plans and Appendices.
12. No explosives are to be stored on site. All explosives must be removed from the site at the completion of blasting activities.
13. The use of explosives and blasting must have no negative impact on the integrity of the Leslie Dam wall. Blast vibration monitoring must be conducted for each blasting event to ensure the use of explosives and blasting have no negative impact on the integrity of the Leslie Dam wall. Blasting and use of explosives must cease immediately if any damage to the Leslie Dam wall is identified by the administering authority to be caused by blasting activities at the quarry. If damage is found as a result of an investigation and the quarry is determined to be at fault, the damage is to be made good by the operator of the approved development.
14. The applicant is to undertake an annual self-audit, to the satisfaction of the Director Sustainable Development, demonstrating compliance with the conditions of this development permit in relation to the extraction, rehabilitation and site management activities undertaken. In addition to the annual self-audit, auditing by a suitably qualified auditor must be undertaken when requested by Council to address concerns that cannot be addressed through the self-auditing process or compliance action by Council. **The results of each audit are to be submitted to Council no later than 1 December each year.**

#### **Amenity and Environmental Controls**

15. Prior to the removal of vegetation, the applicant is to inspect for signs of wildlife. Should any wildlife be identified, removal of vegetation should not occur until the animal has vacated the area of immediate danger. Work should be suspended overnight if possible. If the animal does not move from the area of danger, the Department of Environment and Science should be notified, and a qualified handler employed at the developer's cost to transport the animal to a safe place.
16. The operator shall comply with all measures identified within the Site Based Environmental Management Plan to address potential nuisance generated from the site. This includes the management procedures and practice, monitoring and reporting, responsibility, corrective actions and auditing and review for the following:
  - (i) Air quality (dust);
  - (ii) Blasting;
  - (iii) Chemical storage and handling;
  - (iv) Cultural heritage;
  - (v) Landscape rehabilitation;
  - (vi) Noise;
  - (vii) Traffic;
  - (viii) Vegetation and fauna;
  - (ix) Waste; and



(x) Water Quality.

17. The crushing and screening of hard rock material won is to occur only within the existing crushing floor.
18. A sufficient number of suitable waste receptacles must be provided on site at all times. Waste receptacles must be regularly serviced to prevent unsightly accumulations of waste or environmental harm being caused. A waste collection contractor must be engaged to supply suitable waste and recycling receptacles and service waste and recycling receptacles.
19. The cleaning of plant equipment and vehicles must be carried out in an area where wastewater can be suitably managed so as not to cause contaminants to release into waterways or overland flow paths.
20. Any external lighting must be installed so that light shines down and away from adjacent properties and roads, and does not exceed 8 lux at the property boundary.
21. All cleared or lopped timber and vegetation must be processed on site by wood chipping, mulching or other method approved by the Manager Environmental Services. Any processing of trees or vegetation must be carried out in a safe manner and without any adverse environmental impacts from noise or dust emissions, and in accordance with the *Environmental Protection Act 1994*. All green waste mulch must be used on site, unless disposal or removal to another site is approved by the Manager Environmental Services.

**Fencing, Landscaping and Buffers**

22. Fencing is to be provided around the full perimeter of the site, including stockpiles and operations.
23. There is to be no clearing of trees or other vegetation outside of the excavation area. All existing vegetation within the setbacks and covenanted areas is to be retained, and allowed to naturally regenerate.
24. Rehabilitation and landscaping works are to be undertaken in accordance with the Quarry works rehabilitation schedule and the Buffer Zone Rehabilitation Schedule as described in the Rehabilitation Plan.
25. Vegetated buffer areas are to be established, monitored and maintained in accordance with the Rehabilitation Plan and the Site Based Environmental Management Plan.

**Car Parking and Vehicle Access**

26. The applicant is to erect "No Unauthorised Entry" signs on all gates to the site.
27. Vehicle access and egress for all development traffic is to be via the existing approved haul route; i.e. Pink Gum Lane, Rabbit Road and the Cunningham Highway. This route is the only route to be used by traffic associated with the quarry.
28. Vehicle access to Lot 2 on RP81431 from Pink Gum Lane is restricted to light vehicles only. If the vehicle entrance and driveway become eroded, with material becoming deposited outside of the site or potholes form that would increase noise associated with vehicle movements, this entrance must be sealed to Council's standards.
29. The portion of the internal light vehicle access track located within the existing and proposed buffer within Lot 518 on RP814311 adjacent Sandy Creek is to be relocated outside of the buffer area (as shown in Figure 1 – Proposed Onsite Layout, Rehabilitation Plan).
30. The existing carpark may remain gravel, provided it is appropriately maintained and does not cause a dust nuisance. If the car parking area becomes eroded or potholes form, Council may require the carpark to be sealed to Council's standards.
31. All loading and unloading of goods related to the development must be carried out within the confines of the allotment's boundary. Under no circumstances will the loading or unloading of goods on the public roadway system or footpath be permitted



### **Decommissioning and site stability**

32. A draft Quarry Closure and Decommissioning Plan is to be provided to Council within 5 years of the date of this approval. The plan must include a post closure monitoring and measurement program focused on those aspects of the site that have the potential to cause pollution or are being used as an indicator to verify the success or failure of final rehabilitation works.
33. A geotechnical assessment of the stability of the pit face of the hardrock quarry along the western boundary of Lot 518 on RP814311 is required to be submitted to Council prior to decommissioning. The following matters will need to be addressed in the assessment and form part of the Quarry Closure and Decommissioning Plan:
  - (i) long term final void water levels;
  - (ii) height and inclination of slope and number and spacing of intermediate benches;
  - (iii) shear strength of the face soils and rocks;
  - (iv) density and orientation of fractures, faults, bedding planes, and any other discontinuities, and the strength along them; and
  - (v) the effects of the external factors, such as surface runoff.

### **Roadworks**

34. Any roadworks and drainage works damaged during construction of the development are to be reinstated to the pre-existing condition, unless otherwise required by the Director Infrastructure Services.

### **Stormwater Drainage**

35. The design, construction and operation of all stormwater drainage and retention systems must be in accordance with the Stormwater Management Plan, prepared by Geneng Solutions, dated May 2018.

### **Water Supply and Waste water**

36. The disposal of all waste water from the proposed development must be undertaken utilising the existing amenities facilities, discharge into a tanked on-site effluent system and pumped out and disposed of at a lawful sewerage treatment plant.

### **Advisory Notes**

1. Unless otherwise stated, all conditions of this approval are to be complied with to the satisfaction of the Director Sustainable Development, prior to the use commencing, and then compliance maintained at all times while the use continues.
2. Any proposal to increase the scale or intensity of the use on the subject land, that is assessable development under the Planning Scheme, would be subject to a separate application for assessment in accordance with the *Planning Act 2016* and would have to comply with the requirements of the Planning Scheme.
3. It is encouraged that you arrange for a free compliance inspection to be carried out prior to the use commencing. This will involve a physical inspection of the premises along with an internal audit of Council's records. Written advice will be provided for your records advising if compliance with the conditions has been achieved.
4. The General Environmental Duty under the *Environmental Protection Act 1994* prohibits unlawful environmental nuisance caused by noise, aerosols, particles dust, ash, fumes, light, odour or smoke, beyond the boundaries of the property during all stages of the development including earthworks, construction and operation.
5. Any storage of flammable and/or combustible liquids must comply with the minor storage provision of Australian Standard AS1940 *The Storage and Handling of Flammable and*



#### *Combustible Liquids.*

6. The disposal of waste classified as Trade Waste under the *Plumbing and Drainage Act 2002* is to be in accordance with Council's Trade Waste Policy.
7. An Environmental Authority for Environmentally Relevant Activity No. 16 (Extractive and Screening Activities) is to be maintained in accordance with the *Environmental Protection Act 1994*.
8. No clearing of remnant vegetation or regulated regrowth vegetation is to occur under this approval. A Development Permit for Operational Works must be obtained from the Department of State Development, Manufacturing, Infrastructure and Planning for the clearing of any remnant vegetation, unless exempt under Schedule 21 of the *Planning Regulation 2017*.
9. Site works must be constructed such that they do not, at any time, in any way restrict, impair or change the natural flow of runoff water, or cause a nuisance or worsening to adjoining properties or infrastructure.
10. All engineering drawings/specifications, design and construction works must be in accordance with the requirements of the relevant *Australian Standards* and must be approved, supervised and certified by a Registered Professional Engineer of Queensland.

#### **Aboriginal Cultural Heritage**

11. All reasonable and practicable measures must be taken to ensure that no harm is caused to Aboriginal cultural heritage (the "cultural heritage duty of care"). The cultural heritage duty of care is met if the development is conducted in accordance with gazetted cultural heritage duty of care guidelines. Further information on cultural heritage, together with a copy of the duty of care guidelines and cultural heritage search forms, may be obtained from [www.datsip.qld.gov.au](http://www.datsip.qld.gov.au).



**Schedule 2 - Department of State Development Manufacturing Infrastructure and Planning's conditions as a Concurrence agency**

1808-6838 SRA

**Attachment 1—Conditions to be imposed**

No.	Conditions	Condition timing
<b>Material change of use for Extractive industry (Expansion of existing quarries from 305,000 tonnes per year up to 400,000 tonnes per year and Assimilation of adjoining extractive industries)</b>		
State transport infrastructure—The chief executive administering the <i>Planning Act 2016</i> nominates the Director-General of the Department of Transport and Main Roads to be the enforcement authority for the development to which this development approval relates for the administration and enforcement of any matter relating to the following conditions:		
1.	<p>(a) Road works comprising Basic Left Turn Treatment (BAL) and Basic Right Turn Treatment (BAR) must be provided at the Cunningham Highway/ Rabbit Road intersection.</p> <p>(b) The road works must be designed and constructed in accordance with Transport and Main Roads' Road Planning and Design Manual and Manual of Uniform Traffic Control Devices.</p>	Prior to the commencement of use.
2.	<p>The development must be carried out generally in accordance with sections 5.5, 6.2 and 6.3 of the Stormwater Management Plan prepared by GenEng Solutions Pty Ltd dated 02/11/2018, referenced Hutchison Quarry, Warwick and revision 2.0, in particular:</p> <ul style="list-style-type: none"> <li>Table 6.1 – Sediment Basin E</li> <li>Table 6.2 – Sediment Basin E Spillway</li> <li>Attachment C – Stormwater Strategy Layout Plan, Dwg No. GS329-003 Revision A</li> </ul>	At all times
3.	<p>The vehicular access point for the 'New/Relocated Internal Haul Road' and the retention of the 'Existing Light Vehicle Track' in relation to the Pink Gum Lane level crossing of the South Western Line (ID: 2059) must be carried out generally in accordance with the following plan:</p> <ul style="list-style-type: none"> <li>Figure 1 – Proposed Onsite Layout prepared by Yarramine Environmental Pty Ltd, dated 20/11/2018, job number J17_26.</li> </ul>	Prior to the commencement of use and to be maintained at all times


**Attachments**

Nil



## 12.5 Invitation to participate on Stanthorpe Arts Society Project Steering Committee

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Director Sustainable Development	<b>ECM Function No/s:</b> Nil

### Recommendation

THAT Council nominate two Elected Representatives and one senior officer to participate on the Stanthorpe Art Gallery Society's steering committee for progressing the concepts and design of a proposed new Stanthorpe Art Gallery.

### Report

The Stanthorpe Regional Art Gallery is the second largest Regional Art Gallery in Queensland with potential to become an innovative arts hub for regional Queensland and contribute to the Region's tourism, education and community engagement in a profound manner.

Southern Downs Regional Council (SDRC) has been working with and supporting the Stanthorpe Regional Art Gallery and Society to develop and progress their concept and vision to build a new purpose built gallery. The Society is hoping to be able to plan for, and ultimately develop (pending availability of funds), a new purpose built gallery which will solve all these issues and help to transform the cultural economy of the region and Stanthorpe.

The gallery has a substantial and impressive collection, which it is sadly unable to display on a permanent basis due to lack of space. In planning for the future of the gallery it is apparent that there is a need to solve current operational, storage and safety issues for the collection, create appropriate space for the creation and practice of arts, alongside improved gross floor area for exhibition space.

The existing gallery in Stanthorpe shares a Council owned community facility with the Stanthorpe Library and, as such, space for both entities is constrained. To date, Council Officers have been supporting this concept of a new gallery built through a series of meetings, research into potentially suitable parcels of publicly owned or entrusted land, provision of advice and the exchange of ideas.

The Society is well progressed with the idea for a new Stanthorpe Gallery and has prepared a range of documents to support and further explore this concept. The Society has been working with renowned architectural firm, Conrad Gargett, to progress planning and concepts. These concepts were provided to Council to be utilised in any future funding rounds should they become available from either State or Federal Governments. This information helped inform the basis of a submission to the Federal Government through the Building Better Regions Program, resolved by Council at its General Meeting on 12 December 2018. To date, no advice on the success, or otherwise, of the funding application has been received from the Federal Government.

The Society would like to the progress planning and design process for the development of a new purpose built facility that has the following broad goals:



1. Gallery will provide the imagery to reflect the importance and significance of this public facility within the community;
2. Provide a permanent space to continually exhibit the collection on a rolling exhibition basis, facilitating increased access to the collection for both residents and visitors;
3. Storage for the permanent collection not on exhibition in secure and controlled temperature environment;
4. Extended exhibition space to attract larger and more prestigious exhibitions;
5. Creation of an area which artists and the community can utilise for the creation of arts and where workshops are held; and
6. Provide a safe and healthy working environment for all staff, volunteers, management committee members and visitors.

The Chair of the Society has approached Council seeking ongoing involvement in a formal project Steering Committee as the design and planning continues for vision of a new Stanthorpe Art Gallery. The Society is seeking the following representatives from Council to participate in the planning and design process:

1. Two Elected Representatives from SDRC; and
2. One Senior Officer from SDRC.

These SDRC representatives would work with the Society's appointed members on progressing the concept design and planning. The Society will be funding this phase of the works and SDRC is considered a vital stakeholder in this process. Council's input is being sought to support the steering committee. The Society is advanced in their partnership with Conrad Gargett and will be working in tandem with this architectural firm to complete the design and initial planning for the proposed new facility.

Regular status update reports on the progress of the Steering Committee would be provided to ensure that Council is kept well briefed and engaged on this exciting project. The offer to collaborate with the Society is an important opportunity for SDRC to work alongside the community as the process of reimagining the future of the Stanthorpe Art Gallery is undertaken

### **Budget Implications**

SDRC is aware that the construction of any new Stanthorpe Gallery would require investment in a future capital works program and is actively seeking funding support that might be available for this project as they arise. This stage of concept planning and design is being fully funded by the Stanthorpe Arts Society and Council's support would be in-kind through Officer and Elected representative time and support at this stage.

### **Policy Consideration**

Shaping Southern Downs: Themes 1 Grow and 3 Prosper

Corporate Plan 2014-2019: The Southern Downs Sense of Community:

- 1.12 Develop and promote our unique artistic and cultural diversity

### **Community Engagement**

The Stanthorpe Arts Society is leading this work and Council is invited to be an active participant on the Steering Committee.



**Legislation/Local Law**

Nil

**Options**

1. Council nominate two Elected Representatives and one Senior Officer to participate on the Stanthorpe Art Gallery Society's Steering Committee for progressing the concepts and design of a proposed new Stanthorpe Art Gallery.
2. Council does not delegate staff or Elected representatives to participate on the project Steering Committee for the proposed new Stanthorpe Art Gallery being coordinated and lead by the Society.


**Attachments**

Nil



## 12.6 2019-2021 Works for Queensland Funding Program

### Document Information

 <b>Southern Downs</b> REGIONAL COUNCIL	<b>Report To: General Council Meeting</b>	
	<b>Reporting Officer:</b>	<b>Meeting Date:</b> 27 February 2019
	Governance and Risk Officer Manager Corporate Services	<b>ECM Function No/s:</b> 15.24

### Recommendation

THAT Council submit the following list of projects (in order of priority) to the Department of Local Government, Racing and Multicultural Affairs for consideration from Council's \$2,870,000 allocation under the 2019-2021 Works for Queensland funding program:

1. Relocate Warwick SES to APRA building & Rainbow FM to Warwick SES building & Woodcrafters & Service clubs - \$300,000
2. Warwick Men's Shed and Warwick Woodcrafters Stage Two – including landscaping and fencing - \$300,000
3. Maryvale Urban Design outcomes – implement high priority projects - \$170,000
4. Leyburn Urban Design outcomes – streetscape & enhance Sprints precinct - \$125,000
5. Construction of Dagg's Falls Lookout, Killarney - \$300,000
6. Regional parks improvements – including shade, soft-fall and play equipment with village parks the priority - \$75,000
7. Sealing gravel section of Darcy Street, Stanthorpe - \$90,000
8. Construction of Mini Golf facility at WIRAC – Stage One - \$300,000
9. Construction of a Learn to Ride Park at Australiana Park, Warwick - \$300,000
10. Condamine River Walkway Stage Two - \$300,000
11. Sealing Link Rd from Brunckhorst Avenue to Wallangarra Road, Stanthorpe - \$300,000
12. Warwick Laneway Public Art – Town Hall - \$50,000
13. Flight Training Hangar at Warwick Aerodrome \$310,000.

### Report

On 13 January 2019, the Department of Local Government, Racing and Multicultural Affairs advised that round three of the Queensland Government's \$200million 2019-2020 Works for Queensland funding program (W4Q3) has now been announced. The objective of W4Q3 is to support eligible Councils to undertake job-creating and/or job sustaining maintenance and minor infrastructure projects relating to assets owned or controlled by Council's.

Council has been allocated \$2,870,000 under round three (3) and is required to submit a list of projects to be considered for funding under the program to the Department by 15 March 2019. Funded projects under round three (3) can commence from 1 July 2019 and must be delivered by 30 June 2021. There is no obligation for Council's to make a co-contribution under W4Q3.

To be considered eligible under W4Q3 program, projects must:

- create and/or sustain jobs in a local community or across a region (for example, this could mean creating new jobs, sustaining existing jobs that might otherwise have been lost, or jobs relating to an existing work program that can be expanded); and
- be able to be delivered by 30 June 2021; and



- not already be proposed for funding in the recipient Local Government's 2019-20 or 2020-21 budget; and
- improve the condition (maintenance), quality or lifespan of a Local Government-owned capital asset such as, but not limited to; footpaths, kerb and channel works, roads, car parks, sewer, water and stormwater systems and networks, shade structures, playgrounds, community and sport facilities, halls, swimming pools and water play;
- be new minor infrastructure works; or
- be new maintenance or minor works for disaster resilience and preparedness such as works that protect existing essential public infrastructure and/or build resilience to future natural disaster events.

The Department may consider as eligible, projects where constructing a replacement asset can be demonstrated to be more economically viable in the short and long term, than performing maintenance or upgrading the asset.

The following projects (in order of priority) have been identified as being eligible under W4Q3:

Priority	Project Name	Estimated cost
1	Relocate Warwick SES to APRA building & Rainbow FM to Warwick SES building	\$300,000
1	Warwick Men's Shed and Warwick Woodcrafters Stage Two – including landscaping and fencing	\$300,000
1	Maryvale Urban Design outcomes – develop hotel & park precinct & fencing	\$170,000
1	Leyburn Urban Design outcomes – streetscape & enhance Sprints precinct	\$125,000
1	Construction of Dagg's Falls Lookout, Killarney	\$300,000
1	Regional parks improvements – including shade, soft-fall and play equipment with village parks the priority	\$75,000
2	Sealing gravel section of Darcy Street, Stanthorpe	\$90,000
2	Construction of Mini Golf facility at WIRAC – Stage One	\$300,000
2	Construction of a Learn to Ride Park at Australiana Park, Warwick	\$300,000
2	Condamine River Walkway Stage Two	\$300,000
3	Sealing Link Rd from Brunckhorst Avenue to Wallangarra Road, Stanthorpe	\$250,000
4	Warwick Laneway Public Art – Town Hall	\$50,000
5	Flight Training Hangar at Warwick Aerodrome	\$310,000
<b>Total</b>		<b>\$2,870,000</b>

## Budget Implications

Council may choose, but is not obligated to, contribute to the cost of projects under W4Q3.

## Policy Consideration

Corporate Plan 2014-2019 (Revised Edition)

### 4. The Economically Strong, Sustainable and Diverse Southern Downs:

#### 4.1 Identify new external revenue sources, including grants, to fund regional infrastructure and services



#### 4.8 Maximise private and government funding opportunities to foster both community and business growth throughout the region

### Community Engagement

Nil

### Legislation/Local Law

All projects must be completed in accordance with applicable laws, including normal procurement practices.

### Options

Council:

1. Submit the following list of projects to the Department of Local Government, Racing and Multicultural Affairs for consideration from Council's \$2,870,000 allocation under the 2019-2021 Works for Queensland funding program:

Priority	Project Name	Estimated cost
1	Relocate Warwick SES to APRA building & Rainbow FM to Warwick SES building	\$300,000
1	Warwick Men's Shed and Warwick Woodcrafters Stage Two – including landscaping and fencing	\$300,000
1	Maryvale Urban Design outcomes – develop hotel & park precinct & fencing	\$170,000
1	Leyburn Urban Design outcomes – streetscape & enhance Sprints precinct	\$125,000
1	Construction of Dagg's Falls lookout, Killarney	\$300,000
1	Regional parks improvements – including shade, soft-fall and play equipment with village parks the priority	\$75,000
2	Sealing gravel section of Darcy Street, Stanthorpe	\$90,000
2	Construction of Mini Golf facility at WIRAC – Stage One	\$300,000
2	Construction of a Learn to Ride Park at Australiana Park, Warwick	\$300,000
2	Condamine River Walkway Stage Two	\$300,000
3	Sealing Link Rd from Brunckhorst Avenue to Wallangarra Road, Stanthorpe	\$250,000
4	Warwick Laneway Public Art – Town Hall	\$50,000
5	Flight Training Hangar at Warwick Aerodrome	\$310,000
<b>Total</b>		<b>\$2,870,000</b>

2. Submits other projects to the Department of Local Government, Racing and Multicultural Affairs for consideration from Council's \$2,870,000 allocation under the 2019-2021 Works for Queensland funding program.

### Attachments

Nil



**13. REPORTS OF DEPUTATION OR CONFERENCE & REPORTS FROM DELEGATES APPOINTED BY COUNCIL TO OTHER BODIES**

Nil

**14. NOTICES OF MOTION**

Nil

**15. GENERAL BUSINESS**

**16. CONSIDERATION OF CONFIDENTIAL BUSINESS ITEMS**

In accordance with the provisions of Section 275(1) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public and move 'into Committee' to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.



## **Recommendation**

THAT the meeting be closed to the public and move into committee to discuss the following items, which are considered confidential in accordance with Section 275(1) of the *Local Government Regulation 2012*, which permits the meeting to be closed to the public for business relating to the following, as indicated:

### **16.1 Organisational Structure**

#### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(b) of the *Local Government Regulation 2012*, as it contains information relating to industrial matters affecting employees.

### **16.2 PN 101775 - Request to Waive Water Consumption Charges**

#### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(d) of the *Local Government Regulation 2012*, as it contains information relating to rating concessions.

### **16.3 Economic Development and Regional Promotion Advisory Committee Minutes 8 February 2019**

#### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(h) of the *Local Government Regulation 2012*, as it contains information relating to business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

### **16.4 Resolution for Procurement Exception**

#### **Reason for Confidentiality**

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

### **16.5 2018/19 - Grants to Community - Community Grant - Round Two (2)**

#### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(h) of the *Local Government Regulation 2012*, as it contains information relating to business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

### **16.6 Legal Update with Irrigators**

#### **Reason for Confidentiality**

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

### **16.7 Resolution for Procurement Exception**

#### **Reason for Confidentiality**

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

### **16.8 RFT 19\_107 Tender to Raise, Restump and Toilet Extension - Old Allora Offices**

#### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(e) of the *Local*



*Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Southern Downs Regional Council.

**16.9 RFT 19\_116 Design and Construct Two (2) Sheds at Theo Canter Park**

**Reason for Confidentiality**

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

**16.10 RFT 19\_084 Supply and Delivery of One (1) Single Drive Single Cab Tip Truck**

**Reason for Confidentiality**

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

**16.11 RFT 19\_091 Supply and Delivery of Two (2) Single Drive Single Cab Tip Truck**

**Reason for Confidentiality**

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

**16.12 RFT 19\_92 Supply and Delivery of One (1) Single Drive Single Cab Tip Truck**

**Reason for Confidentiality**

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

**16.13 RFT 19\_103 Supply and Delivery of 7300m of DN300 PN35 DICL Pipe for Storm King Dam Raw Water**

**Reason for Confidentiality**

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

**16.14 RFT 19\_088 Park Road Pedestrian Bridge - Design and Construct**

**Reason for Confidentiality**

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

**16.15 RFT 19\_065 - Pre-Qualified List for Asphalt Services**

**Reason for Confidentiality**

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

**16.16 January 2019 Monthly Report from Warwick Indoor Recreation and Aquatic Centre from YMCA Brisbane**

**Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(h) of the *Local Government Regulation 2012*, as it contains information relating to business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.



#### **16.17 Update on Statement of Claim Against Council - Court Number M17/2018**

##### **Reason for Confidentiality**

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

#### **16.18 Status of Liability Claim Involving Council**

##### **Reason for Confidentiality**

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

#### **16.19 Audit and Risk Management Committee Meeting Minutes - 19 February 2019**

##### **Reason for Confidentiality**

This item is considered confidential in accordance with section 275(1)(h) of the *Local Government Regulation 2012*, as it contains information relating to business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.