



City of Ipswich

**IPSWICH
CITY
COUNCIL**

AGENDA

of the

COUNCIL ORDINARY MEETING

**Held in the Council Chambers
2nd floor – Council Administration Building
45 Roderick Street
IPSWICH QLD 4305**

On Tuesday, 16 July 2019
At 9:00 AM

BUSINESS

- A. OPENING OF MEETING:
- B. WELCOME TO COUNTRY OR ACKNOWLEDGEMENT OF COUNTRY:
- C. OPENING PRAYER:
- D. APOLOGIES AND LEAVE OF ABSENCE:
- E. CONDOLENCES AND MEMORIALS:
- F. PETITIONS AND PRESENTATIONS:
- G. CONFIRMATION OF MINUTES:
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- H. RECEPTION AND CONSIDERATION OF COMMITTEE REPORTS:
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3. Growth and Infrastructure Committee's Report 51
4. Communities Committee's Report 57
5. Governance Committee's Report 59
- I. CONSIDERATION OF NOTIFIED MOTIONS:
- J. RECEPTION OF NOTICES OF MOTION FOR FUTURE MEETINGS:
- K. QUESTIONS:
- L. OFFICERS' REPORTS:
- Change to committee meeting times 73
 - Tender Consideration Plan - Civic Project Audit Consultants and Retail
Project Design Consultants 77
 - Queensland Audit Office 2019 Interim Audit Report 93
- M. CONSIDERATION OF ITEMS PLACED ON THE AGENDA BY A COUNCILLOR IN
ACCORDANCE WITH SECTION 6 AND 8 OF THE SUBORDINATE LOCAL LAW (2.1
COUNCIL MEETINGS):

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UNCONFIRMED MINUTES OF COUNCIL ORDINARY MEETING

25 JUNE 2019

Held in the Council Chambers, Administration Building
45 Roderick Street, Ipswich

The meeting commenced at 9.01 am

Pursuant to section 13 of Council's Local Law No 2 (Council Meetings) 2013, the Interim Administrator invited the Interim Management Committee members present being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood to address the Council on any matters before it.

**ATTENDANCE AT
COMMENCEMENT**

MEMBER'S ATTENDANCE:

Greg Chemello (Interim Administrator)

INTERIM MANAGEMENT COMMITTEE:

Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood

**ACKNOWLEDGEMENT
OF COUNTRY**

Greg Chemello (Interim Administrator)

Ipswich City Council respectfully acknowledges the Traditional Owners as custodians of the land upon which we meet. We pay our respects to their elders, past, present and emerging, as the keepers of the traditions, cultures and stories of a proud people.

OPENING PRAYER

Greg Chemello (Interim Administrator)

Let us in silence pray or reflect upon our responsibilities to the people of Ipswich.

We meet today to server our community, to use our resources wisely and well, to represent all members of our community fairly and to make decisions that promote the common good.

**APOLOGIES AND
LEAVE OF ABSENCE**

Nil

CONFIRMATION OF MINUTES

**CONFIRMATION OF
MINUTES OF
ORDINARY MEETING**

The Interim Administrator of the Ipswich City Council resolves:
That the Minutes of the Ordinary Meeting held on 21 May 2019 be confirmed.

The motion was put and carried.

**CONFIRMATION OF
MINUTES OF SPECIAL
MEETING**

The Interim Administrator of the Ipswich City Council resolves:
That the Minutes of the Special Meeting held on 4 June 2019 be confirmed.

AMENDMENT

The Interim Administrator moved an amendment in relation to the second last paragraph of the minutes appearing on page 14 of the agenda, changing the word every, where appearing on the third line to **ever**.

The motion was put and carried.

RECEPTION AND CONSIDERATION OF COMMITTEE REPORTS

**ECONOMIC
DEVELOPMENT
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Economic Development Committee Report No. 2019(06) of 18 June 2019 be received and adopted.

**CONFLICT OF
INTEREST**

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in Item 2 of the report titled Ipswich Central Program Report No. 11 to 16 May 2019.

The nature of the perceived interest is that Ranbury Management Group is the primary consultant for the CBD Redevelopment and from 2008 to 2012 he worked and was a director and part owner of Ranbury but has had no association with the company since then other than through his current role.

The Interim Administrator confirmed that, as there is no personal or financial benefit to the Interim Administrator, he would participate in the meeting in relation to the matter.

The motion was put and carried.

**GROWTH AND
INFRASTRUCTURE
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Growth and Infrastructure Committee Report No. 2019(06) of 18 June 2019 be received and adopted.

The motion was put and carried.

**COMMUNITIES
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Communities Committee Report No. 2019(06) of 18 June 2019 be received and adopted.

The motion was put and carried.

**ENVIRONMENT
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Environment Committee Report No. 2019(06) of 18 June 2019 be received and adopted.

The motion was put and carried.

**GOVERNANCE
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Governance Committee Report No. 2019(06) of 18 June 2019 be received and adopted.

AMENDMENT

The Interim Administrator moved an amendment in relation to the comments from the Interim Management Committee which appear under Item 1 on page 33 of the agenda in that the word internal review rights should read **internal or external review rights**.

The motion was put and carried.

OFFICER'S REPORTS

**REPORT - AUDIT AND
RISK MANAGEMENT
COMMITTEE NO.
2019(02) OF 19 JUNE
2019**

The Interim Administrator of the Ipswich City Council resolves:
That the report be received and the recommendations contained in the report of the Audit and Risk Management Committee No. 2019(02) of 19 June 2019, be adopted.

The motion was put and carried.

**2018-2019 ASSET
REVALUATION**

The Interim Administrator of the Ipswich City Council resolves:
A. That the report by the Principal Financial Accountant dated 30 April 2019, including attachments 1, 2, 3

and 4 be received and noted.

- B. That the artworks asset class being a formal valuation and the roads, bridges and footpaths asset class indexation be revalued as outlined in the report by the Principal Financial Accountant dated 30 April 2019 and in accordance with Attachments 1 and 3.
- C. That all other asset classes of land, buildings and other structures, and flooding and drainage not be revalued as the cumulative valuation percentage increases/decreases are below 5%, as outlined in the report by the Principal Financial Accountant dated 30 April 2019.

The motion was put and carried.

**12430 QUOTE OR
TENDER
CONSIDERATION
PLAN FOR
LOCKSMITHS
SERVICES**

The Interim Administrator of the Ipswich City Council resolves:

- A. That Council (Interim Administrator of Ipswich City Council) resolve to prepare a Quote or Tender Consideration Plan for the provision of locksmiths services in accordance with section 230(1)(a) of the *Local Government Regulation 2012*.
- B. That Council (Interim Administrator of Ipswich City Council) resolve to adopt the Quote or Tender Consideration Plan for the provision of locksmiths services as outlined in the report by the Senior Contracts and Reporting Officer dated 14 June 2019 in accordance with section 230(1)(b) of the *Local Government Regulation 2012*.
- C. That Council (Interim Administrator of Ipswich City Council) resolve to enter into a contract with Rivercity Locksmiths and Security for the provision of locksmiths services on the terms described in the report by the Senior Contracts and Reporting Officer dated 14 June 2019.
- D. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contract with Rivercity Locksmiths and Security to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

The motion was put and carried.

**OVERALL PLAN FOR
THE RURAL FIRE
RESOURCES LEVY
SPECIAL CHARGE**

The Interim Administrator of the Ipswich City Council resolves:

That in accordance with section 94 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council adopts the Overall Plan for the Rural Fire Resources Levy Special Charge as detailed in the report by the Treasury Accounting Manager dated 12 June 2019.

The motion was put and carried.

BUDGET SPEECH

The Interim Administrator delivered the budget speech:

Next year, Ipswich City Council will enter a brave new world.

The 28 March 2020 local government elections will see a new mayor and the reintroduction of councillors to the City of Ipswich. The exact shape and makeup of council has yet to be determined by the state government, but that should become clear in the next couple of months.

When I was appointed to this role in August 2018, significant changes were needed across the council, and with some urgency. There was a lot to do in the relatively brief period of 19 months. While there were 1200 staff committed to delivering quality services to the Ipswich community, the council “ship” definitely needed to be turned towards a different direction, one that is based on the principles of accountability, effectiveness, efficiency and – most importantly with all of these – transparency and ethical and legal behaviour.

As part of that, I had to oversee a change of focus in terms of council finances. Without doubt, money had been wasted, lost, unaccounted for, frittered away and, in some instances, completely mismanaged.

One of my aims is to help get council budgets back on track. As Interim Administrator, I feel obliged to provide a recommended path forward for the elected councillors beyond March 2020 by laying out a responsible long term financial plan: savings for ratepayers and residents, a council sticking to its budget, and continued growth across the region, which had been unprecedented in recent years.

Together with my interim management committee, council’s CEO David Farmer and executive leadership team, we have come up with a strategy that aims to “normalise” property rates in Ipswich to be

more comparable with other Southeast Queensland councils. The cornerstone of the strategy is a long term financial plan to progressively and rigorously hold the city's average property rates increases below the Consumer Price Index (CPI) for at least the next five, possibly seven years.

Once average rates are more comparable with other Southeast Queensland councils, rate increases would then be generally set at or around CPI.

The 2019-2020 Budget I am delivering today includes an average rates rise for Ipswich below the current CPI of 1.5 per cent. That is significantly less than the 2.5 per cent rates increase delivered by council last year.

We are setting out a thorough price path for this organisation for the future.

This vision is akin to current Federal Government strategies to deliver 10-year budget plans for the nation.

In Ipswich's case, it is aimed at the 82,000 ratepayers – about 2400 non-residential – and an overall population, which recently topped 220,000 and will more than double within 15 years.

I can assure residents that the significant rates decrease from last year does not mean normal services will be cut by council to the Ipswich community.

We are still very much in the business of rates, rubbish and roads. But on a grander scale than some of our neighbouring local government authorities.

There will be substantial cost savings in some areas, but I see it more as driving efficiency within this organisation and providing better value for money.

Council will continue to deliver those first-class services to everyone.

The budget prioritises the important needs of the city.

It allocates money to projects which will enable council to get the job done and to ensure the city is meeting demands imposed upon us all by rapid growth.

Ipswich is one of the fastest growing councils in Australia. The city ranks near the top in Queensland in terms of growth and in the top

10 nationally.

Economic prosperity and jobs, good roads, an improved public transport system and public infrastructure are important components which help the city provide for its constituents.

With this sustained growth trend, we must ensure we have services and infrastructure to cope with the surging population.

With that in mind, this is a progressive budget, yet responsible. It retains a reasonable surplus, yet addresses compelling needs such as the completion of the Nicholas Street development in the CBD, to which \$111 million has been allocated.

Work is progressing quickly there and the community will start to see the first fruits in early 2020.

The budget ensures the council is delivering basic needs such as waste collection, but also looks to the future as council seeks definitive answers to solving the city and region's waste issues. Together with five other SEQ councils, Ipswich is seeking to find feasible and progressive methods of resource recovery and waste disposal services. We need waste solutions that are both environmentally sustainable and commercially astute for the city's ratepayers.

We look ahead of further development in the master-planned communities of Springfield and Ripley, while council has committed to produce the business case for a Springfield-Ripley-Ipswich Central rail link.

Our role is to make it absolutely clear to the state and commonwealth governments in a factually based and compelling business case that this rail link is absolutely essential for the city and needs to be funded sooner rather than later.

Some of the infrastructure highlights include the \$6.8 million Rosewood Library, the new Brisbane Lions stadium and training facility at Springfield – also available for significant community uses, the CBD's new Health Precinct, and of course redevelopment of Ipswich Central.

There is key capital investment in improving roads, including major thoroughfares such as Brisbane Street, Old Toowoomba Road, and the Marsden Parade realignment.

It addresses long-overdue governance concerns, yet paves the way

for future councillors to develop a healthy, active and engaged community.

One of the major features for 2019-2020 is the community donations program, with \$400,000 of ongoing funding to ensure community organisations get access to vital financial assistance from council.

We are proud to deliver this new program and remove the stain of the old “discretionary funding” scheme which essentially allowed the former mayors and individual councillors to distribute council funds to various groups without proper process. There will be no more memorabilia bought with ratepayers’ money.

Providing financial assistance to legitimate community organisations who are providing valuable community services is in my view a core role of local government. This new community donations program is a much fairer, accountable and transparent process that brings it into line with other councils across Queensland and the nation in terms of proper governance.

Today also sees the first gathering of the city’s new community reference groups – where 100 members of the Ipswich community will sit on five separate reference groups and provide valuable ideas and advice to council going forward.

They will be the eyes and ears of the people and we can draw on this vast local knowledge base, give more people a voice in the decision making process of council and ultimately make council better.

It is just one of many measures and improvements introduced over the past nine months to take council and the City of Ipswich forward. I think it puts this city in a strong position and one that will restore faith and confidence in the future leaders of this city.

All in all this budget delivers everything the community needs for now.

It is not a back-to-basics, not a business-as-usual or a build-it budget. It is a rational and disciplined budget based on strategies for this wonderful city to be the best that it can be.

Thank you to my interim management committee, David Farmer and council’s corporate services team for your advice to me and your dedicated hard work on preparing this budget.

ADOPTION OF

The Interim Administrator of the Ipswich City Council resolves:

**THE 2019-2020
BUDGET AND
ASSOCIATED
MATTERS**

- A.** That the Interim Administrator of the Ipswich City Council receive and note the contents of the General Manager - Corporate Services' report dated 20 June 2019 concerning the 2019-2020 Budget and associated matters.
- B.** That the Interim Administrator of the Ipswich City Council receive and note the Statement of Estimated Financial Position for the previous financial year 2018-2019, which is Attachment 1 to the report by the General Manager - Corporate Services dated 20 June 2019.
- C.** That in accordance with section 81 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide the different rating categories of rateable land in the local government area as follows:
- (a) the rating categories of rateable land in the local government area are in column 1 of the table below which is stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019;
 - (b) the description of each of the rating categories of rateable land in the local government area are in column 2 of the table below which is stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019;
 - (c) the rating category to which each parcel of rateable land in the local government area belongs, is the rating category which is included in the Council's rating files at the date of issue of a relevant quarterly rating assessment notice.

Column 1 Rating category of rateable land		Column 2 Description of rating category
1	Land not in Brookwater used for a residential purpose which is owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is owner occupied; (d) is not located in Brookwater.

4	Land not used for a residential purpose or for profit purpose.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is not used for a residential purpose or for profit purpose.
8	Land in Brookwater used for a residential purpose which is owner occupied or which is vacant land that is potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is either: (i) primarily residential and owner occupied; or (ii) vacant land that is potential owner occupied; (c) is located in Brookwater.
9	Land not in Brookwater used for a residential purpose which is not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is not owner occupied; (d) is not located in Brookwater.
10	Land not in Brookwater which is vacant land less than 20,000m ² that is potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is vacant land; (c) is less than 20,000m ² ; (d) is potential owner occupied; (e) is not located in Brookwater.
11	Land not in Brookwater used for a residential purpose which is owner occupied that is in a community titles scheme not in a high rise structure.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is owner occupied; (d) is included in a community titles scheme; (e) is not in a high rise structure; (f) is not located in Brookwater.

15	Land in Brookwater used for a residential purpose which is not owner occupied or which is vacant land that is not potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is either: (i) primarily residential and is not owner occupied; or (ii) vacant land that is not potential owner occupied; (c) is located in Brookwater.
16	Land not in Brookwater used for a residential purpose which is not owner occupied that is in a community titles scheme not in a high rise structure.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is not owner occupied; (d) is included in a community titles scheme; (e) is not in a high rise structure; (f) is not located in Brookwater.
17	Land not in Brookwater used for a residential purpose which is owner occupied that is in a community titles scheme in a high rise structure.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is owner occupied; (d) is included in a community titles scheme; (e) is in a high rise structure; (f) is not located in Brookwater.
18	Land not in Brookwater used for a residential purpose which is not owner occupied that is in a community titles scheme in a high rise structure.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) is not owner occupied; (d) is included in a community titles scheme; (e) is in a high rise structure; (f) is not located in Brookwater.
19	Land not in Brookwater which is vacant land less than 20,000m ² that is not potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is vacant land; (c) is less than 20,000m ² ; (d) is not potential owner occupied; (e) is not located in Brookwater.

22a	Land used for multi residential with two dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes two dwellings; (d) none of the dwellings are owner occupied.
22b	Land used for multi residential with three to five dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes three to five dwellings; (d) one or more of the dwellings is not owner occupied.
22c	Land used for multi residential with six to nine dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes six to nine dwellings; (d) one or more of the dwellings is not owner occupied.
22d	Land used for multi residential with 10 to 14 dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes 10 to 14 dwellings; (d) one or more of the dwellings is not owner occupied.
22e	Land used for multi residential with 15 to 19 dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes 15 to 19 dwellings; (d) one or more of the dwellings is not owner occupied.
22f	Land used for multi residential with 20 to 29 dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes 20 to 29 dwellings; (d) one or more of the dwellings is not owner occupied.

22g	Land used for multi residential with 30 to 39 dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes 30 to 39 dwellings; (d) one or more of the dwellings is not owner occupied.
22h	Land used for multi residential with 40 or more dwellings which are not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily residential; (c) includes 40 or more dwellings; (d) one or more of the dwellings is not owner occupied.
23	Land not in Brookwater which is vacant land that is 20,000m ² or greater and is potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is vacant land; (c) is 20,000m ² or greater; (d) is potential owner occupied; (e) is not located in Brookwater.
24	Land not in Brookwater which is vacant land that is 20,000m ² or greater and is not potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is vacant land; (c) is 20,000m ² or greater; (d) is not potential owner occupied; (e) is not located in Brookwater.
25	Land which is vacant land requiring rehabilitation as the subject of a previous extractive industry involving coal mining.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is vacant land; (c) has the Secondary Land Use Code of 78 Previous extractive industries land use requiring site rehabilitation; (d) requires rehabilitation as the subject of a previous extractive industry involving coal mining.

41	Land used for a farming and grazing purpose which is owner occupied or potential owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for farming and grazing; (c) is either: (i) owner occupied; or (ii) potential owner occupied.
42	Land used for a farming and grazing purpose which is not owner occupied.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for farming and grazing; (c) is not owner occupied.
43a	Land used for a commercial purpose with a rateable value of less than \$200,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of less than \$200,000.
43b	Land used for a commercial purpose with a rateable value of \$200,000 to less than \$500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of \$200,000 to less than \$500,000.
43c	Land used for a commercial purpose with a rateable value of \$500,000 to less than \$1,000,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of \$500,000 to less than \$1,000,000.

43d	Land used for a commercial purpose with a rateable value of \$1,000,000 to less than \$2,500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of \$1,000,000 to less than \$2,500,000.
44a	Land used for a commercial purpose with a rateable value of \$2,500,000 to less than \$5,000,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of \$2,500,000 to less than \$5,000,000.
44b	Land used for a commercial purpose with a rateable value of \$5,000,000 or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a commercial use; (c) has a rateable value of \$5,000,000 or greater.
45	Land used for a noxious industry that is not in rating categories 46, 47b and 50.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a noxious industry; (c) is not in rating categories 46, 47b and 50.
46	Land used for a noxious industry involving waste recycling or waste processing.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) has the Secondary Land Use Code of 37 Noxious Industry - Waste Recycling/Processing; (c) is primarily for a noxious industry involving waste recycling or waste processing.

47a	Land used for an extractive industry involving coal mining or the rehabilitation of land the subject of a previous or current extractive industry involving coal mining.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) has the Secondary Land Use Codes of 00 Coal mining and ancillary and/or associated activities including mine rehabilitation; (c) is primarily for an extractive industry involving coal mining or the rehabilitation of land the subject of a previous or current extractive industry involving coal mining.
47b	Land used for a noxious industry involving a landfill.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) has any of the following Secondary Land Use Codes: (i) 17 Noxious Industry Land Fill - Putrescible Material; (ii) 27 Noxious Industry Land Fill - Non Putrescible Material; (c) is primarily for a noxious industry involving a landfill.
48	Land used for an extractive industry that is not in rating category 47a.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for an extractive industry not involving any of the following: (i) coal mining; (ii) rehabilitation of land the subject of a previous or current extractive industry involving coal mining; (c) is not in rating category 47a.
49a	Land used for a light industry with a rateable value of less than \$500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a light industry; (c) has a rateable value of less than \$500,000.

49b	Land used for a light industry with a rateable value of \$500,000 to less than \$1,000,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a light industry; (c) has a rateable value of \$500,000 to less than \$1,000,000.
49c	Land used for a light industry with a rateable value of \$1,000,000 to less than \$2,500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a light industry; (c) has a rateable value of \$1,000,000 to less than \$2,500,000.
49d	Land used for a light industry with a rateable value of \$2,500,000 to less than \$5,000,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a light industry; (c) has a rateable value of \$2,500,000 to less than \$5,000,000.
49e	Land used for a light industry with a rateable value of \$5,000,000 or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a light industry; (c) has a rateable value of \$5,000,000 or greater.
50	Land used for a heavy industry.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) if the land has a Primary Council Land Use Code of 37 Noxious/Offensive Industry, the land also has a Secondary Land Use Code of 99 Power Station; (c) is primarily for a heavy industry.

55a	Land used for a retail purpose with a total GLA of less than 5,000m ² and a rateable value of less than \$200,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of less than 5,000m ² ; (c) has a rateable value of less than \$200,000.
55b	Land used for a retail purpose with a total GLA of less than 5,000m ² and a rateable value of \$200,000 to less than \$500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of less than 5,000m ² ; (c) has a rateable value of \$200,000 to less than \$500,000.
55c	Land used for a retail purpose with a total GLA less of than 5,000m ² and a rateable value of \$500,000 to less than \$1,000,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of less than 5,000m ² ; (c) has a rateable value of \$500,000 to less than \$1,000,000.
55d	Land used for a retail purpose with a total GLA of less than 5,000m ² and a rateable value of \$1,000,000 to less than \$2,500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of less than 5,000m ² ; (c) has a rateable value of \$1,000,000 to less than \$2,500,000.
55e	Land used for a retail purpose with a total GLA of 5,000m ² to less than 7,500m ² and a rateable value of less than \$2,500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 5,000m ² to less than 7,500m ² ; (c) has a rateable value of less than \$2,500,000.

55f	Land used for a retail purpose with a total GLA of 7,500m ² to less than 10,000m ² and a rateable value of less than \$2,500,000.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 7,500m ² to less than 10,000m ² ; (c) has a rateable value of less than \$2,500,000.
55g	Land used for a retail purpose with a total GLA of less than 10,000m ² and a rateable value of \$2,500,000 or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of less than 10,000m ² ; (c) has a rateable value of \$2,500,000 or greater.
55h1	Land used for a retail purpose with a total GLA of 10,000m ² to less than 12,500m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 10,000m ² to less than 12,500m ² ; (c) has a land area of less than 200,000m ² .
55h2	Land used for a retail purpose with a total GLA of 12,500m ² to less than 15,000m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 12,500m ² to less than 15,000m ² ; (c) has a land area of less than 200,000m ² .
55h3	Land used for a retail purpose with a total GLA of 15,000m ² to less than 17,500m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 15,000m ² to less than 17,500m ² ; (c) has a land area of less than 200,000m ² .

55h4	Land used for a retail purpose with a total GLA of 17,500m ² to less than 20,000m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 17,500m ² to less than 20,000m ² ; (c) has a land area of less than 200,000m ² .
55i1	Land used for a retail purpose with a total GLA of 20,000m ² to less than 25,000m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 20,000m ² to less than 25,000m ² ; (c) has a land area of less than 200,000m ² .
55i2	Land used for a retail purpose with a total GLA of 25,000m ² to less than 30,000m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 25,000m ² to less than 30,000m ² ; (c) has a land area of less than 200,000m ² .
55j	Land used for a retail purpose with a total GLA of 30,000m ² to less than 45,000m ² and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 30,000m ² to less than 45,000m ² ; (c) has a land area of less than 200,000m ² .
55k	Land used for a retail purpose with a total GLA of 45,000m ² or greater and a land area of less than 200,000m ² .	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 45,000m ² or greater; (c) has a land area of less than 200,000m ² .

55l	Land used for a retail purpose with a total GLA of 10,000m ² to less than 20,000m ² and a land area of 200,000m ² or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 10,000m ² to less than 20,000m ² ; (c) has a land area of 200,000m ² or greater.
55m	Land used for a retail purpose with a total GLA of 20,000m ² to less than 30,000m ² and a land area of 200,000m ² or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 20,000m ² to less than 30,000m ² ; (c) has a land area of 200,000m ² or greater.
55n	Land used for a retail purpose with a total GLA of 30,000m ² to less than 45,000m ² and a land area of 200,000m ² or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 30,000m ² to less than 45,000m ² ; (c) has a land area of 200,000m ² or greater.
55o	Land used for a retail purpose with a total GLA of 45,000m ² or greater and a land area of 200,000m ² or greater.	Land which meets all of the following criteria: (a) has any of the Primary Council Land Use Codes for this rating category; (b) is primarily for a retail purpose with a total GLA of 45,000m ² or greater; (c) has a land area of 200,000m ² or greater.

- D. That the Interim Administrator of the Ipswich City Council delegate to the Chief Executive Officer the power to identify the rating category to which each parcel of rateable land belongs.
- E. That in accordance with section 94 of the *Local Government Act 2009* and section 80 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide to levy differential general rates on rateable land in the local government area, on the basis stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.

- F. That in accordance with section 74 and section 76 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide that the rateable value of land for the financial year will be the 3-year averaged value of the land, on the basis stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- G. That in accordance with section 80 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide that the differential general rates for each rating category of rateable land in the local government area is that in column 2 of the table below which is stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.

Column 1 Rating category	Column 2 Differential general rates	Column 3 Minimum amount of general rates	Column 4 Limitation on increase of levied 2018-2019 differential general rates (%)
1	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$961	15
4	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$588	15
8	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,332	15
9	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
10	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$961	15
11	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$961	15

15	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,961	15
16	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
17	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$961	15
18	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
19	1.0030 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
22a	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,604	15
22b	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$3,906	15
22c	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$7,812	15
22d	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$13,020	15
22e	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$19,530	15
22f	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$26,040	15
22g	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$39,059	15
22h	0.9776 cents in the dollar on the rateable value of all rateable land in this rating category	\$52,079	15
23	0.7344 cents in the dollar on the rateable value of all rateable land in this rating category	\$961	15

24	1.2322 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
25	6.5126 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,302	15
41	0.6817 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,272	15
42	0.8675 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,272	15
43a	1.8715 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,260	15
43b	1.9651 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
43c	2.0587 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
43d	2.1522 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
44a	2.3394 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
44b	2.4797 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
45	2.4330 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,664	15
46	4.8659 cents in the dollar on the rateable value of all rateable land in this rating category	\$22,616	15
47a	19.1874 cents in the dollar on the rateable value of all rateable land in this rating category	\$13,348	15
47b	30.7101 cents in the dollar on the rateable value of all rateable land in this rating category	\$432,000	5

48	3.1816 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,136	15
49a	2.0587 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,412	15
49b	2.1522 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
49c	2.2458 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
49d	2.4330 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
49e	2.5733 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
50	3.0880 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
55a	1.8715 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,260	15
55b	1.9651 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
55c	2.0587 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
55d	2.1522 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	15
55e	2.5733 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	7.5
55f	2.9944 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	7.5
55g	3.4623 cents in the dollar on the rateable value of all rateable land in this rating category	Not applicable	7.5

55h1	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$321,330	15
55h2	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$397,280	15
55h3	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$473,230	15
55h4	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$549,180	15
55i1	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$650,459	15
55i2	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$751,399	15
55j	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$894,742	15
55k	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,431,627	15
55l	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$911,535	15
55m	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$1,367,153	15
55n	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,051,979	15
55o	4.7696 cents in the dollar on the rateable value of all rateable land in this rating category	\$2,653,638	15

- H. That in accordance with section 77 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide that the minimum amount of general rates for certain rating categories of rateable land in the local government area is to be fixed to that amount in column 3 of the table in Resolution G, on the

basis stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.

- I. That in accordance with section 116 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide to limit the increase in the differential general rates for certain rating categories of rateable land in the local government area to not more than the differential general rates for the last financial year increased by the percentage stated in column 4 of the table in Resolution G, on the basis stated in Part 2 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- J. That in accordance with section 94 of the *Local Government Act 2009* and section 99 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide to levy utility charges for waste management services on rateable land in the local government area that are in column 2 of the table below, on the basis stated in Part 3 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.

Column 1 Type of waste management service	Column 2 Waste management utility charge per waste management service (per annum)
Household waste service	\$361.00
Adjusted household waste service	\$180.60
Green waste service	\$75.00
Non-household waste service	\$361.00
Non-household waste levy	\$61.40

- K. That in accordance with section 94 of the *Local Government Act 2009*, section 94 of the *Local Government Regulation 2012* and section 128A of the *Fire and Emergency Services Act 1990*, the Interim Administrator of the Ipswich City Council decide to levy a special charge of \$42 per annum for the Rural Fire Brigades Services (which is also known as the Rural Fire Resources levy) for the services, facilities or activities identified in the Rural Fire Resources Levy Overall Plan, on rateable land in the local government area that specially benefits from the Rural Fire Brigades Services, on the basis stated in Part 4 of the 2019-2020 Budget in Attachment 2 to the report by the

General Manager - Corporate Services dated 20 June 2019.

- L.** That in accordance with section 94 of the *Local Government Act 2009* and section 103 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide to levy a separate charge of \$45 per annum for the Ipswich Enviroplan on rateable land in the local government area, on the basis stated in Part 5 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- M.** That in accordance with section 107 of the *Local Government Regulation 2012* and section 114 of the *Fire and Emergency Services Act 1990*, the Interim Administrator of the Ipswich City Council decide that rates and charges (including the Emergency Management Levy) will be levied quarterly on the basis stated in Part 6 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- N.** That the Interim Administrator of the Ipswich City Council decide on the basis stated in Part 6 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019, the following:
- (a)** the period within which rates and charges (including the Emergency Management Levy under section 115 of the *Fire and Emergency Services Act 1990*) must be paid in accordance with section 118 of the *Local Government Regulation 2012*;
 - (b)** to allow ratepayers to pay rates and charges (including the Emergency Management Levy) by instalments in accordance with section 129 of the *Local Government Regulation 2012*;
 - (c)** to allow a discount for payment of rates and charges before the end of a period that ends on or before the due date for payment in accordance with section 130 of the *Local Government Regulation 2012*.
- O.** That in accordance with section 133 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide that interest is payable on overdue rates and charges, at an annual rate of 9.83%, on the basis stated in Part 7 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager -

Corporate Services dated 20 June 2019.

- P.** That in accordance with Chapter 4, Part 10 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council decide to grant a concession for rates and charges to an eligible pensioner who owns and occupies rateable land, on the basis stated in Part 8 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- Q.** That in accordance with section 192 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council adopt the Debt Policy for 2019-2020 which is stated in Part 10 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- R.** That in accordance with section 191 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council adopt the Investment Policy for 2019-2020 which is stated in Part 11 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- S.** That the Interim Administrator of the Ipswich City Council adopt the Financial Management Policy for 2019-2020 which is stated in Part 12 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- T.** That in accordance with section 198 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council adopt the Procurement Policy for 2019-2020 which is stated in Part 13 of the 2019-2020 Budget in Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019.
- U.** That in accordance with section 104 and section 107A of the *Local Government Act 2009* and section 170 of the *Local Government Regulation 2012*, the Interim Administrator of the Ipswich City Council consider and adopt the 2019-2020 Budget, which is Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019, that includes the following:
- (a) the Budget and Long-Term Financial Forecast which is stated in Part 1, including the Forecast Financial Statements: Statement of Income and Expenditure, Statement of Financial Position, Statement of Cash

Flows and Statement of Changes in Equity;

- (b) the Revenue Statement which is stated in Part 9;**
 - (c) the Revenue Policy which is stated in Part 14;**
 - (d) the relevant measures of financial sustainability which is stated in Part 1;**
 - (e) the total value of the change, expressed as a percentage, in the rates and utility charges levied for the financial year compared with the rates and utility charges levied in the previous budget which is stated in Part 1.**
- V. That it be recorded that in each case where a preceding Resolution refers to the whole or a part of a document which is in Attachment 1 or Attachment 2 to the report by the General Manager - Corporate Services dated 20 June 2019, the whole or part of the document is incorporated by reference into and forms part of the terms and content of the Resolution.**

The motion was put and carried.

MEETING CLOSED

The meeting closed at 9.15 am.

“These minutes are subject to confirmation at the next scheduled Council Ordinary Meeting”

UNCONFIRMED MINUTES OF COUNCIL SPECIAL MEETING

27 JUNE 2019

Held in the Council Chambers, Administration Building
45 Roderick Street, Ipswich

The meeting commenced at 9.00 am

The Interim Administrator advised that he is bound to declare Conflict of Interests and potential Conflict of Interests in all council meetings.

**ATTENDANCE AT
COMMENCEMENT**

Greg Chemello (Interim Administrator)

**WELCOME TO
COUNTRY OR
ACKNOWLEDGEMENT
OF COUNTRY**

Greg Chemello (Interim Administrator)

Ipswich City Council respectfully acknowledges the Traditional Owners as custodians of the land upon which we meet. We pay our respects to their elders, past, present and emerging, as the keepers of the traditions, cultures and stories of a proud people.

OPENING PRAYER

Greg Chemello (Interim Administrator)

Let us in silence pray or reflect upon our responsibilities to the people of Ipswich.

We meet today to serve our community, to use our resources wisely and well, to represent all members of our community fairly and to make decisions that promote the common good.

**APOLOGIES AND
LEAVE OF ABSENCE**

Interim Management Committee Members (Jan Taylor, Simone Webbe, Stan Gallo, Robert Jones and Steve Greenwood)

OFFICER'S REPORTS

**RIVERVIEW
COMMUNITY CENTRE**

The Interim Administrator of the Ipswich City Council resolves:

- A. **That the previous decision of Council, as per Item No. 5 of the Governance Committee No. 2019(05), 14 May 2019 and adopted at the Council Ordinary meeting of 21 May 2019, be repealed.**
- B. **That Council (Interim Administrator of Ipswich City Council) assume management of the Riverview Community Centre as an interim operating model, with another public Expression of Interest process to be run again on or before 1 July 2020.**

DISCUSSION

The Interim Administrator advised that this has been a challenging issue for council and commended the officers involved in the expression of interest campaign and the appropriate governance within that process. He stated that the issue that arose after the expression of interest process was adopted was some significant misconceptions in some parts of the community about what council's intentions were and the process involved. The Interim Administrator stated that it became clear to him after discussions with community leaders, that it was not appropriate to continue with the recommendation that council had made to proceed with a new manager but also clear from a commercial and asset management perspective that it was not appropriate to continue with the current lessee arrangements. He stated that the decision before council today is that council itself will assume management of the Riverview Community Centre as an interim model for about 12 months and then go out again with another expression of interest process. He felt this was the appropriate balance in terms of the interest that arose subsequent to the previous council decision.

The Interim Administrator made the following comments noting that this matter will continue after his term is over with council, suggesting that council communicates clearly to the local community as part of the expression of interest process. He suggested that the communication include what the process is, why council is undertaking the process, particularly with the stakeholders involved in providing services, so that everyone is clear and that the same misconceptions that occurred previously do not occur again ie; that all current users were to be evicted which was clearly not the case.

The motion was put and carried.

DISPOSAL OF PART OF 95A BRISBANE ROAD, BOOVAL DESCRIBED AS PART OF LOT 169 ON RP24111 TO SWIFTS LEAGUES CLUB LTD

The Interim Administrator of the Ipswich City Council resolves:

- A. That part of Council-owned land at 95A Brisbane Road, Booval (part of Lot 169 on RP24111), being approximately 1.624 hectares, as identified in Attachment 1 as "Proposed Land Disposal" (the Land) to the report by the Business Accounting and Asset Manager dated 20 June 2019, is surplus to Council's future requirements.**
- B. That the disposal of the Land and the improvements of the Land is a disposal of a valuable non-current asset.**

- C. That pursuant to section 236(3) of the *Local Government Regulations 2012* (Qld) (Regulation), that the exemption available under section 236(1)(b)(ii) of the Regulation applies to the disposal of the Land and the improvements on the Land to Swifts as a 'Community Organisation' (as defined Schedule 8 of the Regulation).
- D. That the Land and improvements on the Land can be disposed of other than by tender or auction as required by section 227 of the Regulation.
- E. That Council request Swifts Leagues Club to prepare a proposed master plan for the site that reflects their proposal and undertake appropriate community consultation to satisfy Council that their proposal has sufficient community support.
That subject to Council being satisfied with the outcome of the community consultation process and accordingly determining that the sale to Swifts Leagues Club is in the best interest of the community, that Council sell the Land and the improvements on the Land to Swifts Leagues Club Ltd at a purchase price equal to the market value of the Land (including the market value of the improvements on the Land), as determined by a registered valuer, in compliance with section 236(3) of the Regulation.
- F. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the sale contract to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

DISCUSSION

The Interim Administrator made comment that this again has been a challenging issue for council to address. He stated that the main concerns have been the lack of information and transparency in terms of the whole process. The Interim Administrator acknowledged that the club has had discussions with previous councillors and mayors and with current and previous staff of council over months and that it had dragged on longer than it should have. He stated that he thought this was an appropriate decision for council to make.

The Interim Administrator stated that in-principle the key

information that arose in the last month was that even if council fulfilled its obligations under the lease to manage and maintain the building to its appropriate standard, that was not appropriate and not sufficient for the club going forward to run a contemporary sports and recreation facility. He stated that Swifts acknowledge that it is not council's responsibility to spend that extra money. For them to do that though they need tenure on the site. Council reached the view that it was an appropriate in-principle decision to make to sell the land to Swifts but on the basis that they bring the community along with them.

The Interim Administrator stated that the recommendation today is to adopt the decision to sell the site on the provision that Swifts prepare a master plan, engage with the community in an appropriate way, produce a report to council that convinces council that there is sufficient community support, not total community support, sufficient community support for the sale to proceed.

The Interim Administrator advised that this is an appropriate balance in terms of what council is trying to achieve in that it doesn't want to stand in the way of a club that delivers valuable community services. He stated that it is appropriate for Swifts to have tenure of the site to deliver those community services under the new model and to bring the community along as well.

The motion was put and carried.

**TRANSFER OF
PROPERTY AND
OTHER ASSETS OF
IPSWICH CITY
PROPERTIES PTY LTD
AND ASSOCIATED
MATTERS**

The Interim Administrator of the Ipswich City Council resolves:

- A. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the Deed of Release to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.**
- B. That the total valuation of the property assets of Ipswich City Properties Pty Ltd being \$27,795,000 be accepted by Council for the purposes of the property transfers.**
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of all agreements, deeds, indemnities or documents ("all Documents"), for the transfer to Ipswich City Council of the property**

(both real property and personal property) belonging to Ipswich City Properties Pty Ltd with a total cumulative value of \$27,814,565.78 (including chattels of \$19,565.78), and for Council to execute all Documents and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

- D. That Council note that the decision of the Office of State Revenue in regards to an exemption from Stamp Duty under corporate reconstruction remains outstanding and that the approval of the exemption does not impact Council's intention to approve and enact the transfer of property and other assets of Ipswich City Properties Pty Ltd before 30 June 2019.**
- E. That Council reimburse Ipswich City Properties Pty Ltd, as outlined in the Deed of Release, for costs incurred in relation to planning, design, engineering and construction of the retail assets of Ipswich City Properties Pty Ltd to the value of \$2,300,127.95.**
- F. That Council reimburse Ipswich City Properties Pty Ltd, as outlined in the Deed of Release, for costs incurred in relation to planning, design, engineering and construction works that were intended to be acquired by Council under a development agreement to the value of \$16,875,657.28.**
- G. That Council note the request for an approval under the *Statutory Bodies Financial Arrangements Act 1982* for the provision of a performance guarantee in relation to the Crown lease for the Bremer Street Ramps has been lodged with the Department of Local Government, Racing and Multicultural Affairs.**
- H. That Council pay \$4,699,035.11 to Ipswich City Properties Pty Ltd in accordance with the Deed of Release as the GST component of the property and other assets transfer.**
- I. That the anticipated loan repayment of \$750,000.00 by Ipswich City Properties Pty Ltd, be noted.**
- J. That subsequent to all the reductions in accordance with recommendations C, E, F and I and in accordance with the Deed of Release excluding clause 6, the balance of the loan between Ipswich City Council and Ipswich City Properties Pty Ltd at close of business on**

27 June 2019, estimated to be \$24,925,371.15, in accordance with clause 6 of the Deed of Release, be written-down to zero.

- K. That subject to the loan between Ipswich City Council and Ipswich City Properties Pty Ltd being written-down to zero, the loan agreement between Ipswich City Council and Ipswich City Properties Pty Ltd be terminated.**
- L. That the Chief Executive Officer be authorised to negotiate and finalise the terms of any other agreement, deed, indemnity or document associated with or in conjunction to the transfer of the other assets of Ipswich City Properties Pty Ltd, in accordance with the Deed of Release, to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.**

CONFLICT OF INTEREST

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in this item titled Transfer of Property and other assets of Ipswich City Properties Pty Ltd and associated matters.

The nature of the perceived interest is that as well as being the Interim Administrator he is also the sole director of Ipswich City Properties.

The Interim Administrator confirmed that in carrying out his role as sole director of Ipswich City Properties he has taken the view in all meetings to act on behalf of the best interests of the shareholders, the shareholders being council, and the way he has resolved the potential conflict of interest is reaching the view there is no conflict because he is representing the interests of the shareholders which is council which represents the people. He also stated that given his role as Interim Administrator he really has no choice but to make these resolutions and acknowledge that this perceived conflict of interest is there.

DISCUSSION

The Interim Administrator stated that this was another milestone in the closure of Ipswich City Properties. He thanked McGrathNicol for their work and that it was much appreciated. He also passed on his thanks to council staff in-particular the Treasury Accounting Manager. The Interim Administrator acknowledged that this was and continues to be a challenge in terms of reaching the milestone to close the company and that

there was an aim to do this by 30 June 2019. He stated that council officers and advisors have done everything practically possible to achieve the target and gave his appreciation for everyone's efforts.

AMENDMENT

The Interim Administrator moved an amendment in relation to Clause 3 (b) and (c) of Attachment 1 of the report by replacing the figure \$16,875,675.28 with the figure \$16,875,657.28.

The motion was put and carried.

The confidential papers associated with this report are confidential as they include detailed financial information in relation to the contractual and payment arrangements which is commercial in-confidence.

**NICHOLAS STREET
AND UNION PLACE
LANDSCAPING AND
SERVICES
COMPLETION WORKS
- NICHOLAS STREET
IPSWICH
RESUBMISSION**

The Interim Administrator of the Ipswich City Council resolves:

- A. That the previous decision of Council, as per Item no. 4 of the Economic Development Committee No. 5 of 14 May 2019 and adopted at the Council Ordinary Meeting of 21 May 2019, be repealed.**
- B. That Council resolve to prepare a Tender Consideration Plan to enter into a contract with the existing supplier of Contract No. 13139 for Landscaping and Services Completion Works for Nicholas Street and Union Place in accordance with section 230(1)(a) of the *Local Government Regulation 2012*.**
- C. That Council resolve to adopt the Tender Consideration Plan to enter into a contract with the existing supplier of Contract No. 13139 for Landscaping and Services Completion Works for Nicholas Street and Union Place as set out in Attachments 1 and 2 of this report, in accordance with section 230(1)(b) of the *Local Government Regulation 2012*.**
- D. That Council approve a variation to Contract No. 13139 with JMAC Constructions Pty Ltd for the provision of Landscaping and Services Completion Works as set out in Attachments 1 and 2 of this report.**
- E. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contract to be executed by Council and to do any other act necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.**

DISCUSSION

The Interim Administrator advised that this report is in essence JMAC who control the site in the workplace health and safety and contractual sense along Nicholas Street continuing to do all the construction work within that site that they control rather than risking another company having partial access to the site which is in-principle not a good contracting model.

The motion was put and carried.

The confidential papers associated with this report are confidential as they include detailed financial information in relation to the contractual and payment arrangements which is commercial in-confidence

**TENDER
CONSIDERATION
PLAN - IPSWICH CITY
PROPERTIES PTY LTD
SUPPLIER
AGREEMENT
NOVATIONS TO
IPSWICH CITY
COUNCIL**

The Interim Administrator of the Ipswich City Council resolves:

- A. That a Tender Consideration Plan be prepared (Attachment 1) in accordance with section 230 (1) (a) of the *Local Government Regulation 2012 (Qld)* for the novation of the existing Supplier Contracts or Agreements (to which Ipswich City Properties Pty Ltd are a party to the Contract or Agreement), be novated from Ipswich City Properties Pty Ltd to Ipswich City Council as outlined in the report by the General Manager – Coordination and Performance dated 19 June 2019.**
- B. That in accordance with section 230(1)(b) of the *Local Government Regulation 2012*, the Tender Consideration Plan (“TCP”) (Attachment 1) of the report by the General Manager – Coordination and Performance dated 19 June 2019 be adopted by Council. The TCP contained in Attachment 1 of the report is for the novation of existing supplier contracts or agreements (to which Ipswich City Properties Pty Ltd are a party to the contract or agreement) to be novated from Ipswich City Properties to Ipswich City Council.**
- C. That Council accept novation of the existing nine (9) supplier/contractor agreements as listed in Attachment 2 of the report by the General Manager Coordination and Performance dated 19 June 2019, (as to which Ipswich City Properties Pty Ltd are a party to the Contract or Agreement), be novated from Ipswich City Properties Pty Ltd to Ipswich City Council for works pertaining to the Ipswich Central CBD Transformation Project as further described in the report by the General Manager – Coordination and**

Performance dated 19 June 2019.

- D. That Council accept novation of the existing fourteen (14) supplier/contractor agreements as listed in Attachment 3 of the report by the General Manager Coordination and Performance dated 19 June 2019, (as to which Ipswich City Properties Pty Ltd are a party to the Contract or Agreement), be novated from Ipswich City Properties Pty Ltd to Ipswich City Council, for works pertaining to the retail operations of the 2 Bell Street and Ipswich City Square properties as further described in the report by the General Manager – Coordination and Performance dated 19 June 2019.**
- E. That Council accept novation of the existing eight (8) supplier / contractor agreements as listed in Attachment 4 (previously novated from EPC Pacific Ipswich 1 Pty Ltd to Ipswich City Properties Pty Ltd) of the report by the General Manager Coordination and Performance dated 19 June 2019, (as to which Ipswich City Properties Pty Ltd are a party to the Contract or Agreement), be novated from Ipswich City Properties Pty Ltd to Ipswich City Council, for consultancy works pertaining to the design of the Administration Building Base Build as further described in the Report by the General Manager – Coordination and Performance dated 19 June 2019.**
- F. That the Chief Executive Officer be authorised to negotiate and finalise the terms and novation of the contracts to be executed by Council and to do any other acts necessary to implement Council’s decision in accordance with section 13(3) of the *Local Government Act 2009*.**

DISCUSSION

The Interim Administrator thanked council officers and consultants involved in this schedule of work in terms of resolving the various supplier agreements. He stated that this was a schedule of arrangements of work to identify what supplier agreements with Ipswich City Properties need to transfer to council and what supplier agreements with Ipswich City Properties to terminate as the council has its own arrangements.

The motion was put and carried.

The confidential papers associated with this report are confidential as they include detailed financial information in relation to the contractual and payment arrangements which is commercial in-confidence

**TENDER
CONSIDERATION
PLAN -
APPOINTMENT OF
RETAIL LEASING
AGENT - IPSWICH
CENTRAL CBD
TRANSFORMATION
PROJECT**

The Interim Administrator of the Ipswich City Council resolves:

- A. That a Tender Consideration Plan be prepared (Attachment 1) in accordance with section 230 (1) (a) of the *Local Government Regulation 2012 (Qld)* for the appointment of a Retail Leasing Agent, as outlined in the report by the General Manager – Coordination and Performance dated 20 June 2019.**
- B. That the Tender Consideration Plan (Attachment 1) as set out and outlined in the report by the General Manager – Coordination and Performance dated 20 June 2019 (“the Report”) in accordance with section 230(1)(b) of the *Local Government Regulation 2012* for the appointment of a Retail Leasing Agent in relation to the Ipswich Central CBD Transformation Project be adopted by Council.**
- C. That Council appoint Ranbury Property Services Pty Ltd as retail leasing agent for the Ipswich Central CBD Transformation Project.**
- D. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the appointment to be executed by Council and to do any other acts necessary to implement Council’s decision in accordance with section 13(3) of the *Local Government Act 2009*.**

**CONFLICT OF
INTEREST**

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in this item titled Tender Consideration Plan – Appointment of Retail Leasing Agent – Ipswich Central CBD Transformation Project.

The nature of the perceived interest is that Ranbury Management Group is the primary consultant for the CBD Redevelopment and from 2008 to 2012 he was an employee and was a director and part owner of Ranbury but has had no association with the company since then other than through his current role.

The Interim Administrator confirmed that, as there is no personal or financial benefit to the Interim Administrator, he

would participate in the meeting in relation to the matter.

DISCUSSION

The Interim Administrator advised that the appointment of Ranbury was recommended by an independent consultant; Whittaker Group, some time ago and this continues the appointment of that group to run the leasing strategy for the CBD Transformation.

The motion was put and carried.

MEETING CLOSED

The meeting closed at 9.10 am.

“These minutes are subject to confirmation at the next scheduled Council Ordinary Meeting”

ECONOMIC DEVELOPMENT COMMITTEE NO. 2019(07)

9 JULY 2019

REPORT OF THE ECONOMIC DEVELOPMENT COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator) (Chairperson)

**INTERIM MANAGEMENT
COMMITTEE ATTENDANCE:** Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo

Pursuant to section 13 of Council's Local Law No. 2 (Council Meetings), the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo to address the Economic Development Committee on any matters before it.

The Interim Administrator advised that he is bound to declare Conflict of Interests and potential Conflict of Interests and that the members of the Interim Management Committee are not legally bound, however in accordance with the Interim Management Committee Charter they will also declare Conflict of Interests and potential Conflict of Interests.

1. **UPDATE TO COUNCIL LOGO APPLICATION**

This is a report concerning an update to Council's City of Ipswich logo and its application across Council assets, facilities and programs.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the update to the Council logo application be adopted and implemented as part of the Ipswich City Council Style Guide and subordinate manuals and style guides.
- B. That a subsequent report be submitted to a future meeting of the Economic Development Committee meeting in relation to the application of council's logo across current sub-brands addressing the comments from the committee outlined below.

The committee noted that in relation to the Council sub-brand design and architecture outlined on page 3 of the report, that this was not what had been identified in discussions on this matter in the 19 February 2019 Economic Development Committee meeting. It was requested that a further report be presented outlining the principles and options to align or eliminate council's sub-brands.

Stan Gallo from the Interim Management Committee commented that the idea of the council logo being sharpened and redefined represented the change that council is currently going through and that this was a good idea.

2. 2020 IPSWICH SHOW HOLIDAY

This is a report concerning a recommendation to the Office of Industrial Relations in regard to the suggested date for the 2020 Ipswich Show Holiday.

RECOMMENDATION

That Council accept the recommendation of the Ipswich Show Society and make application to the Office of Industrial Relations for the Ipswich Show Holiday as follows:

Day and Date:	Friday 15 May 2020
Name of Event:	Ipswich Annual Show
Community Endorsement:	Ipswich Show Society correspondence dated 10 June 2019

The confidential papers associated with Item 3 are confidential as they include detailed financial information in relation to the contractual and payment arrangements with a number of sub-contractors which is commercial in-confidence.

3. IPSWICH CENTRAL PROGRAM REPORT NO. 13 TO 16 JUNE 2019

This is a report concerning a monthly update for the Ipswich Central Program of Works.

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in Item 3 titled Ipswich Central Program Report No. 11 to 16 May 2019.

The nature of the perceived interest is that he worked with Ranbury Management Group from 2008 to 2012 who are now one of the current program management partners.

The Interim Administrator confirmed that, as there is no personal or financial benefit to the Interim Administrator, he would participate in the meeting in relation to the matter.

RECOMMENDATION

That the report on the Ipswich Central Program Report No. 13 effective to 16 June 2019 be received and the contents noted.

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 8.30 am.

The meeting closed at 8.37 am.

GROWTH AND INFRASTRUCTURE COMMITTEE NO. 2019(07)

9 JULY 2019

REPORT OF THE GROWTH AND INFRASTRUCTURE COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)(Chairperson)

INTERIM MANAGEMENT

COMMITTEE ATTENDANCE: Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo

Pursuant to section 13 of Council's Local Law No. 2 (Council Meetings), the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo to address the Growth and Infrastructure Committee on any matters before it.

The Interim Administrator advised that he is bound to declare Conflict of Interests and potential Conflict of Interests and that the members of the Interim Management Committee are not legally bound, however in accordance with the Interim Management Committee Charter they will also declare Conflict of Interests and potential Conflict of Interests.

1. **473/2016/OW INFRASTRUCTURE CREDITS PROJECT ESTIMATES ROADS 10 AND 11
SPRINGFIELD TOWN CENTRE**

This is a report concerning the anticipated construction of Road 10 and Road 11 within the Springfield Town Centre (extension from Trackstar Drive to Eden Station Drive). The Developer, Springfield City Group (SCG) are seeking confirmation of the project estimate (establishment cost) to determine the maximum infrastructure credits applicable in accordance with the relevant Infrastructure Agreement.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the maximum Establishment Cost (Project Estimate) for Road 10 and Road 11 in the amount of \$6,857,681.00 be adopted.
- B. That the Developer's representative, Mr Brett Wilson of Springfield City Group, be advised accordingly.

2. **HERITAGE AND MONUMENTS ADVISORY COMMITTEE MEETING NO. 209**

This is a report concerning the minutes of the Heritage and Monuments Advisory Committee (meeting number 209) which was held on Thursday, 20 June 2019.

RECOMMENDATION

That the report be received and the contents noted.

Rob Jones from the Interim Management Committee queried the Executive Summary and the fact that the wording didn't reflect what an Executive Summary should be. It was requested that in future all reports highlight any major issues or outcomes in the Executive Summary so that important matters don't get overlooked. In this case it was felt that Item No. 8 in Attachment A in relation to the corporate archives for memorabilia should have been outlined.

3. COURT ACTION STATUS REPORT

This is a report concerning the status of outstanding court actions.

RECOMMENDATION

That the report be received and the contents noted.

4. EXERCISE OF DELEGATION REPORT

This is a report concerning applications that have been determined by delegated authority for the period 5 June 2019 to 27 June 2019.

RECOMMENDATION

That the report be received and the contents noted.

5. 2020-2021 BLACK SPOT PROGRAM PROJECT SUBMISSION

This is a report concerning Council's submission of projects for the 2020-2021 Australian Government Infrastructure Investment Program, Black Spot Program.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the projects detailed in Table 2 of this report by the Technical Officer (Traffic) dated 20 June 2019, be approved and submitted to the Department of Transport and Main Roads for funding consideration under the 2020–2021 Australian Government's Black Spot Program.

6. 2018-2019 IGO ANNUAL REPORT CARD

This is a report by the Senior Transport Planner dated 21 June 2019 outlining the results of the 2018-2019 Annual Report Card for the delivery of the *City of Ipswich Transport Plan* (iGO).

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the contents of the report be received and noted.
- B. That the Interim Administrator, Chief Executive Officer and Executive Leadership Team give due regard to the risks and consequences outlined in the report by the Senior Transport Planner dated 21 June 2019 as part of their decision making process when considering future Council investment priorities.

The General Manager (Infrastructure and Environment) queried the confidential attachment to this item and the Chief Executive Officer determined that it should not be confidential. It was requested that Attachment 4 be changed to an open document.

Simone Webbe from the Interim Management Committee made comment on the key risks to the implementation of iGO as identified in the conclusion of the report and queried whether political and fiscal influences needed to be mutually exclusive for the success of iGO. Simone asked what else could be done for the success of iGO.

The General Manager (Infrastructure and Environment) outlined that a lot of the projects in iGO are funding dependent and that it was highlighted that transport infrastructure was one of the key priority infrastructure types going forward noting that it was hard to achieve this in the rate of growth moving forward. He also outlined that part of the actions this financial year are to look at other ways to mitigate the severity of risk and that it was critical that transport infrastructure was considered in decisions going forward.

Greg Chemello (Interim Administrator) requested that the next version of the iGO report card be updated to better reflect the progress outlined in the risk register.

The confidential papers associated with Item 7 are confidential as they contain commercial in-confidence information.

7. PROPOSED NEW LEASE FOR TELECOMMUNICATIONS PURPOSES TO OPTUS MOBILE PTY LIMITED LOCATED AT 102 CHAMPIONS WAY, WILLOWBANK

This is a report concerning a proposal from Optus Mobile Pty Limited (Optus) for a new lease to accommodate the Optus equipment shelter over Council freehold land adjoining the existing Telstra lease area TC located at 102 Champions Way, Willowbank, described as part of Lot 1 on SP308694.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That pursuant to section 236(2) of *the Local Government Regulation 2012* (the Regulation) the exception referred to in section 236(1)(c)(iii) of the Regulation applies to Council on the disposal of the lease interest located at 102 Champions Way, Willowbank and described as part of Lot 1 on SP308694, by way of a new lease arrangement between Council and Optus Mobile Pty Limited for telecommunication purposes on the basis of disposal for the following terms:
1. A lease for a term of 8 years commencing 1 July 2019.
- B. That Council (Interim Administrator of Ipswich City Council) enter into a new lease with Optus Mobile Pty Limited for one equipment shelter for an 8 year term commencing on 1 July 2019 at a commencing annual rent of \$12,000 plus GST with an annual indexation of 2.5%.
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the proposed new lease arrangement as detailed in Recommendations A and B of the report by the Property Officer dated 27 May 2019 and do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

The confidential papers associated with Item 8 are confidential as they contain concept plans which at this stage are not publicly available.

8. ACQUISITION OF LAND FOR BRASSALL BIKEWAY STAGE 5 PROJECT

This is a report concerning the acquisition of land for road purposes for the Brassall Bikeway Stage 5 Project. (The Project).

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council (Interim Administrator of Ipswich City Council) having duly considered this report dated 25 June 2019, be of the opinion that the following property (shown in Attachment 1) ('the land') be required for acquisition for road purposes:
- A. Part of Lot 405 on Crown plan CC1710, 112-136 Keswick Road, Karrabin
- B. That Council (Interim Administrator of Ipswich City Council) exercise its power as a "constructing authority" under the *Acquisition of Land Act 1967* and acquire the land, (as described in Recommendation A of this report dated 25 June 2019) for road purposes.

- C. That the Chief Executive Officer be authorised to negotiate compensation and perform any other matters, arising out of the *Acquisition of Land Act 1967* or otherwise, and to do any other acts necessary to implement Council's decision to acquire this land in accordance with section 13(3) of the *Local Government Act 2019*.
-

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 8.47 am.

The meeting closed at 9.13 am.

COMMUNITIES COMMITTEE NO. 2019(07)

9 JULY 2019

REPORT OF THE COMMUNITIES COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator) (Chairperson)

**INTERIM MANAGEMENT
COMMITTEE ATTENDANCE:** Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo

Pursuant to section 13 of Council's Local Law No. 2 (Council Meetings), the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo to address the Communities Committee on any matters before it.

The Interim Administrator advised that he is bound to declare Conflict of Interests and potential Conflict of Interests and that the members of the Interim Management Committee are not legally bound, however in accordance with the Interim Management Committee Charter they will also declare Conflict of Interests and potential Conflict of Interests.

1. **COMMUNITY DONATIONS REPORT**

This is a report by the Community Grants Coordinator dated 5 June 2019 providing detail about the year to date allocation of community donations, as at 31 May 2019 (Attachment 1), and providing a summary of these community donations by recipient type (Attachment 2).

RECOMMENDATION

That the report be received and the contents noted.

Greg Chemello (Interim Administrator) queried how the review on the community donation process and promotion of the process to the community was going and asked staff to ensure that an update is reported to committee.

2. **SYSTEMATIC INSPECTION PROGRAM TO IDENTIFY UNREGISTERED DOGS**

This is a report concerning the continuation of a Systematic Inspection Program to identify unregistered dogs throughout the Ipswich Local Government Area.

RECOMMENDATION

A. That a systematic inspection program for unregistered dogs, be approved and undertaken between 1 August 2019 and 31 January 2020.

- B. That a systematic inspection program for unregistered dogs, be approved and undertaken between 1 February 2020 and 31 July 2020.
 - C. That the Manager, Animal Management publicly advertise the commencement of each systematic inspection program in accordance with section 114 of the *Animal Management (Cats and Dogs) Act 2008*.
-

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 9.23 am.

The meeting closed at 9.26 am.

GOVERNANCE COMMITTEE NO. 2019(07)

9 JULY 2019

REPORT OF THE GOVERNANCE COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)(Chairperson)

**INTERIM MANAGEMENT
COMMITTEE ATTENDANCE:** Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo

Pursuant to section 13 of Council's Local Law No. 2 (Council Meetings), the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones and Stan Gallo to address the Governance Committee on any matters before it.

The Interim Administrator advised that he is bound to declare Conflict of Interests and potential Conflict of Interests and that the members of the Interim Management Committee are not legally bound, however in accordance with the Interim Management Committee Charter they will also declare Conflict of Interests and potential Conflict of Interests.

1. **COUNCIL MEETINGS - LOCAL LAW (REPEALING) LOCAL LAW NO.2 (COUNCIL MEETINGS) 2019**

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Repealing) Local Law No.2 (Council Meetings) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make *Local Law (Repealing) Local Law No.2 (Council Meetings) 2019*, as attached to the report of the Strategic Policy and Systems Manager dated 27 June 2019 subject to public consultation and a future report as outlined in Recommendation E.
- B. That it be noted that a review of the proposed *Local Law (Repealing) Local Law No.2 (Council Meetings) 2019* has been undertaken and no anti-competitive provisions have been identified.
- C. That Council approve to proceed to public consultation for the proposed *Local Law (Repealing) Local Law No.2 (Council Meetings) 2019*, as detailed in Clause A above.

- D. That Council approve to proceed to the State Government interest check on *Local Law (Repealing) Local Law No.2 (Council Meetings) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- E. That, following public consultation and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.

It was noted that in relation to this Local Law that under the *Local Government Act 2009* Council is proceeding to prepare and adopt other procedures that are consistent with the Model Meeting Procedures for the conduct of meetings. A policy will be developed and presented to Council for consideration and adoption prior to the repealing law taking effect.

Simone Webbe from the Interim Management Committee stressed the importance of informing the public during the public consultation phase that a new policy will be developed in place of the local law and that a link appears on council's website directly to the new policy.

2. ADMINISTRATION - LOCAL LAW (AMENDING) LOCAL LAW NO.1 ADMINISTRATION 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.1 (Administration) 2019*.

RECOMMENDATION

That the Interim Administration of Ipswich City Council resolve:

- A. That Council propose to make *Local Law (Amending) Local Law No.1 (Administration) 2019*, as attached to the report of the Strategic Policy and Systems Manager dated 27 June 2019 subject to public consultation and a future report as outlined in Recommendation E.
- B. That it be noted that a review of the proposed *Local Law (Amending) Local Law No.1 (Administration) 2019* has been undertaken and no anti-competitive provisions have been identified.

-
- C. That Council approve to proceed to public consultation for the proposed *Local Law (Amending) Local Law No.1 (Administration) 2019*, as detailed in Clause A above.
- D. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.1 (Administration) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- E. That, following public consultations and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.
-

3. COMMERCIAL LICENSING - LOCAL LAW (AMENDING) LOCAL LAW NO.3(COMMERCIAL LICENSING) 2019 AND SUBORDINATE LOCAL LAW (AMENDING) SUBORDINATE LOCAL LAW NO.3.1 (COMMERCIAL LICENSING) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.3 (Commercial Licensing) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law No.3.1 (Commercial Licensing) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.3 (Commercial Licensing) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.3.1 (Commercial Licensing) 2019, as attached to the report of the Strategic Policy and Systems Manager dated 29 June 2019 subject to public consultation and a future report as outlined in Recommendation F.
- B. That it be noted that a review of the proposed Local Law (Amending) Local Law No.3 (Commercial Licensing) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.3.1 (Commercial Licensing) 2019 has been undertaken and has identified potential anti-competitive provisions.
- C. That Council approve to conduct a public interest test in relation to any potential anti-competitive provisions contained within the proposed amended laws as part of the public consultation process mentioned in Clause D below.

- D. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.3 (Commercial Licensing) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.3.1 (Commercial Licensing) 2019, as detailed in Clause A above.
- E. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.3 (Commercial Licensing) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- F. That, following public consultations and the State Government interest check, as detailed in Clauses C, D and E above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.

Simone Webbe from the Interim Management Committee queried the processes with pet day care and whether dog registration would be checked prior to dogs being allowed access as this would then be another way to assist in ensuring dog registrations. The Strategic Policy and Systems Manager advised that this would be investigated.

4. PERMITS - LOCAL LAW (AMENDING) LOCAL LAW NO.4 (PERMITS) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.4 (Permits) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make *Local Law (Amending) Local Law No.4 (Permits) 2019*, as attached to the report of the Strategic Policy and Systems Manager dated 29 June 2019 subject to public consultation and a future report as outlined in Recommendation F.
- B. That it be noted that a review of the proposed *Local Law (Amending) Local Law No.4 (Permits) 2019* has been undertaken and has identified potential anti-competitive provisions.

-
- C. That Council approve to conduct a public interest test in relation to any potential anti-competitive provisions contained within the proposed amended laws as part of the public consultation process mentioned in Clause D below.
- D. That Council approve to proceed to public consultation for the proposed *Local Law (Amending) Local Law No.4 (Permits) 2019*, as detailed in Clause A above.
- E. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.4 (Permits) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- F. That, following public consultations and the State Government interest check, as detailed in Clauses C, D and E above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council’s *Local Law Making Process Policy*.
-

5. PARKING - LOCAL LAW (AMENDING) LOCAL LAW NO.5 (PARKING) 2019 AND SUBORDINATE LOCAL LAW (AMENDING) SUBORDINATE LOCAL LAW NO.5.1 (PARKING) 2019

This report is in relation to the Local Law Review which is a sub-project of Council’s Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council’s existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.5 (Parking) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law No.5.1 (Parking) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.5 (Parking) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.5.1 (Parking) 2019, as attached to the report of the Strategic Policy and Systems Manager dated 29 June 2019 subject to public consultation and a future report as outlined in Recommendation E.
- B. That it be noted that a review of the proposed *Local Law (Amending) Local Law No.5 (Parking) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law No.5.1 (Parking) 2019* has been undertaken and no anti-competitive provisions have been identified.

-
- C. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.5 (Parking) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.5.1 (Parking) 2019, as detailed in Clause A above.
 - D. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.5 (Parking) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
 - E. That, following public consultations and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.
-

6. ANIMAL MANAGEMENT - LOCAL LAW (AMENDING) LOCAL LAW NO.6 (ANIMAL MANAGEMENT) 2019 AND SUBORDINATE LOCAL LAW (AMENDING) SUBORDINATE LOCAL LAW NO.6.1 (ANIMAL MANAGEMENT) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.6 (Animal Management) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law No.6.1 (Animal Management) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.6 (Animal Management) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.6.1 (Animal Management) 2019, as attached to the report of the Strategic Policy and Systems Manager dated 30 June 2019 subject to public consultation and a future report as outlined in Recommendation F.
- B. That it be noted that a review of the proposed Local Law (Amending) Local Law No.6 (Animal Management) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.6.1 (Animal Management) 2019 has been undertaken and has identified potential anti-competitive provisions.

-
- C. That Council approve to conduct a public interest test in relation to any potential anti-competitive provisions contained within the proposed amended laws as part of the public consultation process mentioned in Clause D below.
- D. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.6 (Animal Management) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.6.1 (Animal Management) 2019, as detailed in Clause A above.
- E. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.6 (Animal Management) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- F. That, following public consultations and the State Government interest check, as detailed in Clauses C, D and E above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.
-

7. LOCAL GOVT CONTROLLED AREAS AND ROADS - LOCAL LAW (AMENDING) LOCAL LAW NO.7 (LOCAL GOVERNMENT CONTROLLED AREAS AND ROADS) 2019 AND SUBORDINATE LOCAL LAW (AMENDING) SUBORDINATE LOCAL LAW NO.7.1 (LOCAL GOVERNMENT CONTROLLED AREAS AND ROADS) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.7 (Local Government Controlled Areas and Roads) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law 7.1 (Local Government Controlled Areas and Roads) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.7 (Local Government Controlled Areas and Roads) 2019 and Subordinate Local Law (Amending) Subordinate Local Law 7.1 (Local Government Controlled Areas and Roads) 2019, as attached to the report of the Strategic Policy and Systems Manager dated 30 June 2019 subject to public consultation and a future report as outlined in Recommendation E.

-
- B. That it be noted that a review of the proposed Local Law (Amending) Local Law No.7 (Local Government Controlled Areas and Roads) 2019 and Subordinate Local Law (Amending) Subordinate Local Law 7.1 (Local Government Controlled Areas and Roads) 2019 has been undertaken and no anti-competitive provisions have been identified.
- C. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.7 (Local Government Controlled Areas and Roads) 2019 and Subordinate Local Law (Amending) Subordinate Local Law 7.1 (Local Government Controlled Areas and Roads) 2019, as detailed in Clause A above.
- D. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.7 (Local Government Controlled Areas and Roads) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- E. That, following public consultations and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.
-

8. NUISANCES AND COMMUNITY HEALTH AND SAFETY - LOCAL LAW (AMENDING) LOCAL LAW NO.8 (NUISANCES AND COMMUNITY HEALTH AND SAFETY) 2019 AND SUBORDINATE LOCAL LAW (AMENDING) SUBORDINATE LOCAL LAW NO.8.1 (NUISANCES AND COMMUNITY HEALTH AND SAFETY) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.8 (Nuisances And Community Health And Safety) 2019* and *Subordinate Local Law (Amending) Subordinate Local Law No.8.1 (Nuisances And Community Health And Safety) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.8 (Nuisances And Community Health And Safety) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.8.1 (Nuisances And Community Health And Safety) 2019, as attached to the report of the Strategic Policy and Systems Manager dated

30 June 2019 subject to public consultation and a future report as outlined in Recommendation E.

- B. That it be noted that a review of the proposed Amending Local Law No.8 (Nuisances And Community Health And Safety) 2019 and Amending Subordinate Local Law No.8.1 (Nuisances And Community Health And Safety) 2019 has been undertaken and no anti-competitive provisions have been identified.
- C. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.8 (Nuisances And Community Health And Safety) 2019 and Subordinate Local Law (Amending) Subordinate Local Law No.8.1 (Nuisances And Community Health And Safety) 2019, as detailed in Clause A above.
- D. That Council approve to proceed to the State Government interest check on *Local Law (Amending) Local Law No.8 (Nuisances And Community Health And Safety) 2019*, in accordance with section 29A of the *Local Government Act 2009*.
- E. That, following public consultation and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.

9. EXTRACTIVE INDUSTRIES - LOCAL LAW (REPEALING) LOCAL LAW NO. 25 (EXTRACTIVE INDUSTRIES)

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Repealing) Local Law No.25 (Extractive Industries) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Repealing) Local Law No. 25 (Extractive Industries) 2019 subject to public consultation and a future report as outlined in Recommendation E.
- B. That it be noted that a review of the proposed *Local Law (Repealing) Local Law No.25 (Extractive Industries) 2019* has been undertaken and no anti-competitive provisions have been identified.

- C. That Council approve to proceed to public consultation for the proposed *Local Law (Repealing) Local Law No. 25 (Extractive Industries) 2019* as detailed in Clause A above.
- D. That Council approve to proceed to the State Government interest check on *Local Law (Repealing) Local Law No. 25 (Extractive Industries) 2019* in accordance with section 29A of the *Local Government Act 2009*.
- E. That, following public consultation and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.

It was noted that in relation to this Local Law that other legislation including the Ipswich City Council Planning Scheme and the *Environmental Protection Act 1994* will assist in managing and protecting environmental and nuisance risks.

10. VEGETATION MANAGEMENT - LOCAL LAW (AMENDING) LOCAL LAW NO.49 (VEGETATION MANAGEMENT) 2019 AND SUBORDINATE LOCAL LAW NO. 49.1 (PROTECTION OF IMPORTANT VEGETATION) 2019

This report is in relation to the Local Law Review which is a sub-project of Council's Transformational Project 9 (Review Policies, Procedures, Local Laws and the Committee Process and associated reporting). An internal review has been conducted recommending changes to Council's existing local laws.

Approval is being sought to commence the Local Law making process which includes public consultation and State Government interest checks related to *Local Law (Amending) Local Law No.49 (Vegetation Management) 2019* and *Subordinate Local Law No.49.1 (Protection of Important Vegetation) 2019*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council propose to make Local Law (Amending) Local Law No.49 (Vegetation Management) 2019 and Subordinate Local Law No.49.1 (Protection of Important Vegetation) 2019, as attached to the report of the Strategic Policy and Systems Manager dated 30 June 2019 subject to public consultation and a future report as outlined in Recommendation E.
- B. That it be noted that a review of the proposed Local Law (Amending) Local Law No.49 (Vegetation Management) 2019 and Subordinate Local Law No.49.1 (Protection of Important Vegetation) 2019 has been undertaken and no anti-

competitive provisions have been identified.

- C. That Council approve to proceed to public consultation for the proposed Local Law (Amending) Local Law No.49 (Vegetation Management) 2019 and Subordinate Local Law No.49.1 (Protection of Important Vegetation) 2019, as detailed in Clause A above.
- D. That Council approve to proceed to the State Government interest check on Local Law (Amending) Local Law No.49 (Vegetation Management) 2019 and Subordinate Local Law No.49.1 (Protection of Important Vegetation) 2019.
- E. That, following public consultation and the State Government interest check, as detailed in Clauses C and D above, the General Manager – (Coordination and Performance) be requested to prepare a report to a future Governance Committee meeting to progress the proposed amendments to the final stage of the formal local law making process, in accordance with the *Local Government Act 2009* and Council's *Local Law Making Process Policy*.

11. MONTHLY PERFORMANCE REPORT - MAY 2019

This is a report concerning Council performance for the period ending 31 May 2019, submitted in accordance with Section 204 of the *Local Government Regulation 2012*.

RECOMMENDATION

That the report be received and the contents noted.

12. POLICY AND PROCEDURE MANAGEMENT FRAMEWORK AND THE REVIEW OF IPSWICH CITY COUNCIL'S POLICY PORTFOLIO

This is a report by the Strategic Client Manager dated 1 July 2019 concerning development of an Ipswich City Council Policy and Procedure Management Framework under Business Transformational Project 9 – Policies, Procedures and Local Laws (TP9) and the proposed review of council's existing suite of policies.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council (Interim Administrator of Ipswich City Council) adopt the Ipswich City Council Policy and Procedure Management Framework as outlined in Attachment 1.
- B. That Council (Interim Administrator of Ipswich City Council) note the proposed process and timeframe for the review of Ipswich City Council's suite of policies.

- C. That Council (Interim Administrator of Ipswich City Council) note the proposal to repeal existing policies which may be redundant or identified for transition to an administrative directive, procedure or supporting document.

Simone Webbe from the Interim Management Committee suggested that in relation to the Policy and Procedure Management Framework (Attachment 1) that the words Communicate and Implement be swapped around in the section titled Policies and Procedures Process.

Simone Webbe also made the comment that due to the review of council's policies and the conversion of some policies to administrative directives, it was important that council doesn't lose transparency and accountability. She also stated that it was important that there was a clear definition of what "publish" means and a set of work instructions on publishing these documents.

13. PROPOSED NEW TRUSTEE LEASE OVER RESERVE FOR RECREATION PURPOSES - AUSTRALIAN CRAWL (GOODNA) PTY LTD - 19A TOONGARRA ROAD LEICHHARDT

This is a report concerning the proposed Trustee Lease between Ipswich City Council as Trustee and Australian Crawl (Goodna) Pty Ltd for the whole of the land described as Lot 39 on Crown Plan 902321.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council terminate the Swimming Pool Management Agreement with Australian Crawl (Goodna) Pty Ltd located at 19A Toongarra Road Leichhardt described as Lot 39 on Crown Plan 902321.
- B. That Council, as Trustee of the Reserve located at 19A Toongarra Road Leichhardt, enter into a Trustee Lease with Australian Crawl (Goodna) Pty Ltd pursuant to section 236(1)(c)(iii) and (2) of the *Local Government Regulation 2012 (QLD)*.
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the Trustee Lease to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

Greg Chemello (Interim Administrator) stated that this was a similar report to a previous one presented to committee and that because council doesn't have the correct tenure in place it can't proceed with the lease until the tenure has been changed.

Simone Webbe (Interim Management Committee) commented that there have been a few examples of where wrong tenure had been used and queried whether this had been communicated to the relevant areas in order to process map the learnings from this.

14. PROPOSED AMENDMENT TO 2019-2020 REGISTER OF FEES AND CHARGES

This is a report concerning the proposed amendments to the 2019-2020 Register of Fees and Charges, specifically section 4.2.1 Reconfigure of a lot Proposal (includes opening roads) and PDA Permissible Development.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the 2019-2020 Register of Fees and Charges be amended, as detailed in Attachment 1, and adopted with effect from 16 July 2019.

The confidential papers associated with Item 15 are confidential as they include commercial in-confidence information.

15. ACQUISITION OF PART OF STATE LAND LOCATED AT 61 NICHOLAS STREET, IPSWICH AND THE DISPOSAL OF COUNCIL FREEHOLD LAND LOCATED AT LOT 311 CLAY STREET, IPSWICH FOR PARK PURPOSES

This is a report concerning the acquisition of part of Reserve land owned by the State of Qld (the State) and the disposal of Council freehold land to be dedicated as Park, to resolve the encroachment of a deck and a historical encroachment of part of buildings on Reserve land.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council (Interim Administrator of Ipswich City Council) having duly considered this report dated 7 June 2019, be of the opinion that the following property ('the land') be acquired:
 - a. Part of Lot 5 on Crown Plan I16205, 61 Nicholas Street, Ipswich
 - B. That Council (Interim Administrator of Ipswich City Council) resolve pursuant to section 236(2) of the *Local Government Regulation 2012* (the Regulation) that the exception referred to in section 236(1)(b)(i) of the Regulation applies to Council for the disposal of the following property ('the land') to be dedicated to the State of Queensland as Park:
 - a. Lot 311 on SP304375, Lot 311 Clay Street, Ipswich
 - C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the acquisition and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009* on the basis that transaction is for the lease of the property.
-

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 9.46 am.

The meeting closed at 10.27 am.

Doc ID No: A5655332

ITEM: L.1
SUBJECT: CHANGE TO COMMITTEE MEETING TIMES
AUTHOR: ADMINISTRATION SUPPORT MANAGER
DATE: 11 JULY 2019

EXECUTIVE SUMMARY

This is a report concerning a proposed change to Council Standing Committees commencement times. This specifically relates to the adjournment period between Committees to allow for a shorter timeframe if required.

RECOMMENDATION/S

That the Interim Administrator of Ipswich City Council resolve:

That in accordance with section 277(4) of the *Local Government Regulation 2012* the Standing Committees of Council be at the times detailed below:

Economic Development	Tuesday	8.30 am
Growth and Infrastructure	Tuesday	9.30 am or within any period of time up to a maximum of 10 minutes after the conclusion of the Economic Development Committee.
Communities	Tuesday	10.30 am or within any period of time up to a maximum of 10 minutes after the conclusion of the Growth and Infrastructure Committee.
Environment	Tuesday	11.30 am or within any period of time up to a maximum of 10 minutes after the conclusion of the Communities Committee.
Governance	Tuesday	12.30 am or within any period of time up to a maximum of 10 minutes after the conclusion of the Environment Committee.

RELATED PARTIES

Not applicable for this report.

ADVANCE IPSWICH THEME LINKAGE

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

Council's Standing Committees are held on a Tuesday on a sequential basis. The commencement time of each Committee, apart from the first meeting of the day, is dependent on the conclusion time of the previous Committee, with a ten (10) minute grace period between meetings. This can cause delays when meetings finish early or there are no agenda items submitted for a Committee, with the 10 minute grace period still applying.

In order to streamline this process it is proposed that the 10 minute grace period be changed to "within any period of time up to a maximum of 10 minutes" which would be at the Chairperson's discretion and depend on the various circumstances.

FINANCIAL/RESOURCE IMPLICATIONS

Not applicable to this report.

RISK MANAGEMENT IMPLICATIONS

There are no actual risks to this proposed change, however at present Council meeting procedures could be viewed by the community as being inefficient and inflexible given that the flow of meetings is not continuous and timely with attendees having to wait for meetings to commence.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:
Local Government Regulation 2012

COMMUNITY AND OTHER CONSULTATION

This matter was discussed by the Chief Executive Officer and the Interim Administrator at Committee meetings held on 9 July 2019 and it was suggested that a report to Council be prepared to address this issue.

CONCLUSION

This reports recommendation, if adopted, will improve the flow and efficiency of Council's Standing Committee meetings.

Vicki Lukritz

ADMINISTRATION SUPPORT MANAGER

I concur with the recommendations contained in this report.

Andrew Knight
GENERAL MANAGER - CORPORATE SERVICES

I concur with the recommendations contained in this report.

David Farmer
CHIEF EXECUTIVE OFFICER

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Doc ID No: A5655808

ITEM: L.2

SUBJECT: TENDER CONSIDERATION PLAN - CIVIC PROJECT AUDIT CONSULTANTS AND
RETAIL PROJECT DESIGN CONSULTANTS

AUTHOR: GENERAL MANAGER - COORDINATION AND PERFORMANCE

DATE: 10 JULY 2019

EXECUTIVE SUMMARY

This is a report concerning consultants previously engaged (directly or indirectly) by Ipswich City Properties (ICP) on the Ipswich Central CBD Transformation Project recommending that new or revised agreements with Ipswich City Council (Council) be established in accordance with a Tender Consideration Plan (TCP).

The *Local Government Regulation 2012* Section 230 allows a local government to enter into medium and large contractual agreements, without first inviting written quotes or tenders, through the preparation and adoption of a TCP. The TCP provides the information required to comply with the regulation and to justify the use of the plan as an effective and appropriate alternative to seeking quotes or to calling for open tenders.

The scope of services to which the TCP relates are summarized below:

- Civic Project Audit Consultants (selected disciplines)
- Retail Project Schematic Design Consultants (selected disciplines)

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. **That a Tender Consideration Plan be prepared in accordance with section 230(1)(a) of the *Local Government Regulation 2012* for selected consultants to provide Civic Project Audit and Retail Design Services as outlined in the report by the General Manager – Coordination and Performance dated 10 July 2019.**
- B. **That the Tender Consideration Plan as set out and outlined in the report by the General Manager – Coordination and Performance dated 10 July 2019 (“the Report”) in accordance with section 230(1)(b) of the *Local Government Regulation 2012* for selected consultants to provide Civic Project Audit and Retail Design Services, be adopted by Council.**

- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contracts to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.**

RELATED PARTIES

Various consultants as outlined in the Report.

ADVANCE IPSWICH THEME LINKAGE

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

ICP has previously engaged a number of consultants and sub-consultants for works pertaining to the Ipswich Central CBD Transformation Project and the ongoing operations of Ipswich City Square.

Due to winding up of ICP and the integration of the assets and business operations into Ipswich City Council passed by Council Resolution on 27 June 2019 and to ensure continuity of project works in relation to the CBD Redevelopment Project, it is recommended that key consultants be engaged directly by Council or where the consultants have previously been engaged directly to Council that their engagement be varied to include required works.

A detailed Tender Consideration Plan is included in Attachment 1.
Estimated engagement values are listed in confidential consultant summary reports in Attachments 2 and 3.

The consultants have been grouped as follows:

Novated Consultants (new agreement)

The following consultant is currently in the process of being novated to Council however the agreement is likely to be novated on further to the Ipswich Central Civic Project D&C Contractor. Their work to date includes elements of scope outside the Civic Project and it is recommended a new agreement be formed according to Council's standard terms to conclude work on this activity (Retail Project Design):

- Buchan Group (Architects)

ICP Design Sub-consultants / Local Buy

The following consultants were engaged by ICP as sub-consultants. The contracts they operated within are being novated to Council, however it is recommended that these sub-consultants now be directly engaged by Council using standard terms of engagement, and that the scope of services be updated to reflect revised timing and project requirements. It is noted these Consultants are registered on Local Buy (except for MacKenzie Group):

- Bornhorst & Ward (Structural Engineers)
- WSP (Building Services Consultants)

- Rider Levett & Bucknall (Cost Consultants)
- MacKenzie Group (Building Code Consultants)
- Veris (Land Surveyors)

Council Consultants (Local Buy)

The following consultants have been engaged by Council using standard terms of engagement. These engagements may include aggregate final values more than \$15,000 however it is noted these Consultants are registered on Local Buy:

- Mode
- Cardno

FINANCIAL/RESOURCE IMPLICATIONS

Any additional resources required as a result of the engagement of these supplier or contractors on the Ipswich Central CBD Transformation Project will be funded within current project budget allocations.

RISK MANAGEMENT IMPLICATIONS

Existing contracts terms and conditions have been subject to legal review to ensure all rights, obligations and securities have been transferred as part of the novation of the contracts to Council. If the existing suppliers and contractors were not novated and new procurement processes were undertaken there would be significant delays to the project and potential loss of knowledge and experience on the project.

New engagements will be formed on the basis of Council's standard terms (including modifications to confirm with Local Buy) in consultation with Council's legal advisors.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

- *Section 230(1) (a) and (b) of the Local Government Regulation 2012*

COMMUNITY AND OTHER CONSULTATION

Nil.

CONCLUSION

It is recommended that Council agree to revising existing agreements or creating new agreements in accordance with the attached TCP for the following reasons:

- Ensure continuity of project works
- Transfer rights and obligations under existing contracts for the benefit of Council
- Avoid delays associated with standard procurement process
- Avoid gaps in service which may place the Council at risk of deficient design review

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Tender Consideration Plan  
	CONFIDENTIAL
2.	Audit Consultant Summary
3.	Retail Consultant Summary

Sean Madigan

GENERAL MANAGER - COORDINATION AND PERFORMANCE

I concur with the recommendations contained in this report.

David Farmer

CHIEF EXECUTIVE OFFICER

“Together, we proudly enhance the quality of life for our community”



Ipswich Central

Tender Consideration Plan: Civic Project Audit Consultants and Retail Design Consultants

9 July 2019





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1. BACKGROUND

1.1 INTRODUCTION

The Local Government Regulation 2012 Section 230 allows a local government to enter into medium and large contractual agreements, without first inviting written quotes or tenders, through the preparation and adoption of a Tender Consideration Plan (TCP). This TCP provides the information required to comply with the regulation and to justify the use of the plan as an effective and appropriate alternative to seeking quotes or to calling for open tenders for the following activities:

- Civic Project Audit Consultants (selected disciplines)
- Retail Project Schematic Design Consultants (selected disciplines)

1.2 CIVIC PROJECT

The Civic Project for Nicholas Street, Ipswich Central comprises the following elements:

- Admin Building (office tower)
- Library
- Civic Plaza
- Car Park (modifications)

The total value of D&C Contract is in the order of \$140M and the work is expected to continue for 2 years from commencement in August 2019. The work includes detailed design and finalising the 'for construction' documentation.

In addition to the design consultants retained by the D&C Contractor, it is recommended practice for the Principal to engage audit consultants to review this design and ensure compliance with the Principal's Project Requirements. These consultants are also of assistance in the event of claims or variations that may arise during the project.

On 4 June 2019 Council identified a Preferred Tenderer for the role of Design & Construct (D&C) Contractor for the Civic Project within Nicholas Street, Ipswich Central. Through the course of June 2019, the Preferred Tenderer has identified their Design Consultant team – and as a result the availability of Audit Consultants has become apparent.

The D&C Contractor has elected not to take on several of the original design consultants for the next phase – which makes these consultants available to continue in their current engagement with the Principal and fulfil the role of Audit Consultant. We recommend in the first instance these consultants be approached to have their scope amended to cover audit of the D&C Contractor's design for which these consultants were originally responsible.

The scope of audit consultants has already been through a procurement process in February 2017 as part of a consultant tender process that covered both the design phase and construction audit phase. These consultants were engaged to ICP via Ranbury to complete the design phase work but have not yet been approved to proceed with the audit consulting work.

This leaves several aspects of design which require audit but for which an audit consultant is not currently engaged by Ipswich City Council (ICC). We recommend these remaining audit consultants are sourced according to the following pathways:

- Competitive tender from a list of three providers
- Single source quotes from the original designers



1.3 RETAIL PROJECT

The retail precinct is included within the Nicholas Street, Ipswich Central scope of work. It comprises the following properties:

- Metro A
- Metro B
- Eats
- Venue

A procurement process has been conducted for ICP to engage design consultants (via Ranbury) to document the scope of work for D&C tender. These consultants conducted the pre-purchase due-diligence prior to ICP's acquisition of the properties and provided further investigation and design input to enable preparation of the business case covering the retail properties.

Ranbury's subconsultants were referenced in the novation of the Ranbury contract from ICP to ICC. However, it is proposed that these consultants now be engaged directly by ICC.

Due to their history with the project, and because their fees have been obtained previously during ICP ownership it is proposed that these consultants be procured on a single-source arrangement.

2. FINANCIAL

2.1 VALUE FOR MONEY

All costs will be reviewed by the project's independent quantity surveyor Rider Levett & Bucknall.

2.2 ESTIMATED VALUES

Estimated engagement values are listed in consultant summary reports in Attachments 2 and 3 provided in an Officers' Report to Council by the General Manager – Coordination and Performance dated 10 July 2019.

The following engagement are estimated to fall into the category of medium sized contract arrangements as defined by the Local Government Regulation 2012 based on the total aggregate value across both the Audit and Retail work:

DESIGN DISCIPLINE	PROPOSED CONSULTANT
Certifier	McKenzie
Surveyor	Veris
Town Planner	Cardno
Fire Services	Lehr Paul
Hydraulic Engineering	MRP
Structural / Civil (Admin)	Robert Bird
Lifts / ESD	Umow Lai



DESIGN DISCIPLINE	PROPOSED CONSULTANT
Traffic	Cambray
Library	Mode

The following engagements are estimated to be large sized contractual arrangements as defined in Local Government Regulation 2012 in aggregate across both the Audit and Retail work:

DESIGN DISCIPLINE	PROPOSED CONSULTANT
Architect	Buchan
Structural	Bornhorst & Ward
Services – HVAC, Hydraulic, Electrical, Fire & Acoustic	WSP
Quantity Surveying	RLB

3. SUPPLIER DETAILS

The following Project suppliers which provide consultancy and contracting services in relation to the redevelopment of the CBD, are recommended to be directly engaged by ICC according based on the engagement types described below:

TABLE 1:

NO.	AUDIT DISCIPLINE	PROPOSED CONSULTANT	ENGAGEMENT TYPE
1	Fire Services	Lehr Paul	Existing Consultant Agreements are being novated to ICC. Scope of services will need to be revised to reflect revised timing and scope.
2	Hydraulic Engineering	MRP	
3	Structural / Civil (Admin)	Robert Bird	
4	Lifts / ESD	Umow Lai	
5	Structural / Civil (Library/Plaza)	Bornhorst & Ward	Existing engagement to ICP via Ranbury will be terminated and new agreement with ICC to be formed based on previous procurement.
6	HVAC, Electrical, Acoustic	WSP	
7	Quantity Surveying	RLB	
8	Traffic	Cambray	To be sole select in compliance with ICC procurement policies (eg value, local buy)
9	Library	Mode	
11	Façade	(tbd)	Obtain 3 quotes from the market in compliance with ICC procurement policies.
12	Landscape	(tbd)	
13	Architecture	(tbd)	
14	Safety Consultant	(tbd)	



The following Retail Consultants are recommended:

TABLE 2:

NO.	DESIGN DISCIPLINE	PROPOSED CONSULTANT	ENGAGEMENT TYPE
1	Architect	Buchan	Existing Consultant Agreements are being novated from ICC to the D&C Contractor. Replacement agreement to be established according to Council's standard terms.
2	Structural	Bornhorst & Ward	Existing engagement to ICP via Ranbury will be terminated and new agreement with ICC to be formed based on previous procurement.
3	Services – HVAC, Hydraulic, Electrical, Fire & Acoustic	WSP	
4	Certifier	McKenzie	
5	Quantity Surveying	RLB	
7	Surveyor	Veris	
8	Town Planner	Cardno	Previous engagement to ICC to be extended
9	Other	(tbd)	To be sourced in compliance with ICC procurement policies.

An Officers' Report will be presented at the 16 July 2019 Council Meeting requesting resolution for the adoption of recommendations to procure Civic Project Audit Consultants and Retail Project Design Consultants based on the above proposed engagement types. Subject to passing of this resolution, it is proposed that the scope and agreements are finalized in accordance with Council's standard terms and conditions.

4. OBJECTIVES

This tender consideration plan is intended to fulfil the following objectives:

	OBJECTIVES
1	Retain knowledge of existing consultants and work completed to date to achieve the best timeframes, lowest risk and fair value for ICC.
2	Document Council's decision not to seek multiple quotes or tenders for selected consultants and to create agreements directly between ICC and the consultants.
3	Consideration of the five (5) sound contracting principle outlined in the Local Government Act 2009
4	Key risks associated with direct engagement to be identified and mitigated

5. HOW WILL OBJECTIVES BE ACHIEVED

The objectives identified for the TCP in Section 3 will be achieved by the actions detailed in the following table:



	OBJECTIVE	ACHIEVED BY
1	Retain knowledge of existing consultants and work completed to date to achieve the best timeframes, lowest risk and fair value for ICC.	<p>The proposed retention of the existing consultants previously engaged by ICP in relation to the CBD redevelopment and operations of Ipswich City Square will enable the timely continuation of the redevelopment and retail operations.</p> <p>Through the recent restructure within ICC, the CBD redevelopment and Ipswich City Square operations are now part of the Coordination and Performance Department. This will ensure greater transparency, coordination and reporting of the project to ensure alignment with Council's objectives for the CBD redevelopment.</p>
2	Document Council's decision not to seek multiple quotes or tenders for selected consultants and to create agreements directly between ICC and the consultants.	<p>This plan outlines the objectives and reasons to support the recommendation to directly engage the consultants to ICC without revisiting the original procurement process undertaken by ICP, ensuring consideration is given to the sound contracting principles.</p>
3	Consideration of the five (5) sound contracting principle outlined in the Local Government Act 2009	<p>1 Value for Money</p> <p>The independent project quantity surveyor (RLB) has previously reviewed several of the engagements received and will be requested to re-issue this advice based on revised timing and scope.</p> <p>2 Open Competition</p> <p>The Procurement Process used by ICP to engage Project suppliers is as per that set out in the <i>ICC CBD Transformation Program – Program Management Plan (PMP)</i> dated September 2016. The PMP requires ICP procurement to be performed in accordance with ICC procurement policies and procedures. To the best of the knowledge of the current project team, this process was followed by the Project team with oversight/certification made by an independent probity advisor.</p> <p>3 Development of Competitive Local Business</p> <p>Several consultant disciplines have been identified for a new procurement process and the tender invite list will be drawn where possible from the Local Buy register.</p> <p>4 Environmental Protection</p> <p>As a general comment with regard to environmental and other risks, the retention of existing consultants where appropriate is expected to mitigate the probability of error.</p> <p>5 Ethical Behavior and Fair Dealing</p>



	OBJECTIVE	ACHIEVED BY
		We recommend that with regard to disciplines where the incumbent consultants hold a significant advantage over other market participants, it may be problematic to subject other market participants to a tender process which they are unlikely to be successful in.
4	Key risks associated with direct engagement to be identified and mitigated	Evaluate levels of various risk profiles with mitigation strategies to be implemented (refer Section 8).

6. HOW WILL ACHIEVEMENT OF OBJECTIVES BE MEASURED

The following table details the measurements required to confirm objectives are achieved:

	OBJECTIVE	MEASUREMENT
1	Retain knowledge of existing consultants and work completed to date to achieve the best timeframes, lowest risk and fair value for ICC.	The timely delivery of the project in accordance with the project schedule is monitored by the Project Steering Committee with support from the CBD Technical Working Group. As mentioned above; the operations of Ipswich City Square are now part of the Coordination and Performance Department which will be responsible for the ongoing delivery of services.
2	Document Council's decision not to seek multiple quotes or tenders for selected consultants and to create agreements directly between ICC and the consultants.	Acceptance of this plan and recommendations by Council.
3	Consideration of the five (5) sound contracting principle outlined in the Local Government Act 2009	The delivery of services by contractors and consultants as part of the CBD redevelopment will be managed and monitored by the project team in accordance with contracts to be revised or created.
4	Key risks associated with direct engagement to be identified and mitigated	Ensure mitigation strategies provide significant effect on reducing the evaluated risk level



7. IDENTIFICATION & ANALYSIS OF ALTERNATIVES:

The analysis of reasons to support the direct engagement of existing ICP consultants is set out below.

The alternative option was for Council to undertake a new quotation or tender process for the appointment of all consultants. The time frames of undertaking this process would have meant that either the project was delayed or that the integration of the ICP into ICC, as resolved by Council, would have been delayed. The continued use of ICP to deliver the project was not a feasible option as financial support by Council through the Statutory Bodies Financial Arrangements Act loan approval reduces to \$50 million on 30 June; as outlined in the separate report of the Finance Manager.

The rationale for pursuing the proposed procurement plan includes:

- Maintaining the intellectual knowledge these suppliers have on the Project due to long-standing involvement,
- Maintaining benefits of existing agreements through warranties and licenses to intellectual property (IP), or
- Contractual requirements due to works currently underway or subject to a Defects Liability Period.
- The ability of more time and a smooth transition to enable Council to consider each service provided, what will be required in the future pending the CBD Redevelopment Project and provide time for Council to undertake a new procurement process were Council requires the continuation of services.

Relevant insurance and security documentation will be sought. Any effect on the works being carried out by suppliers will be negligible.

8. PROPOSED TERMS OF CONTRACTS

We propose that Council's standard terms and conditions for consultant engagements be used as applicable based on the value of the engagement.

For contracts that have been novated we recommend the existing terms be maintained with the scope of work modified to reflect the current proposed services and timing.

8. RISK ANALYSIS OF MARKET FROM WHICH SERVICES ARE TO BE OBTAINED:

The key risks identified when assessing the market from which the services are obtained is the ability for the project to continue without further delay and to ensure that Council has the intellectual property, warranties, defects liability obligations transferred. If the project is delayed further than the overall cost of completion of the project would escalate.



In addition, if the current suppliers, contractors and consultants were not novated or engaged by Council, then the risk of not successfully delivering the project or Council being able to continue the operations of Ipswich City Square would be higher as the project knowledge and maintenance knowledge in relation to the assets could be lost.

The following general risks and mitigation strategies have been identified in relation to direct engagement of consultants by ICC:

Financial Risk		Risk Level
Event	Suppliers may choose not to accept a revised scope of work and timing	
Likelihood	Unlikely	Low
Consequence	Minimal	
Mitigation	Initial discussion as indicated that the involvement of identified consultants can be achieved within the proposed budgets.	
Legal & Governance		Risk Level
Event	Consultants may refuse to use ICC's standard terms.	
Likelihood	Possible	Moderate
Consequence	Minimal	
Mitigation	Consultants who can't be accommodated within ICC's standard terms may need to be re-quoted to the broader market.	

Political / Reputation		Risk Level
Event	Other market participants may be discouraged at missing the opportunity to become involved in the project.	
Likelihood	Unlikely	Low
Consequence	Minimal	
Mitigation	Multiple disciplines have been identified for seeking quotes from the broader market. The political and reputational risks of seeking quotes for disciplines where an incumbent holds a significant advantage is potentially more harmful to the market.	

Community and Environment		Risk Level
Event	None	
Likelihood	N/A	N/A
Consequence	N/A	
Mitigation	There is no perceived Community or Environmental risk due to delivering the objectives of this TCP. However, we note that the retention of existing consultants familiar with the work is a risk mitigation generally.	

Health & Safety		Risk Level
Event	None	
Likelihood	N/A	N/A
Consequence	N/A	



Mitigation	There is no perceived Health & Safety risk due to delivering the objectives of this TCP. However, we note that the retention of existing consultants familiar with the work is a risk mitigation generally.
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Service Delivery / Business Continuity		Risk Level
Event	Delays in executing agreements causing project or operational delays	
Likelihood	Possible	Moderate
Consequence	Moderate	
Mitigation	The TCP and proposed direct engagement of existing suppliers vs undertaking a new quote or tender process helps mitigate this risk	

Information Confidentiality, Integrity and Accessibility		Risk Level
Event	Information and Knowledge of the Projects and Assets not transferred to ICC	
Likelihood	Possible	Moderate
Consequence	Moderate	
Mitigation	The TCP and proposed direct engagement of existing suppliers vs undertaking a new quote or tender process helps mitigate this risk	

9. SUMMARY

To ensure continuity of CBD Redevelopment Project, it is recommended the attached procurement plan be followed which includes a variety of:

EPC Novated Consultants (retained agreement)

The following consultants are already being novated to Ipswich City Council (see A5618747) and we recommend their scope of services be amended to reflect revised timing and project requirements:

- Lehr Paul & Partners
- MRP
- Robert Bird
- Umow Lai

EPC Novated Consultants (new agreement)

The following consultant is already being novated to Ipswich City Council (see A5618747) however the agreement is likely to be novated on further to the Civic Project D&C Contractor. Their work to date includes elements of scope outside the Civic Project and we recommend a new agreement be formed according to Council's standard terms to conclude work on this activity (Retail Project Design):

- Buchan Group



ICP Design Subconsultants / Local Buy

The following consultants were engaged by ICP (see A5618747) as sub-consultants through Ranbury. The Ranbury contract is being novated to Council however we recommend these subconsultants now be directly engaged by ICC using Council's standard terms of engagement, and that the scope of services be updated to reflect revised timing and project requirements. These engagements may include aggregate final values more than \$15,000 however we note these Consultants are registered on Local Buy (except for MacKenzie Group):

- Bornhorst & Ward
- WSP
- Rider Levett & Bucknall
- MacKenzie Group
- Veris

ICC Consultants (Local Buy)

The following consultants have been engaged by ICC using Council's standard terms of engagement. These engagements may include aggregate final values more than \$15,000 however we note these Consultants are registered on Local Buy:

- Mode
- Cardno

New Consultants

The following new consultant disciplines are to be engaged for Civic Project Audit Services in according to competitive tender:

- Architecture
- Landscape Architecture
- Façade
- Safety Consultant

Doc ID No: A5647413

ITEM: L.3
SUBJECT: QUEENSLAND AUDIT OFFICE 2019 INTERIM AUDIT REPORT
AUTHOR: PRINCIPAL FINANCIAL ACCOUNTANT
DATE: 8 JULY 2019

EXECUTIVE SUMMARY

This is a report concerning the Queensland Audit Office 2019 interim audit report for the financial year ending 30 June 2019 detailing the results of QAO's interim work performed to 28 February 2019, including a review of relevant information systems controls.

RECOMMENDATION/S

That the report be received and the contents noted.

RELATED PARTIES

Queensland Audit Office

ADVANCE IPSWICH THEME LINKAGE

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

During the interim audit QAO assessed the design and implementation of Council's internal controls and whether they are operating effectively. The report details six significant deficiencies in Council's internal controls in the areas of the SAP payroll system and the management of Pathway and Oracle.

As detailed in the report, Council has considered and agreed with QAO's recommendations. Council's response is detailed in the report which details Council's corrective plan of action to comply with QAO's recommendations.

FINANCIAL/RESOURCE IMPLICATIONS

No relevance to this report.

RISK MANAGEMENT IMPLICATIONS

The risk in not complying with the Queensland Audit Office's recommendations detailed in the report would result in a lack of accountability, transparency and potential fraudulent activity.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:
Local Government Act 2009
Local Government Regulation 2012

COMMUNITY AND OTHER CONSULTATION

No relevance to this report.

CONCLUSION

That the Queensland Audit Office (QAO) 2019 interim audit report be received and noted. Council is currently in the process of implementing corrective action that complies with QAO's recommendations.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

- | | |
|----|---|
| 1. | Queensland Audit Office 2019 Interim Audit Report ↓  |
|----|---|

Barbara Watson

PRINCIPAL FINANCIAL ACCOUNTANT

I concur with the recommendations contained in this report.

Jeffrey Keech

FINANCE MANAGER

I concur with the recommendations contained in this report.

Andrew Knight

GENERAL MANAGER - CORPORATE SERVICES

"Together, we proudly enhance the quality of life for our community"



Ipswich City Council

2019 Interim report

28 June 2019



Your ref:

Our ref: 2019-4167
Patrick Flemming 3149 6041

28 June 2019

Mr G Chemello
Interim Administrator
Ipswich City Council
PO Box 191
IPSWICH QLD 4305

Dear Mr Chemello

2019 Interim report

We present to you our interim report for Ipswich City Council for the financial year ending 30 June 2019. This report details the results of our interim work performed to 28 February 2019, including a review of relevant Information Systems controls. In this phase we assessed the design and implementation of your internal controls, and whether they are operating effectively.

To date our work has identified six significant deficiencies in your internal controls. These are:

- Insufficient segregation of duties between the HR and Payroll Functions
- Absence of System Generated SAP Payroll Reports.
- Insufficient segregation of duties in maintaining SAP system
- Critical security settings are not enabled in SAP system
- Processes and oversight in managing SAP system
- Privileged user activities not monitored for Pathway and Oracle eBusiness systems

This report also includes our assessment of your internal control framework; and a summary of significant deficiencies and control deficiencies identified to date.

The *Auditor-General Act 2009* requires the auditor-general to report to parliament on any issue raised during an audit if he considers it to be significant.

If you have any questions or would like to discuss the audit report, please contact me on 3149 6041 or Lisa Fraser on 3149 6132.

Yours sincerely

Patrick Flemming
Sector Director

Enc.

cc. Mr David Farmer, Chief Executive Officer, Ipswich City Council
Mr Graeme Stratford, Chair of the Audit and Risk Committee

1. Summary



Audit progress

Internal control assessment and issues	Action required
<p>We have tested the operating effectiveness of controls for the period 1 July 2018 to 28 February 2019 for revenue, expenditure and payroll.</p> <p>We reviewed your general IT controls for Oracle eBusiness, Pathway, SAP and Success Factors, and performed data migration and user acceptance testing over the implementation of the new SAP payroll system.</p> <p>To date our work has identified 11 internal control deficiencies (six of these significant). Further details in relation to these deficiencies are included in section 2.</p> <p>There are also six significant deficiencies and six deficiencies raised in prior years which are in the process of being resolved by management. Further details in relation to these are included in section 3.</p> <p>We will continue our controls testing for the intervening period until the year end as part of our June 2019 visit and provide you further updates in our closing report at the conclusion of the final audit testing.</p>	

Areas of audit significance	On track
<p>Areas of audit significance detailed in the external audit plan dated 18 February 2019 and our progress are outlined below:</p> <ul style="list-style-type: none"> <p>Payroll transactions and system implementation – We have commenced our interim testing over payroll and termination payments. We have finalised our testing over payments made using the Oracle payroll system up until mid November 2018. However, at the time of our April visit, we were unable to access data for payments made post mid November using the new SAP payroll system. We are in the process of obtaining access to this data and we expect to complete our testing during our June visit.</p> <p>We have completed our review over the implementation of SAP and the data migration from Oracle to SAP.</p> <p>From our review of the SAP payroll system implementation, it appears that council underestimated the complexity of the system, and the time and resources required for its implementation. Council had originally planned for the SAP system to 'go live' in July 2018, seven months after the system design had been completed. The combination of the short time frame, availability of resources and complexity of the system put additional pressure on the team to go live as planned while still managing the risks associated with the implementation. Council extended the implementation time and went live with the new payroll system in November 2018 following three successful parallel pay runs and user acceptance tests. However, in order to meet this timeframe, council needed to descope the reporting functionality in the system. Council also did not get the chance to finalise the operating model, processes and controls which are required to be in place within Council and for Council's SAP service providers.</p> <p>We have raised five significant deficiencies and two deficiencies in relation to payroll.</p> <p>As a result of data access issues and the significant deficiencies identified over the payroll system, additional audit effort will be required to ensure that payroll is not materially misstated in the financial statements. It is estimated that this will increase our original audit fee by between \$25,000 and \$28,000.</p> <p>Valuation of property, plant and equipment – We have commenced our audit of non-current assets. The majority of our review over valuation and depreciation is planned as part of our second interim visit in June and our year end visit in September.</p> <p>Revenue recognition of infrastructure charges/development application fees – We have completed our interim testing over developer cash contributions and development application fees. We have not completed our testing over developer contributions of physical assets or fee variations processed on development applications. We will finalise our review over this area during our June visit.</p> <p>Expenditure, including major contracts and projects – We have commenced our audit over expenditure and the procurement and contract management area. We have raised two deficiencies in this area. We will finalise our review during June.</p> <p>Restructure of controlled entities and consolidation – We have commenced our planning and obtained information from council in relation to the status of the winding up of controlled entities. We will prepare draft External Audit Plans for relevant controlled entities prior to our second interim visit.</p> <p>We have liaised with management of Cherish the Environment Foundation Ltd to discuss the process for our appointment as external auditor for 2018-19. We have scheduled a meeting with management in June to determine the requirements for the audit.</p> <p>Financial sustainability – We will assess this area during our year end visit in September.</p> 	

Milestones—financial reporting and audit deliverables	On track
<p>All milestones have been met to date.</p>	



2. Internal control issues



The following table summarises our reporting on deficiencies in internal controls.

	Number of significant deficiencies		Number of deficiencies		Rating
	Current year issues	Prior year unresolved issues	Current year issues	Prior year unresolved issues	
 Control environment Structures, policies, attitudes and values that influence daily operations	-	1	-	1	
 Risk assessment Processes for identifying, assessing and managing risk	-	1	-	-	
 Control activities Implementation of policies and procedures to prevent or detect errors and safeguard assets	5	3	5	2	
 Information and communication Systems to capture and communicate information to achieve reliable financial reporting	-	-	-	-	
 Monitoring activities Oversight of internal controls for existence and effectiveness	1	1	-	3	

Our ratings

-  **Effective**
No significant deficiencies identified.
-  **Generally effective**
One significant deficiency identified.
-  **Ineffective**
More than one significant deficiency identified.



2. Internal control issues cont'd



Significant deficiencies and deficiencies

The following table details significant deficiencies and deficiencies identified from testing of controls as at 5 April 2019. It includes a response from management.

Our risk ratings are as follows—refer to [Our rating definitions](#) for more detail.

 **Significant deficiency**  **Deficiency**  **Other matters**

 **Significant deficiency**

19IR-1 Insufficient segregation of duties between the HR and Payroll Functions

Control Activities

We identified that there is no segregation of duties between the HR and Payroll functions. Payroll staff are currently responsible for:

- maintaining employee masterfiles (including new starters, terminations and changes to bank account details);
- processing and uploading the weekly payruns; and
- processing EBA adjustments.

This risk is significantly increased due to the absence of system generated reports from the new Payroll system (SAP) which could provide compensating controls (refer to issue 19IR-2).

Implication

The lack of effective segregation of duties between payroll processing and employee master file maintenance activities increases the risk of erroneous or fraudulent transactions going undetected.

QAO recommendation

We recommend that council review the current control environment for HR and payroll processing and ensure effective segregation of duties is implemented between payroll processing and employee masterfile maintenance.

Management response

Agreed: The functions and activities aligned to the different sections of the HR branch are currently being reviewed, with changes being finalised by end June 2019.

As part of this review there will be a segregation between HR and payroll functions. HR will be responsible for employee master file maintenance. This will be a gradual process as we realign the branch, change processes and up skill employees.

Responsible officer: Manager, People and Culture

Status: Work in progress

Action date: 30 September 2019



2. Internal control issues cont'd



Significant deficiency

19IR-2 Absence of System Generated Payroll Reports

Control activities

In November 2018 council moved from its previous Oracle based payroll system to a SAP system. Due to time limitations and competing priorities (including a new Enterprise Bargaining Agreement), the reporting functionality within the system was not set up as part of the system implementation.

At the time of the interim audit the following reports could not be produced for audit testing purposes:

- audit report - listing of all masterfile changes
- listing of employees and their associated pay rates.

The key control of verifying masterfile amendments to supporting documentation cannot be performed with the inability to run the audit report.

The lack of reporting increases the risk of errors and possible system implementation or data migration issues remaining undetected. It also creates an opportunity for fraud to occur.

Implication

The absence of an independent review process over all payroll masterfile changes detracts from the accountability of those processing changes, decreases the likelihood of errors being detected and increases the risk of unauthorised or fraudulent transactions being processed without detection.

QAO recommendation

We recommend that as a matter of priority, council implement effective reporting from the new payroll system and ensure controls are implemented to provide sufficient review over key reports.

Management response

Agreed: Management is working through a prioritised list of reports with some reports (eg WH&S) completed.

Work on the overall suite of reports required for the E-Hub solution (SAP HR, Payroll, Recruitment, On-Boarding and Learning Management) with progress impeded by the resources also required to work on the implementation, defects resolution, system support, system update and back pay activities required by the new EBA signed off in January 2019.

Progress on the reports has been further slowed by the following.

- Limitations of the SuccessFactors and Employee Central Payroll reporting facilities resulting in extracts having to be taken from these systems and loaded into an Oracle Discoverer Plus reporting area to allow creation of the reports, and publishing to the Business Area staff that run them.
- Research required to identify the data available through the SuccessFactors and Employee Central Payroll reporting facilities, and data set joins

Council is investigating a SAP approved third party reporting solution offered by Spinifex to address the reporting difficulties outlined above.

Responsible officer: Business Systems Coordinator

Status: Work in progress

Action date: 28 June 2019



2. Internal control issues cont'd



Significant deficiency

19IR-3 Insufficient segregation of duties in maintaining SAP system

Control activities

Twenty-six user accounts have privileged access within the SAP system. These users have access to all functions, including maintaining the system, managing user access, changing system security and changing data. This has resulted in a lack of segregation of duties.

Management advised that SAP support staff use this access to resolve unexpected issues. We acknowledge that SAP support staff have limited time to resolve any issues that may arise because of the weekly payroll cycles.

Implication

Inadequate segregation of duties exposes council to the risks of unauthorised:

- changes to the system
- access to sensitive information
- transactions being processed.

These unauthorised activities may not be detected.

QAO recommendation

We recommend that council:

- develops a plan to implement segregation of duties between staff members that perform system maintenance and those that manage user access and security
- defines and implements detective and monitoring controls while the segregation of duties is not implemented through system access restriction.

Management response

SAP support personnel segregation of duties – We will inform SAP Support Vendor of the segregation of duties requirement and agree a plan for their implementation of them.

System access monitoring controls – We will identify the system access reporting available and implement a weekly run and review of it for follow up on unauthorised or suspicious activity.

Responsible officer: Business Systems Coordinator

Status: Not started

Action date: SAP support personnel segregation of duties - 30 November 2019

Implement system access monitoring controls - 30 September 2019



2. Internal control issues cont'd



Significant deficiency

19IR-4 Critical security settings are not enabled in SAP system

Control activities

Council has not enabled the critical security settings in the SAP system to:

- protect the system against intentional or unintentional overwriting
- prevent accidental loss of data or SAP deletion programs from automatically resetting data in error.

In addition, the password settings are weaker than council's directive and the SAP system is not configured to prevent users from setting commonly used words as their passwords.

Implication

Council is exposed to the risk of intentional or unintentional overwriting of the system, accidental loss of data and data integrity issues. In addition, weak password controls increase the risk of unauthorised access to the system.

QAO recommendation

We recommend that council:

- enables security settings to protect the system from being overwritten and to prevent accidental loss of data
- updates SAP password settings in accordance with council's directive on ICT password management
- defines restrictions on commonly used words for passwords.

Management response

System overwrite and deletion protection settings: We will work with Councils SAP Support Vendor to configure the controls identified in this recommendation.

SAP password settings: Council's ICT Branch Security Officer will work with Council's SAP Support Vendor to achieve update of the SAP password settings.

Responsible officer: Business Systems Coordinator

Status: Not started

Action date: 31 August 2019



2. Internal control issues cont'd



Significant deficiency

19IR-5 Processes and oversight in managing SAP system

Control activities

Council has not defined or formalised the following processes for managing the SAP system:

- User access management:
 - external service organisation notifying council when they add new users to the system
 - external service organisation promptly removing access when support staff no longer work for them
 - approving the creation of new roles and profiles or update of existing roles and profiles in the system
 - regularly reviewing user accounts not used for an extended period.
- Change management:
 - for SAP support personnel to register, document and obtain council's approval to implement changes
 - to monitor that system changes are tested and approved.
- Security oversight process to:
 - define critical and high-risk system and user administration functions requiring logging and monitoring
 - ensure that access to SAP sensitive functions are restricted and monitored.

Implication

There is an increased risk of inconsistent practices that could lead to unauthorised access and changes to systems and information. This could result in security breach, unauthorised transactions in the systems or fraud.

QAO recommendation

We recommend that council defines and implements processes for managing user access, system changes and oversight functions for system security.

Management response

User access and change management – We will document and obtain formal agreement with Council's SAP Support Vendor for the user access and change management procedures that are in place.

Security - Access to administration functions is restricted to the HR, Payroll and ICT staff that require them to perform their role. We will investigate and implement the logging and monitoring available.

Responsible officer: Business Systems Coordinator

Status: Not started

Action date: 31 August 2019



2. Internal control issues cont'd



Significant deficiency

19IR-6 Privileged user activities not monitored for Pathway and Oracle eBusiness systems

Monitoring

Council does not monitor the activities of users with high privileges or system administration access to Pathway and Oracle e-Business applications.

Implication

There is an increased risk of Council not detecting unauthorised activities and transactions in a timely manner.

QAO recommendation

We recommend that Council defines and implements processes to identify, log and review high risk activities of privileged users.

Management response

Agreed – We will investigate and implement the logging and monitoring available.

Changes in these systems are noticed by users and reported to the service desk for investigation, which along with the purchasing separation of duties, daily revenue and general ledger reconciliations make it difficult for unexpected changes to go unnoticed.

Responsible officer: Business Systems Coordinator

Status: Not started

Action date: 30 November 2019



2. Internal control issues cont'd



Deficiencies

19IR-7 Incorrect coding of expenses - Corporate credit cards (re-raised)

Control Activities

We identified instances where corporate credit card expenditure totalling \$14 450 had been incorrectly capitalised.

This issue was also reported in 2017 and 2018.

Implication

Through inappropriate capitalisation, the values of projects will be overstated.

QAO recommendation

We recommend that:

- council review transactions coded against WIP to assess appropriateness of the coding. All inaccurate coding should be transferred from WIP to operating expenses
- a training information session is provided to key personnel within the business regarding the criteria to determine if expenses are recurrent or capital in nature.

Management response

Agreed that costs should be reviewed prior to capitalisation to ensure correct costs are capitalised. Following previous recommendations, operating expense codes have been set up for specific projects and project costs are reviewed before capitalisation to ensure expenses capitalised are only of a capital nature.

We will review the specific expenses identified by QAO to confirm if they have been capitalised to an asset or still in WIP yet to be capitalised which would be expected to be identified as part of the costs review before capitalisation.

Where incorrect coding has occurred, it is agreed that further training is to be provided.

Responsible officer: Finance Manager

Status: Work in progress

Action date: 30 September 2019



2. Internal control issues cont'd



Deficiencies

19IR-8 Independent verification of vendor bank details not documented (part re-raised)

Control Activities

We reviewed 22 vendor bank account changes and identified 12 instances where there was no supporting documentation to indicate the details of the independent call being made to confirm the vendor's bank account details (eg date and name of person contacted).

We raised this as part of a wider issue during our 2018 interim audit. A new form was implemented in January 2019. The instances identified relate to the old form.

Implication

Increased risk of unauthorised or inappropriate changes being made to vendor masterfile records, which may result in duplicate payments, payments being made to incorrect bank accounts or fraud.

QAO recommendation

We recommend the continued use of the new supplier setup/final checks form in all cases of vendor bank changes to ensure the necessary details have been recorded.

Management response

As noted in the issue raised; a new form has been implemented in January 2019 to ensure recording of the name and date of the person contacted.

Prior to this, whilst the process outlined that calls would be made and staff as part of the approval emailed that "details checked and are correct"; management accepts that it did not provide evidence of the verification as there was no record on the approval of the person spoken with.

Responsible officer: Finance Manager

Status: Work in progress

Action date: 30 June 2019



2. Internal control issues cont'd



Deficiencies

19IR-9 Lack of effective control when changing employee bank account

Control Activities

Through discussions with payroll staff, we identified that there are insufficient procedures and controls in place to verify the authenticity of employee bank account changes received through email. Given the recent fraudulent activity in the Queensland public sector in relation to malicious emails requesting changes to payroll bank accounts, it is timely that council reviews its controls and processes in this area.

Implication

Increased risk of unauthorised or inappropriate changes being made to employee masterfile records which may result in payments made to incorrect bank accounts and increases the risk of fraud.

QAO recommendation

It is recommended that:

- ICC employees are encouraged to amend their bank details through employee self-service or through a signed change of personal details form;
- any requests for changes received through email are authenticated directly with the employee and not by return email. Caution should be taken when the email is from a private email address;
- changes to bank details are processed in the system by an officer who does not have payroll privileges; and
- the employee is informed when the requested change has been completed through the use of the employee's registered business email address.

Management response

Agreed – Management will review the process for payroll bank account changes. The new E-hub System provides easier capability for employee self-service to change accounts. Management will as part of the review outlined in 19IR-1 assess the segregation of HR and payroll functions and the process for field-based staff.

Responsible officer: Manager, People and Culture

Status: Work in progress

Action date: 31 August 2019



2. Internal control issues cont'd



Deficiencies

19IR-10 Managing access to Pathway and SAP systems

Control Activities

We noted that:

- Users asked for 'same as access provided to another user' when requesting additional access to Pathway application. These users did not specify the level of access privileges (roles/profiles) that they need. This is due to the complexity of Pathway access privileges and the design of the profiles. As a result, council relies on the diligence and in-depth knowledge of the system administrators to review and ensure that they assign access that the users need.
- There were nine generic accounts, six of these were service accounts, and 21 potential duplicate user accounts in the SAP system.

Implication

There is a risk that a user can inherit additional access that they do not need, from the existing user in the Pathway system. In addition, if key personnel are not available, council will not have maintained the knowledge of security design within Pathway system.

The use of generic accounts, including service accounts, and duplicate accounts in the SAP system reduces accountability as it is difficult to trace activities of these accounts to specific users.

QAO recommendation

We recommend that council:

- considers the design of roles and profiles that they can apply consistently across users when implementing any new systems in the future
- reviews the appropriateness and use of generic accounts and assign owners if generic accounts are needed
- considers modifying the generic accounts to be set as system accounts
- reviews the identified potential duplicate user accounts and removes them if they are not appropriate.

Management response

'Same as access' for Pathway system:

Roles are currently under review and update by the team in People and Culture working on implementation of the Performance and Goals module within the E-Hub solution.

We will look again at the Pathway access instructions to see if they can be simplified for use by a larger number of support personnel.

We will also look at what can be performed from a profile perspective.

Generic accounts in SAP system:

Council will investigate and resolve as generic users is against our practice, and duplicate users should not exist.

Responsible officer: Business Systems Coordinator

Status: Work in progress

Action date: Pathway system – 31 December 2019

SAP system – 31 July 2019



2. Internal control issues cont'd



Deficiencies

19IR-11 Security configuration for the information technology network (re-raised)

Control Activities

Users access council's network to log into Pathway and Oracle e-Business applications.

We noted there are:

- inconsistencies between council's ICT password management directive to the password security settings of the network. The existing security settings are weaker than those defined in the directive.
- twenty network user accounts that do not require users to change their password regularly (i.e. passwords set to never expire).

Implication

Unauthorised access can be gained into the system and this increases the risk of unauthorised activities and transactions.

QAO recommendation

We recommend that council:

- updates password security settings for the network to be in line with the directive
- reviews the appropriateness of user accounts, for which passwords do not expire and update the expiry settings as appropriate.

Management response

Password security settings - Council's ICT Security Officer raised this issue at a meeting earlier this month, at which it was agreed for work to begin on identifying and addressing the factors required to allow strengthening of password settings, and conformance with the directive.

Passwords set to never expire - An ongoing activity is in place to move all user accounts to be subject to the standard password expiry / reset timeframe. We will follow this up as while there are a number of system service accounts required to be set to password never expires, last advice was there were no longer any user accounts with never to expire.

Responsible officer: Business Systems Coordinator

Status: Work in progress

Action date: Password security settings - 30 September 2019

Passwords set to never expire - 31 July 2019



3. Prior year issues



Status

The following table summarises the status of issues and other matters reported by audit in prior years.

Reference	Issue	Status
 Internal control issues – Significant Deficiencies		
18IR	Financial Delegation Deficiencies <i>Control Environment</i> Council's Instruments of Sub-Delegation for Contracts and Purchasing were not signed as approved by the Chief Executive Officer and not recently reviewed by council and therefore out of date.	Resolved
18IR	Employees receiving termination payments through deed of release <i>Control Activities</i> Four employees were terminated through a 'Deed of Release'. There is no policy or guidance on the scenarios where a Deed of Release is appropriate, nor the level of supporting documentation required. There is also no framework for establishing a reasonable payout amount.	Resolved
18IR	Lack of detailed evidence to support action taken to verify vendor Masterfile changes/additions <i>Control Activities</i> There was a lack of detailed evidence to support action taken to verify vendor Masterfile additions/changes in 15 vendor Masterfile changes audit reviewed.	Resolved. Re-raised in part– refer to deficiency 19IR-8
18IR	Lack of automated controls surrounding financial delegations for purchase orders raised <i>Control Activities</i> Current system design and workflow practices allow for a combination of previously authorised purchase requisitions to form a single purchase order to a vendor, where the combined value exceeds the delegation level of the highest approving officer.	Work in progress Being considered as part of Transformational Project
18FR	No policies or procedures in relation to developer infrastructure contributions <i>Control Environment</i> There are no documented policies or procedures to reflect the processes for assessing, levying, monitoring, collecting, reporting and reconciling developer contributions revenue to supplement the requirements as set out in the <i>Planning Act 2016</i> , Ipswich Planning Scheme and the Adopted Infrastructure Charges Resolution.	Work in progress Implementation date – 30 June 2019
18FR	Reconciliation of ICN Register to Pathway for outstanding developer infrastructure contributions <i>Control Activities</i> Numerous applications were included in both Pathway and the ICN register that had lapsed or had lapsed and been replaced with a new application and hence included twice. These applications are still reported in the contributions report. There were also numerous differences between the ICN register and Pathway.	Work in progress Implementation date – 30 September 2019
18FR	Lack of transparency in calculation of fee variations <i>Control Activities</i> Limited documentation was available to support the calculation, determination, and justification of fee variations for Development Application fees. We recommended that a procedure be prepared to support the Fees and Charges Register in the determination of fee variations.	Work in progress Implementation date – 30 June 2019



Reference	Issue	Status
18FR	Enterprise Risk Management <i>Risk Assessment</i> Council's overall Enterprise Risk Management should be finalised, approved and implemented as a matter of priority.	Work in progress Being considered as part of Transformational Project Implementation date – 31 December 2019
18FR	Monitoring of arrangements with beneficial enterprises and other entities <i>Monitoring</i> We identified a relationship with Cherish the Environment Foundation Limited (Cherish). We requested council to assess whether the council had control or significant influence over the entity. This resulted in Cherish being assessed as a controlled entity of council. We recommended that Council review and understand its relationship with all organisations that it has an interest in, and actively monitor the activities of all these organisations	Work in progress Implementation date – 30 June 2019
 Internal control issues – Deficiencies		
18IR	Payroll Masterfile changes	Resolved Control no longer in place. Refer to 2019 significant deficiency 19IR-2
18IR	Capitalisation date of assets	Resolved
18IR	Accuracy and completeness of PPE reconciliation	Resolved
18IR	Non-compliance with community and citywide donations policy	Resolved
18FR	Bank reconciliation deficiencies	Resolved
18FR	Untimely processing of disposals when renewing an asset	Resolved pending audit verification
18FR	Insufficient action taken for long outstanding WIP projects <i>(Monitoring)</i>	Work in progress Implementation date – 30 June 2019
18FR	Redundant purchase order data in Oracle	Resolved
18FR	Completeness and existence exceptions in relation to artwork <i>(Control Activities)</i>	Work in progress Implementation date – 31 March 2019
18FR	Payments made to a community organisation <i>(Control Environment)</i>	Work in progress Implementation date – 30 June 2019
18FR	Assessment over current legal claims <i>(Monitoring)</i>	Work in progress Implementation date – 30 June 2019



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Reference	Issue	Status
18FR	Non-compliance with Councillor Expenses Reimbursement and Administrative Support Procedures (Control Activities)	Work in progress Being considered as part of Transformational Project Implementation date – 31 December 2019
18IR	Internal audit plan requires updating (Monitoring)	Work in progress Implementation date – 31 December 2019
18IR	Security configuration for Active Directory (Control Activities)	Re-raised Refer to deficiency number 19IR-11
18IR	System access for users who changed their roles and responsibilities in Council (Control Activities)	Resolved
18IR	Managing access to council's network (Active Directory) (Control Activities)	Re-raised Refer to deficiency number 19IR-11.
17IR	Incorrect coding of expenses – corporate credit cards (Control Activities)	Re-raised Refer to deficiency number 19IR-3.
 Financial reporting issues		
18FR	No formal impairment assessment undertaken by Council	Work in progress Implementation date – 30 June 2019
 Other matters		
18IR	Current contract management reporting may not readily assist in analysing and reporting over procurement	Work in progress Being considered as part of Transformational Project
18IR	Procurement planning and risk treatment could be improved	Work in progress Being considered as part of Transformational Project
18IR	Vendors with an ABN Status of cancelled	Resolved
18FR	Valuation of Artwork	Resolved – pending audit confirmation



4. Appendix A—Our rating definitions



Internal rating definitions

	Definition	Prioritisation of remedial action
Significant deficiency 	<p>A significant deficiency is a deficiency, or combination of deficiencies, in internal control that requires immediate remedial action. Also, we increase the rating from a deficiency to a significant deficiency based on:</p> <ul style="list-style-type: none"> the risk of material misstatement in the financial statements the risk to reputation the significance of non-compliance with policies and applicable laws and regulations the potential to cause financial loss including fraud, or where management has not taken appropriate timely action to resolve the deficiency. 	<p>This requires immediate management action to resolve.</p>
Deficiency 	<p>A deficiency arises when internal controls are ineffective or missing, and are unable to prevent, or detect and correct, misstatements in the financial statements. A deficiency may also result in non-compliance with policies and applicable laws and regulations and/or inappropriate use of public resources.</p>	<p>We expect management action will be taken in a timely manner to resolve deficiencies.</p>
Other matter 	<p>An other matter is expected to improve the efficiency and/or effectiveness of internal controls, but does not constitute a deficiency in internal controls. If an other matter is not resolved, we do not consider that it will result in a misstatement in the financial statements or non-compliance with legislative requirements.</p>	<p>Our recommendation may be implemented at management's discretion.</p>

Financial reporting issues

	Potential effect on the financial statements	Prioritisation of remedial action
High 	<p>We assess that there is a high likelihood of this causing a material misstatement in one or more components (transactions, balances and disclosures) of the financial statements, or there is the potential for financial loss including fraud.</p>	<p>This requires immediate management action to resolve.</p>
Medium 	<p>We assess that there is a medium likelihood of this causing a material misstatement in one or more components of the financial statements.</p>	<p>We expect management action will be taken in a timely manner.</p>
Low 	<p>We assess that there is a low likelihood of this causing a material misstatement in one or more components of the financial statements.</p>	<p>We recommend management action to resolve; however, a decision on whether any action is taken is at management's discretion.</p>



5. Appendix B—Information on internal controls



What is internal control?

'Internal control' is the processes, systems, records and activities that your entity designs, implements and maintains to provide you with reasonable assurance about the achievement of organisational objectives regarding:

- reliability of financial reporting
- effectiveness and efficiency of operations
- compliance with applicable laws and regulations.

Your governing body and executive management collectively are responsible for preparing reliable financial statements in accordance with generally accepted accounting principles. They are similarly responsible for maintaining effective internal control over financial reporting.

Our assessments of your internal control framework

The auditing standards that we must comply with require us to understand and assess those aspects of your internal control that relate to our financial statement audit objectives. In the planning phase of our audit, we sought to understand and evaluate how controls are designed and implemented. We communicated to you the results of our analysis in our external audit plan.

If we decide that we can rely on your controls, we must then test them to confirm they operated effectively. The results of our testing may highlight deficiencies in your internal controls. We assess whether any identified deficiencies in internal control constitute, individually or in combination, a significant deficiency in internal control.

Limitations of our reporting on internal control deficiencies

No system of internal control can provide absolute assurance about the absence of error or compliance. Even in the absence of identified control weaknesses, inherent limitations in your internal controls over financial reporting may not prevent or detect material misstatements.



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