



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, 19 November 2019
At 9:00 am**

BUSINESS

1. OPENING OF MEETING:
2. WELCOME TO COUNTRY OR ACKNOWLEDGEMENT OF COUNTRY:
3. OPENING PRAYER:
4. APOLOGIES AND LEAVE OF ABSENCE:
5. CONDOLENCES:
6. TRIBUTES:
7. PRESENTATION OF PETITIONS:
8. PRESENTATIONS AND DEPUTATIONS:
9. PUBLIC PARTICIPATION:
10. DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA:
11. CONFIRMATION OF MINUTES:
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12. MAYORAL MINUTE:
13. BUSINESS OUTSTANDING – INCLUDING CONDUCT MATTERS AND MATTERS LYING ON THE TABLE TO BE DEALT WITH:
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MINUTES OF COUNCIL ORDINARY MEETING

28 OCTOBER 2019

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

The meeting commenced at 9.05 am

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Robert Jones and Steve Greenwood to address the Council 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.

**ATTENDANCE AT
COMMENCEMENT**

Greg Chemello (Interim Administrator)
INTERIM MANAGEMENT COMMITTEE
Jan Taylor, Robert Jones and Steve Greenwood

**WELCOME TO
COUNTRY OR
ACKNOWLEDGEMENT
OF COUNTRY**

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**

Nil

PRESENTATIONS AND DEPUTATIONS

PRESENTATION

On behalf of Ipswich City Council, the Interim Administrator formerly welcomed Wil Mitchell and his family and friends to the Chambers for a special presentation.

The Interim Administrator made the following speech:

“Even though I am a relative newcomer to Ipswich, I know that Wil is an Ipswich legend and have seen his markings around the walls. While others made their mark with ball, bat or racquet – Wil’s weapon of choice was the pen.

For over thirty years, his funny and fearless political cartoons were a staple of the Queensland Times. Across a storied career, he caricatured politicians of all stripes - presidents, prime ministers, premiers, mayors, councillors, local MPs – and the occasional monarch.

None were safe from Wil’s wit. Whitlam and Fraser; Bjelke-Petersen and Hinze; Hawke and Keating; Howard and Peacock; Thatcher and Reagan. But it was his razor sharp commentary on the local political scene that really ruffled feathers and delighted some readers.

You’ll be shocked to hear that Ipswich has produced the odd colourful political character. We won’t mention names but over the years, at one time or another, most found themselves at the pointy end of Wil’s pen.

Given my current role, I am slightly relieved that he is still not at the QT. But despite reports of threatened legal action, angry letters to the editor and random death threats; the subjects of Wil’s satirical observations seemed to have generally accepted his cartoons with good grace and humour.

Indeed, in recognition of his outstanding contribution informing and entertaining Ipswich residents, in 2002 council named a space in this building, just up the hall, the “Will Mitchell” room in his honour. There have been many changes in this building recently and that room has now been renovated.

Today, I am delighted to present Wil with his artwork which adorned that room, together with the door sign and the “Where there’s a Wil, there’s a Rose” wall plaque”.

The Interim Administrator congratulated Wil and also welcomed John Nugent, former Ipswich mayor, back to the chambers.

The Interim Administrator presented Wil with his artwork from the Wil Mitchell Room.

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 17 September 2019 be confirmed.

The motion was put and carried.

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

DECLARATIONS

The Interim Administrator declared interests in the following matters:

ECONOMIC DEVELOPMENT COMMITTEE

CONFLICT OF INTEREST – ITEMS 6 AND 7

Item 6 titled Ipswich Central Program Report No. 16 to 16 September 2019 and Item 7 titled Appointment of Retail Leasing Agent, Supplemental Information – Nicholas Street, Ipswich Central 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 no current working relationship with the company.

GROWTH AND INFRASTRUCTURE COMMITTEE

PROFESSIONAL AQUAINTANCES – ITEM 3

Item 3 titled 91 and 93 Raceview Street, Raceview – Material Change of Use – Shopping Centre, as through previous roles, he has professional relationships with the following individuals involved in the application for 91 and 93 Raceview Street, Raceview:

- Stephen John Leigh Harrison – Fabcot Pty Ltd (Developer)
- Michael Brian Nash – Urban Planning Services Pty Ltd (Planning Consultant)
- Steve Dunn – Dunn Moran Landscape Architects Pty Ltd

The Interim Administrator advised that none of these applicants have spoken to him about this matter (Landscape Design).

**PROFESSIONAL
AQUAINTANCE –
ITEM 4**

Item 4 titled 4502/2018/MCU Cleanaway Landfill Refusal, as through previous roles, he has a professional relationship with Natalie June Rayment (Director) – Wolter Consulting Group (Planning Consultant) who is involved in the application. The Interim Administrator advised that Ms Rayment had not spoken to him about this matter.

**PROFESSIONAL
AQUAINTANCE –
ITEM 6**

Item 6 titled 197 and 213 Taylors Road, Walloon, Material Change of Use, as through previous roles, he has a professional relationship with Shane Smith (Town Planner) – LandPartners Pty Ltd (Planning Consultant) who is involved in the application for 197 and 213 Taylors Road, Walloon. The Interim Administrator advised that Mr Smith had not spoken to him about this matter.

ENVIRONMENT COMMITTEE

**PROFESSIONAL
AQUAINTANCE –
ITEM 1**

Item 1 titled Environment and Sustainability Community Grants Round 1 for 2019-2020, as through previous roles, he has a professional relationship with James McKnoulty (Director) - Queensland Trust for Nature (Applicant) who applied for an Environment and Sustainability Community Grant. The Interim Administrator advised that Mr McKnoulty had not spoken to him about this matter.

**OFFICER'S REPORT – TENDER CONSIDERATION PLAN –
DEVELOPMENT OF RETAIL ASSETS IPSWICH CENTRAL**

**CONFLICT OF
INTEREST**

Officer's Report titled Tender Consideration Plan – Development of Retail Assets Ipswich Central.

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 no current working relationship with the company.

**OFFICER'S REPORT – PROJECT MANAGEMENT SERVICES –
NICHOLAS STREET IPSWICH CENTRAL PROJECT**

**REAL CONFLICT OF
INTEREST**

Officer's Report titled Project Management Services – Nicholas Street Ipswich Central Project.

The nature of the 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 no current working relationship with the company.

However because this is a proposed variation to the contract with Ranbury Management Group and the Interim Administrator was a previous employee and Director of the group he would resolve to delegate the assessment and decision of the matter to the CEO.

OFFICER'S REPORT – RETAIL PROPERTY STRATEGY IPSWICH CENTRAL

CONFLICT OF INTEREST

Officer's Report titled Retail Property Strategy Ipswich Central.

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 no current working relationship with the company.

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(10) of 22 October 2019 be received and adopted.

CONFLICT OF INTEREST ITEMS 6 AND 7

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in Item 6 titled Ipswich Central Program Report No. 16 to 16 September 2019 and Item 7 titled Appointment of Retail Leasing Agent, Supplemental Information – Nicholas Street, Ipswich Central 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 no current working relationship with the company.

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.

DISCUSSION

The Interim Administrator noted that Items 1, 5, 6 and 7 were about the Ipswich Central redevelopment.

The Interim Administrator stated that Item 1 is regarding the Pilot Façade Improvement Incentive Program where council has decided to spend some ratepayers' money on private property. It is a pilot to mirror what council is doing with its own property in Ipswich Central with some matching grants for people who own private property in surrounding areas. The Interim Administrator stated that it is a common program of other councils to upgrade CBDs and that it was a pilot to see how it works. He further stated that Council has allocated \$100,000 in the pilot but that it is incumbent on this council to help the CBD redevelop as much as possible which is more than just the properties that council owns.

The Interim Administrator stated that Item 5 is for Nicholas Street Trading support and that this also is a valid investment by council for some marketing support into Ipswich Central.

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(10) of 22 October 2019 be received and adopted.

DECLARATION - PROFESSIONAL AQUAINTANCES ITEM 3

The Interim Administrator informed the meeting that in relation to Item 3 titled 91 and 93 Raceview Street, Raceview – Material Change of Use – Shopping Centre, that through previous roles, he has professional relationships with the following individuals involved in the application for 91 and 93 Raceview Street, Raceview:

- Stephen John Leigh Harrison – Fabcot Pty Ltd (Developer)
- Michael Brian Nash – Urban Planning Services Pty Ltd (Planning Consultant)
- Steve Dunn – Dunn Moran Landscape Architects Pty Ltd (Landscape Design)

The Interim Administrator advised that none of these applicants have spoken to him about this matter.

DECLARATION - PROFESSIONAL AQUAINTANCE

The Interim Administrator informed the meeting that in relation to Item 4 titled 4502/2018/MCU Cleanaway Landfill Refusal, that through previous roles, he has a professional

ITEM 4

relationship with Natalie June Rayment (Director) – Wolter Consulting Group (Planning Consultant) who is involved in the application. The Interim Administrator advised that Ms Rayment had not spoken to him about this matter.

**DECLARATION –
PROFESSIONAL
AQUAINTANCE
ITEM 6**

The Interim Administrator informed the meeting that in relation to Item 6 titled 197 and 213 Taylors Road, Walloon, Material Change of Use, that through previous roles, he has a professional relationship with Shane Smith (Town Planner) – LandPartners Pty Ltd (Planning Consultant) who is involved in the application for 197 and 213 Taylors Road, Walloon. The Interim Administrator advised that Mr Smith had not spoken to him about this matter.

DISCUSSION

The Interim Administrator stated that there were two important matters that Council was refusing and that he doesn't take either of these decisions lightly.

Item 3 is a Development Application for a shopping centre that council is refusing as outlined in the last paragraph on page 21 of the council agenda which explains the reasons for the refusal but in essence it is a proposed retail centre in a medium density zone which the planning scheme specifically outlines is not appropriate for that site.

The Interim Administrator stated that the larger issue for the community is Item 4 which is the Cleanaway Landfill Application and that again this is a decision to refuse that application. He stated that the paragraph on page 23 of the council agenda explains this but in essence it is because the application is considered to be outside the planning scheme and outside the Temporary Local Planning Instrument (TLPI) that was specifically created to manage those applications and it was for those reasons and as outlined in the officer's report that the decision is to not approve the application.

The motion was put and carried.

**COMMUNITIES
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:
That the Communities Committee Report No. 2019(10) of 22 October 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(10) of 22

October 2019 be received and adopted.

**DECLARATION –
PROFESSIONAL
AQUAINTANCE
ITEM 1**

The Interim Administrator informed the meeting that in relation to Item 1 titled Environment and Sustainability Community Grants Round 1 for 2019-2020, that through previous roles, he has a professional relationship with James McKnoulty (Director) - Queensland Trust for Nature (Applicant) who applied for an Environment and Sustainability Community Grant. The Interim Administrator advised that Mr McKnoulty had not spoken to him about this matter.

DISCUSSION

The Interim Administrator noted that in relation to Item 5 he did ask the question in committee whether the waste software tender could be extended and whether the term could be changed to 3 years plus 3 years however he has since received advice that council cannot do this under probity so it will remain as 3 years plus 1 year as per the recommendation.

The motion was put and carried.

**GOVERNANCE
COMMITTEE**

The Interim Administrator of the Ipswich City Council resolves:

That the Governance Committee Report No. 2019(10) of 22 October 2019 be received and adopted subject to an amendment to Item 2 titled Finalisation of Local Law Making Process.

AMENDMENT

The amendment is for the replacement of 6 attachments as detailed below to correct some typographic errors and in relation to Local Law No. 3 (Commercial Licensing) 2013, to remove an election sign as a licence regulated activity as election signs are now minimum standard:

- Attachment 2 – Local Law (Amending) Local Law No. 3 (Commercial Licensing) 2019
- Local Law 4 – Local Law (Amending) Local Law No. 4 (Permits) 2019
- Attachment 7 – Local Law (Amending) Local Law No. 6 (Animal Management) 2019
- Attachment 16 – Local Law No. 3 (Commercial Licensing) 2013
- Attachment 18 – Local Law No. 4 (Permits)
- Attachment 21 – Local Law No. 6 (Animal Management).

DISCUSSION

The Interim Administrator commented that Item 2 was in relation to the replacement of previous Local Laws with a suite of new ones and that Item 5 was the replacement of a whole suite of corporate services policies with new policies.

The Interim Administrator thanked all staff involved for their dedication in undertaking this reform.

The motion was put and carried.

OFFICERS' REPORTS

2018-2019 FINANCIAL STATEMENTS - CONTROLLED ENTITIES

The Interim Administrator of the Ipswich City Council resolves:

That the report of the Treasury Accounting Manager dated 22 October 2019 be received and the contents noted.

DISCUSSION

The Interim Administrator noted that the Companies are now effectively closed and thanked the staff involved particularly Ipswich City Properties. He stated that it took a lot of work to effectively close that company by 30 June 2019 and passed on his own and the Interim Management Committee's appreciation.

The motion was put and carried.

ADOPTION OF IPSWICH CITY COUNCIL'S 2018-2019 ANNUAL REPORT

The Interim Administrator of the Ipswich City Council resolves:

That the Ipswich City Council 2018-2019 Annual Report, as detailed in Attachment A, be adopted.

DISCUSSION

The Interim Administrator passed on his gratitude to staff in putting together the report.

The motion was put and carried.

60 SPRINGFIELD GREENBANK ARTERIAL, SPRINGFIELD CENTRAL, MASTER AREA DEVELOPMENT PLAN - DEVELOPMENT AREA 22A AND 22B

The Interim Administrator of the Ipswich City Council resolves:

- A. That Council (Interim Administrator of Ipswich City Council) resolve to approve development application no. 1421/2019 subject to conditions in accordance with section 2.2.4.10 of the Springfield Structure Plan.**
- B. That the General Manager – Planning and Regulatory Services be authorised to prepare conditions in accordance with section 2.2.4.10 of the Springfield Structure Plan.**

DISCUSSION

The Interim Administrator invited the Acting General Manager – Planning and Regulatory Services to outline the key contentious outstanding issues that he and the Interim Management Committee should be aware of. The Interim Administrator stated that there he was aware that there were some issues that the Brisbane Lions AFL Club and/or Springfield

City Group have asked to be changed.

The Acting General Manager – Planning and Regulatory Services advised that the core issues are regarding infrastructure delivery items in the master area development plan and the utilisation of the current infrastructure agreement or an adjusted infrastructure agreement for these items rather than the planning scheme. He stated that discussions have commenced with the developer which was one of the benefits of delaying the report and sending it straight to the council meeting and that there has now been some agreement that this is the appropriate mechanism.

The Interim Administrator confirmed that in essence Council is saying don't use a planning instrument for an Infrastructure Agreement solution.

The Acting General Manager – Planning and Regulatory Services also stated that in respect to access from the Springfield Greenbank Arterial, the developer and Brisbane Lions have requested access off Springfield Greenbank Arterial. He stated that there are some technical issues particularly with transport and traffic in doing this and that the initial recommendation from Council's transport engineers was not to provide for that access point. However, the recommendation was to leave it open for further negotiation and permit it as a limited access point to potentially allow access given the unique nature of the proposal and that without it there would only be one access point to a premier facility. He stated that through the next phases of the application process council will go through the detail of working through what the appropriate solution is and how it can be appropriately mitigated.

The Interim Administrator queried if this was an issue for major events only. The Acting General Manager – Regulatory Services confirmed that it would be major events and also general operation depending on how it is run. He also outlined that it is not a public access more of an operational access.

The motion was put and carried.

**TENDER
CONSIDERATION
PLAN -
DEVELOPMENT OF
RETAIL ASSETS
IPSWICH CENTRAL**

The Interim Administrator of the Ipswich City Council resolves:

That a Tender Consideration Plan be prepared in accordance with section 230(1)(a) of the *Local Government Regulation 2012 (Qld)* to confirm the best option for procurement of demolition and construction work for landlord works to the

**CONFLICT OF
INTEREST**

Eats, Venue, Metro A and Metro B buildings.

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in the Officer's Report titled Tender Consideration Plan – Development of Retail Assets Ipswich Central.

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 no current working relationship with the company.

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 stated that in essence this is a report to prepare a tender consideration plan to allow Hutchinson Builders, who are doing the core civic facilities, to perhaps be the primary construction contractor for the retail assets and that council will need to demonstrate appropriate value for money.

The Interim Administrator stated that this is not an approval for Hutchinson Builders to do the work but is an approval to prepare a Tender Consideration Plan to ascertain whether value for money could be demonstrated which will be the subject of a future report.

The motion was put and carried.

**PROJECT
MANAGEMENT
SERVICES - NICHOLAS
ST IPSWICH CENTRAL
PROJECT**

The Interim Administrator of the Ipswich City Council resolves:

That in accordance with section 175(E)(6) and 257 of the *Local Government Act 2009*, the decision on this matter be delegated to the Chief Executive Officer.

**CONFLICT OF
INTEREST**

The Interim Administrator informed the meeting that he has a real conflict of interest in the Officer's Report titled Project Management Services – Nicholas Street Ipswich Central Project.

The nature of the 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 no current working relationship with the company.

The Interim Administrator stated that as this report is a proposed variation to the contract with Ranbury Management Group and that he was a previous employee and Director, he would resolve to delegate the assessment and decision of the matter to the Chief Executive Officer.

The motion was put and carried.

**RETAIL PROPERTY
STRATEGY IPSWICH
CENTRAL**

The Interim Administrator of the Ipswich City Council resolves:

That the Recommended Development Strategy for the Nicholas Street Retail Assets as detailed in the report be 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 the Officer's Report titled Retail Property Strategy Ipswich Central.

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 no current working relationship with the company.

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 passed on his thanks to the staff and consultants for this work. He stated that this was a very big decision for council as money has now been allocated to spend on the CBD core building in terms of the administration centre, the plaza, the library and road and that this is a decision to invest further ratepayers money into the retail assets that council owns.

The Interim Administrator outlined that this is a decision council has to make, notwithstanding there is an argument that council shouldn't own retail buildings, it does.

He stated that the market sounding that is attached to the officer's report clearly shows a lack of confidence by the private sector in undertaking the redevelopment and that this is to be understood given the last decade of action, inaction and previous decisions by council. He stated that this was excellent market research and advice and a very pragmatic way

forward.

The motion was put and carried.

MEETING CLOSED

The meeting closed at 9.30 am.

ECONOMIC DEVELOPMENT COMMITTEE NO. 2019(11)

12 NOVEMBER 2019

REPORT OF THE ECONOMIC DEVELOPMENT COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)

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

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood 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. **DESTINATION DEVELOPMENT QUARTERLY REPORT**

This is a report concerning the outputs and outcomes of council's Destination Development section as part of the Community, Cultural and Economic Development department for the quarter ending September 2019.

RECOMMENDATION

That the report concerning the outputs and outcomes of council's Destination Development section as part of the Community, Cultural and Economic Development department for the quarter ending September 2019 be received and the contents noted.

The General Manager (Community, Cultural and Economic Development) informed the committee that Council was the recipient of two recent awards:

- LGx Awards for Excellence in Local Government Communications for Best creative communication campaign; and
- Queensland Tourism Awards – The Richard Power Award for Destination Marketing – Bronze award for Discover Ipswich – Humans Wanted Campaign.

The Interim Administrator congratulated the Tourism and Marketing teams for a job well done.

2. CITY OF IPSWICH BUSINESS VISIT TO JAPAN AND TAIWAN

This is a report concerning the proposed Ipswich City Council business mission to Japan and Taiwan from 28 November to 6 December (inclusive of travel) as an update to the previously endorsed report of April 2019 concerning the Japan mission.

The delegation members are:

- ICC Chief Executive Officer – David Farmer
- ICC General Manager Community, Cultural and Economic Development – Ben Pole

The proposed Taiwan extension for four (4) days of qualified business and trade related meetings will incur additional costs estimated to be between \$6,500 and \$7,500 from the originally estimated costs of the Japan mission being approximately \$10,000.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the proposed business mission to Nerima and Tokyo (Japan) and Nantou, Hsinchu and Taipei (Taiwan) as an extension to the previously endorsed Japan mission, be endorsed.

The General Manager (Community, Cultural and Economic Development) stated that he had provided an additional identified risk to the members of the Interim Management Committee last week for their information.

The Interim Administrator reiterated the comments he has made previously regarding his views about Sister City Relationships and that he didn't feel it was his position as Interim Administrator to make any comment in relation to the appropriateness or the value of the Sister City Relationship. He further stated that it was not his position to refuse an invitation to attend the event after 25 years of Sister City Relationships and that it was very appropriate that Ipswich honours its relationship with Nerima and continues to do so.

Steve Greenwood from the Interim Management Committee stated that it would be good practice for Council to demonstrate how it will be engaging in Sister City Relationships and that when travelling overseas to clearly identify the perception risks associated with this. He further stated that it was important to identify all risks and put in place a process for managing the risks proactively and that this was an opportunity to make the process fully transparent by outlining why the trip is important and the benefits to the community.

Stan Gallo from the Interim Management Committee stated that in relation to generating reportable outcomes it would be a good idea to publish a report on council's website explaining the value and benefits of the trip.

Steve Greenwood also queried if Council would be providing a briefing to anyone in the State Government and that ministers on trade missions develop a range of media to outline where they are going, what they have achieved and who they have met which is a very transparent process.

The Interim Administrator stated that while overseas it would be good to produce media releases on outcomes being achieved each day.

The General Manager (Community, Cultural and Economic Development) advised that he was happy to develop a proactive engagement and media plan that would form the template for this type of activity moving forward which would include pre and post event information as well as engagement throughout the activity.

Rob Jones queried if there were any specific issues that had been identified that council would like an outcome from.

The General Manager (Community, Cultural and Economic Development) advised that the highest priority is international students as he believes there is an opportunity to grow in this space. He also advised that in the smart city space, even though Ipswich had made a fair amount of progress in previous years, there was still a number of reasonably significant smart city programs to investigate. Waste and Resource recovery is also something that had been identified.

3. EVENT ATTRACTION OPPORTUNITY - 2022 QUEENSLAND NETBALL STATE AGE CHAMPIONSHIPS

This is a report concerning an approach made by Netball Queensland to council to financially support the hosting of the Queensland State Age Championships in Ipswich in June 2022.

Council has been requested to provide a hosting fee of \$50,000 ex GST.

A return on investment assessment has been undertaken and it is recommended council offer a lower hosting fee of \$35,000 ex GST along with in-kind support to offset event delivery costs to be incurred by Netball Queensland.

Should council proceed, in addition to securing the event for Ipswich and the associated economic return, community benefit and media coverage generated, council will be acknowledged as a sponsor of the event and will receive commensurate benefits.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That Netball Queensland receive the following support in the 2021-2022 financial year:

- \$35,000 ex GST hosting fee
 - In-kind support through the provision of rubbish bins and waste removal to the local host club, Ipswich Netball – estimated value \$6,200 ex GST.
-

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 8.30 am.

The meeting closed at 8.47 am.

GROWTH AND INFRASTRUCTURE COMMITTEE NO. 2019(11)

12 NOVEMBER 2019

REPORT OF THE GROWTH AND INFRASTRUCTURE COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)

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

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood 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. **LONG TERM INFRASTRUCTURE STRATEGY, FRAMEWORK AND ASSET MANAGEMENT PLANS**

This is a report concerning the adoption of the long term Infrastructure Strategy, Framework and Asset Management Plans for the Roads and Transport, Parks and Recreation, Buildings and Facilities and Drainage and Flood Mitigation asset classes. One of the deliverables of Transformation Project 4 (Develop a Leading Practice Asset Management Framework) was to develop the long term Strategy Framework and Asset Management Plans for Council's infrastructure assets.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

To adopt the following documents:

- Asset Management Strategy
- Asset Management Framework
- Drainage and Flood Mitigation Asset Management Plan
- Parks and Recreation Asset Management Plan
- Buildings and Facilities Asset Management Plan
- Roads and Transport Asset Management Plan

The Interim Administrator stated that the costs involved with the challenge in the rehabilitation of Council buildings that have returned a condition assessment of poor or very poor, should not be underestimated.

The Interim Administrator also stated that due to the amount of enquiries he was receiving in relation to the construction of footpaths, he had asked the Infrastructure and Environment Department to prepare an indicative costing estimate of constructing a footpath on one side of every street in the urban areas of the city that currently lack a footpath. He informed the committee that the cost would be in the vicinity of \$250 million, representing almost 25% of the total roads and transport capital expenditure over the next decade.

Rob Jones from the Interim Management Committee queried whether the four asset management plans covered all the areas that should be covered in terms of council asset management planning.

The Manager, Infrastructure Strategy stated that historically these are the asset management plans that council has. The Chief Executive Officer stated that four asset management plans would cover 95% of council's assets.

Rob Jones queried how the recommendations stated in the Executive Summary are captured in the planning process.

The General Manager (Infrastructure and Environment) advised that the critical point was to develop the framework and that strategy and asset management plans would follow from that. He stated that he envisaged that these would be continually reviewed and the goal was to get to the same level as transport planning (which is more advanced) with all other asset types.

Rob Jones queried the maturity analysis and the fact that it is now 10 years old and that this would also need to be included in the review.

2. CITY OF IPSWICH PARKING PRICING STRATEGY

This is a report concerning the development of the *City of Ipswich Parking Pricing Strategy* (the Strategy), a key deliverable of iGO – The City of Ipswich Transport Plan. The Strategy has been prepared to provide guidance for decision-making on parking management in the City of Ipswich, including the management of time restrictions and priced parking.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That council undertake a community and stakeholder engagement in relation to the draft City of Ipswich Parking Pricing Strategy, for the feedback to be considered in the finalisation of the Strategy prior to submission to the February/March 2020 Growth and Infrastructure Committee.

- B. That the Interim Administrator, Chief Executive Officer and General Managers note the recommendations of the *City of Ipswich Parking Pricing Strategy*.
- C. That Council officers, as delegated by the Chief Executive Officer, be authorised to commence implementing the draft *City of Ipswich Parking Pricing Strategy*, subject to the outcomes of the community and stakeholder engagement strategy consultation.
- D. That Council officers, as delegated by the Chief Executive Officer, be authorised to commence investigations into the alternative use of parking revenue for the purpose of sustainable transport initiatives as a recommendation contained within the *City of Ipswich Parking Pricing Strategy*.

The Interim Administrator queried the community engagement in relation to this process and that he felt community engagement should occur prior to adopting the strategy.

The Manager, Infrastructure Strategy advised that Attachment 2 of the report is a summary version titled City of Ipswich Parking Pricing Strategy Implementation Guideline for Activity Centres which could be used as part of the engagement tool.

The Interim Administrator asked the Interim Management Committee for their thoughts on the suggestion of community engagement. The Interim Management Committee supported the suggestion.

The Interim Administrator suggested that as well as the broader Ipswich community, the engagement include council's community reference groups and the CBD business traders reference groups.

3. DEVELOPMENT APPLICATION RECOMMENDATION - 639 REDBANK PLAINS ROAD, REDBANK PLAINS, 4122/2018/CA, MATERIAL CHANGE OF USE FOR A PRELIMINARY APPROVAL INCLUDING A VARIATION REQUEST TO VARY THE EFFECT OF THE IPSWICH PLANNING SCHEME AND RECONFIGURING A LOT

This is a report concerning an application that seeks a combined approval for a Material Change of Use for Preliminary Approval including a Variation Request to vary the effect of the Ipswich Planning Scheme in accordance with section 50(3) of the *Planning Act 2016* {in accordance with the Land Use/Precinct Plan (Large Lot Residential to Residential Low Density (RL2), Recreation and Conservation Zone)}, Reconfiguring a Lot - One (1) lot into two hundred and sixty-three (263) residential lots plus conservation, open space, drainage and roads over nine (9) stages and Carrying out building work not associated with a Material Change of Use (Relocation of a Schedule 2 listed dwelling) at 639 Redbank Plains Road, Redbank Plains.

The subject application requires review by committee and determination by full council in accordance with the Framework for Development Applications and

Related Activities Policy as the development application includes a Variation Request.

The proposed development has been assessed with regard to the applicant assessment benchmarks. The proposed development generally complies with the assessment benchmarks or can be conditioned to comply as outlined in the attached Statement of Reasons.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council (Interim Administrator of Ipswich City Council) resolve to approve development application no. 4122/2019/CA subject to conditions in accordance with section 60 of the *Planning Act 2016*.
- B. That the Development Assessment West Manager be authorised to prepare conditions in accordance with section 65 of the *Planning Act 2016*.
- C. That the Development Assessment West Manager be authorised to give a decision notice for the application in accordance with section 63 of the *Planning Act 2016*.
- D. That the Development Assessment West Manager be authorised to give an infrastructure charges notice for the application in accordance with section 199 of the *Planning Act 2016*.

4. PROPOSED AMENDMENT TO DELEGATION - EXERCISE THE POWERS OF COUNCIL UNDER THE ECONOMIC DEVELOPMENT ACT 2012

This is a report concerning the Instrument of Delegation and Direction from the Minister for Economic Development Queensland to Ipswich City Council and the delegation 'Exercise the Powers of Council under the Economic Development Act 2012'.

The Interim Administrator informed the meeting that he has, or could reasonably be taken to have a perceived conflict of interest in Item 4 titled Proposed Amendment to Delegation – Exercise the Powers of Council Under the Economic Development Act 2012.

The nature of the perceived interest is that he was formerly the General Manager of Economic Development Queensland.

The Interim Administrator confirmed that, as there is no personal or financial benefit to the Interim Administrator and the nature of the report being an amendment necessary because of a recent legislative amendment, he would participate in the meeting in relation to the matter.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the delegation, 'Exercise the Powers of Council under the Economic Development Act 2012' from Council to the Chief Executive Officer be amended, as detailed in Attachment 3.

5. HERITAGE AND MONUMENTS ADVISORY COMMITTEE MEETING NO. 211

This is a report concerning the minutes of the Heritage and Monuments Advisory Committee (meeting number 211) which was held on Thursday, 24 October 2019. As well as providing updates on standing items, the Committee has also recommended the nomination of a replacement representative from the Ipswich Historical Society for approval.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the minutes of the Heritage and Monuments Advisory Committee No. 211 be received and noted.
 - B. That the nomination of Sally Hetherington as a replacement representative from the Ipswich Historical Society, be approved.
-

6. COURT ACTION STATUS REPORT

This is a report concerning a status update with respect to current court actions associated with development planning related matters including one other significant matter of dispute that the Planning and Regulatory Services Department is currently involved with.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

The Interim Administrator advised that he had recently received a letter from Cleanaway that indicates the company would lodge an appeal in the Planning and Environment Court against council's recent refusal of their development application.

7. EXERCISE OF DELEGATION

This is a report concerning applications that have been determined by delegated authority for the period 29 August 2019 to 31 October 2019.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

8. REVIEW OF SEVERAL SCHOOL ZONES ACROSS THE CITY

This is a report concerning the requests to implement a 40 km/h school zone for the Goodna Special School and the Hymba Yumba Indigenous Community Hub as well as a review of the existing school zone for St Augustine's College on Augusta Parkway.

OFFICER'S RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council not install a 40 km/h school zone on Queen Street, Goodna in the vicinity of Goodna Special School based on an assessment of the site, as outlined in Attachment 1.
- B. That Council not install a 40 km/h school zone on Springfield Parkway, Springfield in the vicinity of Hymba Yumba Indigenous Community Hub based on an assessment of the site, as outlined in Attachment 2.
- C. That Council remove the existing 40 km/h school zone on Augusta Parkway, Augustine Heights in the vicinity of St Augustine's College based on a reassessment of the site following recent changes to the 'School Environment Safety Guidelines' as outlined in the report.

The Interim Administrator thanked the Infrastructure and Environment Department for preparing the report and undertaking the appropriate analysis.

The Interim Administrator queried what the implications would be if Council did adopt a 40 km/h school zone for the Goodna Special School and Hymba Yumba Indigenous Community Hub.

The Manager, Infrastructure Strategy commented that it was not a question of reducing speed and causing congestion it was about safety. In terms of the manual, if there is a safety or risk involved then there shouldn't be an issue with reducing the speed for peak times.

Steve Greenwood from the Interim Management Committee queried whether the guidelines take into account the fact that Goodna is a special school or that the Hymba Yumba school has been built on an inappropriate site.

Simone Webbe from the Interim Management Committee queried that if the school community is asking for the reduced school zone and the fact that it had been elevated to federal members, why would we not consider it.

STATEMENT OF REASONS

The Interim Administrator resolved to proceed with installing a 40 km/h school zone on Queen Street, Goodna in the vicinity of Goodna Special School and on Springfield Parkway, Springfield in the vicinity of Hymba Yumba Indigenous Community Hub for the following reasons:

Over recent years, Council has received several requests from community members as well as MPs and the State Government to consider implementing a 40 km/h school zone along the frontage of the Goodna Special School, located along Queen Street, Goodna.

Some students at the Goodna Special School don't have the same cognitive awareness as students attending other schools (i.e. students can often be unpredictable and may venture out onto the road) and due to the special needs of these students it is considered prudent and appropriate to apply the 40 km/h school zone.

Council has also received requests from the Principal and community members to consider implementing a 40 km/h school zone in the vicinity of Hymba Yumba Indigenous Community Hub, located along Springfield Parkway, Springfield.

During the development application for the Hymba Yumba Indigenous Community Hub, Council were advised that students attending the school would be arriving by bus with no predicted pedestrians walking to the school, as students would not be living in the vicinity of the school and that the school drop off and pick up activities occur within the school grounds with no significant school related pedestrian activity on Springfield Parkway.

It has been observed that the Hymba Yumba school is not operating as council was initially advised and that students are walking to school and that school drop off and pick-ups are occurring on Springfield Parkway which is putting both students and parents at risk.

The imposition of a 40 km/h school zone in the vicinity of these two schools would not appear to result in unacceptable congestion and delays to through traffic, whilst providing additional safety and security for students.

COMMITTEE RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council install a 40 km/h school zone on Queen Street, Goodna in the vicinity of Goodna Special School.
 - B. That Council install a 40 km/h school zone on Springfield Parkway, Springfield in the vicinity of Hymba Yumba Indigenous Community Hub.
 - C. That Council remove the existing 40 km/h school zone on Augusta Parkway, Augustine Heights in the vicinity of St Augustine's College based on a reassessment of the site following recent changes to the 'School Environment Safety Guidelines' as outlined in the report.
-

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 8.55 am.

The meeting closed at 9.38 am.

COMMUNITIES COMMITTEE NO. 2019(11)

12 NOVEMBER 2019

REPORT OF THE COMMUNITIES COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)

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

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood 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 providing detail about the year to date allocation of community donations, as at 30 September 2019 (Attachment 1) and providing a summary of these community donations by recipient type (Attachment 2).

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

2. COMMUNITY DONATIONS PROGRAM - UPDATE

This is a report concerning an update on the Community Donations Program since the Community Donations Policy was adopted by Council on 18 September 2018, following the dismissal of Councillors on 22 August 2018.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

A. That the report be received and the contents noted.

- B. That as an interim adjustment, pending the review currently being undertaken on the Community Donations Program by Price Waterhouse Coopers (PWC), that the criteria weightings for Community Donations be amended as detailed below:

1. Alignment to Council's Corporate Plan	10% to 15%
2. Demonstrated need for the project	30% to 35%
3. Expected outcomes of the proposed project	35% to 40%
4. Sustainability of the project beyond Council funding	25% to 10%

The Interim Administrator queried whether the consultants reviewing the Community Donations Program would be reviewing the weighting for the criteria and if it was likely to be proposed to be amended in December.

The Community Grants Officer advised that the consultants PWC had been advised of their suggestions in reducing the weightings.

The Interim Administrator stated that he would resolve to change the weightings now pending the review.

3. IPSWICH YOUTH ADVISORY COUNCIL IYAC AND THE IYAC AMBASSADOR PROGRAM

This is a report concerning the Ipswich Youth Advisory Council (IYAC) and the IYAC Ambassador Program.

Ipswich City Council has been coordinating a youth council initiative for many years. In 2017 (as per the Council Ordinary Meeting of 27 June 2017) (Attachment 1) Council made four recommendations relating to the structure of IYAC and the IYAC Ambassador Program.

This report recommends that the 2017 council recommendations be repealed as IYAC and the IYAC Ambassador Program have evolved since that time and those recommendations are no longer suitable.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the previous decision of Council, as per Item No. 7 of the Library, Youth and Seniors Committee No. 2017(06) of 19 June 2017 and adopted at the Council Ordinary Meeting of 27 June 2017, be repealed.

The Interim Administrator invited two members of IYAC to address the committee to outline

their experiences and journey through IYAC.

The Interim Administrator asked the two members of IYAC what council could be doing differently. Their response was that council needs to address a platform where youth can engage with council.

The Interim Administrator requested that at the next IYAC meeting they instigate a discussion with other members around what council could be doing more or less of and advise council of the outcome.

Jan Taylor from the Interim Management Committee asked the IYAC members if there was anything that they could do to facilitate the homeless, to help them become re-engaged. The members advised that they are trying to build a level of trust so that the homeless feel comfortable coming to them.

Stan Gallo suggested that another question they could ask at their next meeting was “How do we formulate an approach to engage with the homeless and how can council support that?”.

Jan Taylor commented that the State Government would be interested in the work that IYAC is doing particularly the engagement with youth. It was suggested that the State Government be advised about what IYAC is achieving and that any assistance with the program would be appreciated.

The Children and Youth Development Officer advised that the Community Research Officer has undertaken research and prepared a report that monitors the aspirations of members before, during and post IYAC and that this report would be published and also sent to State members.

The Interim Administrator made comment that IYAC members may consider seeking meetings with councillors on a regular basis.

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 9.51 am.

The meeting closed at 10.13 am.

ENVIRONMENT COMMITTEE NO. 2019(11)

12 NOVEMBER 2019

REPORT OF THE ENVIRONMENT COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)

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

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood to address the Environment 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.

The confidential papers associated with Item 1 are confidential as they contain financial information which is commercial in confidence.

1. **IPSWICH WASTE SERVICES JULY-SEPTEMBER 2019 QUARTERLY REPORT**

This is a report concerning the Ipswich Waste Services July – September 2019 quarterly report.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the Ipswich Waste Services July-September 2019 quarterly report be received and noted.

The Interim Administrator suggested council should commence putting some background information together around waste and recycling to inform the incoming councillors.

Steve Greenwood from the Interim Management Committee queried if it was a requirement that council run Ipswich Waste as a commercial business. The Chief Executive Officer commented that it was an historical decision of council to run it this way and that council would need a policy decision to amend this. The Interim Administrator noted this question could be part of the information pack presented and discussed with the incoming councillors.

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 10.22 am.

The meeting closed at 10.32 am.

GOVERNANCE COMMITTEE NO. 2019(11)

12 NOVEMBER 2019

REPORT OF THE GOVERNANCE COMMITTEE
FOR THE COUNCIL

MEMBER'S ATTENDANCE: Greg Chemello (Interim Administrator)

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

Pursuant to section 8.4.5 of Council's Meeting Procedures Policy, the Interim Administrator invited the Interim Management Committee being Jan Taylor, Simone Webbe, Robert Jones, Stan Gallo and Steve Greenwood 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. **REVIEW OF POLICIES - INFRASTRUCTURE AND ENVIRONMENT DEPARTMENT**

This is a report concerning a review of policies relating to Council's management of key environmental and open space elements. This review was undertaken in accordance with Council's Policy and Procedure Framework adopted by Council on 16 July 2019.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the policies detailed in Table 1, be repealed.
- B. That the policies detailed in Table 2, be adopted.

TABLE 1 – Policies to Repeal

Name of Policy	Adopted at Council	Attachment Number
Urban Forest Policy	13 May 2014	1
Ipswich Enviroplan Program and Levy Policy	4 December 2018	2
Desired Standards of Service for Leash Free Dog Areas	14 November 2017	3
Free Plant Policy	4 September 2012	4
Environmental Protection Policy	27 February 2018	5
Parks, Streetscapes and Open Space Irrigation	15 August 2018	6

Policy		
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TABLE 2 – Policies to adopt

Name of Policy	Attachment Number
Urban Forest Policy	7
Ipswich Enviroplan Program and Levy Policy	8
Desired Standards of Service for Leash Free Dog Areas	9

2. REVIEW OF COMPLIANCE AND ANIMAL MANAGEMENT POLICIES - PLANNING AND REGULATORY SERVICES DEPARTMENT

This is a report concerning the policies relating to the Compliance, Health and Animal Management functions of the Planning and Regulatory Services Department undertaken in accordance with Council's Policy and Procedure Management Framework adopted by Council on 16 July 2019.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the policy detailed in Table 1, be repealed.
- B. That the policies detailed in Table 2, be adopted.

TABLE 1 – Policy to be repealed

Name of Policy	Attachment Number
Use of Offence Detection Cameras and Devices Policy	1

TABLE 2 – Policies to be adopted

Name of Policy	Attachment Number
Animal Management Policy	2
Compliance and Enforcement Policy	3

3. REVIEW OF POLICIES - COMMUNITY, CULTURAL AND ECONOMIC DEVELOPMENT

This is a report concerning a review of policies relating to the functions of the Community, Cultural and Economic Development Department undertaken in accordance with council's Policy and Procedure Management Framework adopted by Council on 16 July 2019.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the policies detailed in Table 1, be repealed.
- B. That the amended policies detailed in Table 2, be adopted.
- C. That the new policies detailed in Table 3, be adopted.

TABLE 1 – Policies to be repealed

Name of Policy	Adopted at Council	Attachment Number
Home Assist Operations Policy	17 August 2010	1
Home Assist Complaints, Disputes and Review of Decision Policy	24 May 2010	2
Home Assist Consumer Contributions Policy	24 May 2016	3
Home Assist Referral Policy	24 May 2010	4
Home Assist Lawn Maintenance Repayment Policy	18 November 2008	5
Home Assist Minor Home Maintenance Client Repayment Policy	2 July 2003	6
Home Assist Privacy and Confidentiality Policy	24 May 2010	7
Home Assist Refusal of Service Policy	17 May 2011	8
Home Assist Residential Tenancy, Rooming Accommodation and Boarding Policy	20 September 2011	9
Home Assist Secure Allocations Policy	24 May 2016	10
Cultural Policy for Ipswich Policy	21 February 2007	11
Community Facilities Policy	1 July 1988	12
W.G. Hayden Humanities Centre Operations Policy	24 May 2010	13
Community Centre Operating Model Policy	27 February 2018	14
Sport and Recreation Facility Use Management Policy	25 February 2014	15

TABLE 2 – Amended Policies

Name of Policy	Adopted at Council	Attachment Number
Customer Service Policy - Current	26 May 2015	16
Customer Service Policy - Proposed		17
Library Services Policy - Current	27 February 2018	18
Library Services Policy - Proposed		19
Ipswich Art Gallery Exhibitions Policy - Current	27 January 2005	20
Ipswich Art Gallery Exhibitions Policy - Proposed		21
City of Ipswich Collection Policy - Current	21 March 2014	22
Ipswich Art Gallery Collection Policy - Proposed		23
Volunteer Management Policy - Current	23 October 2015	24
Volunteer Management Policy - Proposed		25

TABLE 3 – New Policies

Name of Policy	Attachment Number
Arts and Cultural Policy	26
Communities Facilities and Operating Model Policy	27

4. 2020 JANUARY TO MARCH COUNCIL AND COMMITTEE MEETING CALENDAR

This is a report concerning the meeting dates for council and committee meetings for January to March 2020.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the 2020 Council and Committee Meeting Calendar dates, as detailed in Attachment 1, be adopted.
- B. That the Chief Executive Officer be authorised to amend the 2020 Council and Committee Meeting dates if required.
- C. That in accordance with section 277(1) of the *Local Government Regulation 2012*, the Committee Manager co-ordinate the submission of a public notice to appear in the local newspaper in December 2019 advising of the days and times of when Council's Ordinary Meetings and Ordinary Meetings of its Standing Committees for January to March 2020 will be held.

5. MONTHLY PERFORMANCE REPORT - SEPTEMBER 2019

This is a report concerning Council performance for the period ending 30 September 2019, submitted in accordance with section 204 of the *Local Government Regulation 2012*.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

6. QUEENSLAND AUDIT OFFICE FINAL MANAGEMENT REPORT 2018-2019

This is a report concerning the Queensland Audit Office findings and recommendations from the 2018-2019 audit of Ipswich City Council.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the 2018-2019 final management report for Ipswich City Council, as detailed in Attachment 1 of the report by the Principal Financial Accountant dated 4 November 2019, be considered by the Governance Committee and referred to the Audit and Risk Management Committee and Chief Executive Officer for follow up and implementation of the recommendations.

The Interim Administrator commented that he is pleased with the report of the Queensland Audit Office regarding closure of the council owned companies.

7. QUOTE OR TENDER CONSIDERATION PLAN: COHGA SPATIAL SOFTWARE

This is a report concerning a Quote or Tender Consideration Plan to identify providers that have been classified as a sole or unique service provider to Council.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That this matter be deferred for consideration at the next meeting.

8. ANNUAL LAND VALUATIONS - EFFECTIVE 30 JUNE 2020

This is a report concerning advice from the Valuer-General regarding annual valuations effective 30 June 2020 for the Ipswich local government area.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

The Interim Administrator stated that he will write to the Valuer-General and challenge the decision not to undertake an annual land valuation for the Ipswich Local Government area for 2020 and request a copy of the market survey and consultation with council and local industry groups. He stated that Ipswich has some rapidly growing areas and that he thought that Ipswich would have been one of the councils that was included in the annual valuation.

The confidential papers associated with this matter are confidential due to the personal details of interactions with the property owners involved.

9. SALE OF LAND FOR OVERDUE RATES AND CHARGES GC 121119

This is a report by the Treasury Accounting Manager dated 23 October 2019 concerning properties that are eligible for Sale of Land for overdue rates and charges under Chapter 4 –Rates and Charges, Part 12 – Overdue Rates and Charges, Section 140 of the *Local Government Regulation 2012*.

As part of the ongoing property rates arrears recovery activities, properties have been identified as being eligible for sale of land for overdue rates and charges. The total overdue rates and charges associated with these properties is currently \$81,165.

All attempts to resolve this matter for these properties has been unsuccessful to date.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That it is satisfied that:
- i) There are overdue rates or charges on the properties at:
 - a. 11 Belleglade Avenue, BUNDAMBA QLD 4304; and
 - b. 142 Equestrian Drive, YAMANTO QLD 4305; and
 - c. 8 McLeod Street, BASIN POCKET QLD 4305; and
 - d. 2/45 Blaxland Crescent, REDBANK PLAINS QLD 4301; and
 - e. 18 Whitehill Road, NEWTOWN QLD 4305; and
 - f. 12 Marcel Street, EAST IPSWICH QLD 4305; and
 - g. 38 Toongarra Road, LEICHHARDT QLD 4305; and
 - h. 156 Old Ipswich Road, RIVERVIEW QLD 4303; and
 - i. 19 Highbury Drive, REDBANK PLAINS QLD 4301; and
 - j. 39-41 Duncan Street, CHUWAR QLD 4306; and
 - ii) The liability to pay rates or charges is not subject of court proceedings; and
 - iii) Some or all of the overdue rates or charges have been overdue for at least 3 years.
- B. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 11 Belleglade Avenue, BUNDAMBA QLD 4304 (more properly described as Lot 102 on Registered Plan 98668) in accordance with the *Local Government Regulation 2012*, as some or all of the overdue rates or charges have been overdue for at least 3 years.

- C. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 142 Equestrian Drive, YAMANTO QLD 4305 (more properly described, as Lot 178 Registered Plan 852417) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- D. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 8 McLeod Street, BASIN POCKET QLD 4305 (more properly described, as Lot 29 Registered Plan 126794) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- E. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 2/45 Blaxland Crescent, REDBANK PLAINS QLD 4301 (more properly described, as Lot 2 Survey Plan 198183) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- F. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 18 Whitehill Road, NEWTOWN QLD 4305 (more properly described, as Lot 18 Registered Plan 24208) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- G. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 12 Marcel Street, EAST IPSWICH QLD 4305 (more properly described, as Lot 14 Registered Plan 80179 to depth 30.48m) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- H. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 38 Toongarra Road, LEICHHARDT QLD 4305 (more properly described, as Lot 2 Registered Plan 85285) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- I. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 156 Old Ipswich Road, RIVERVIEW QLD 4303 (more properly described, as Lot 2 Registered Plan 813070) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
- J. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at, 19 Highbury Drive, REDBANK PLAINS QLD 4301 (more properly described, as Lot 33 Registered Plan 198885) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.

- K. That pursuant to section 140(2) of the *Local Government Regulation 2012*, to sell the property at 39-41 Duncan Street, CHUWAR (more properly described, as Lot 85 Registered Plan 133612) in accordance with the *Local Government Regulation 2012* as some or all of the overdue rates or charges have been overdue for at least 3 years.
-

The confidential papers associated with Item 10 are confidential as they include commercial-in-confidence details regarding the telecommunications company.

10. CONTRACT FOR TELECOMMUNICATION SERVICES

This is a report by the Interim Information and Communications Technology Manager concerning the contractual arrangement for Telecommunications Services for Ipswich City Council (Council).

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That this matter be reconsidered at the Council Ordinary Meeting scheduled for Tuesday, 19 November 2019 together with a further report identifying other options available via Local Buy as well as the options available if council went to an open tender process.

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 10.38 am.

The meeting closed at 11.07 am.

Doc ID No: A5883974

ITEM: 15.1
SUBJECT: QUEENSLAND AUDIT OFFICE FINAL MANAGMENT REPORTS 2018-2019
AUTHOR: PRINCIPAL FINANCIAL ACCOUNTANT
DATE: 5 NOVEMBER 2019

EXECUTIVE SUMMARY

This is a report concerning the Queensland Audit Office findings and recommendations from the 2018-2019 audit of Ipswich City Council, Ipswich City Properties Pty Ltd, Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd and Ipswich City Developments Pty Ltd.

RECOMMENDATION/S

That the Interim Administrator of Ipswich City Council resolve:

- A. That the 2018-2019 final management report for Ipswich City Council as detailed in Attachment 1 of the report by the Principal Financial Accountant dated 5 November 2019 be received and noted.**
- B. That the 2018-2019 final management report for Ipswich City Properties Pty Ltd as detailed in Attachment 2 of the report by the Principal Financial Accountant dated 5 November 2019 be received and noted.**
- C. That the 2018-2019 final management report for Ipswich City Enterprises Pty Ltd and Ipswich City Enterprises Investments Pty Ltd as detailed in Attachment 3 of the report by the Principal Financial Accountant dated 5 November 2019 be received and noted.**
- D. That the 2018-2019 final management report for Ipswich City Developments Pty Ltd as detailed in Attachment 4 of the report by the Principal Financial Accountant dated 5 November 2019 be received and noted.**

RELATED PARTIES

There are no related parties.

ADVANCE IPSWICH THEME

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

The Queensland Audit Office (QAO) has completed its audit of Ipswich City Council, Ipswich City Properties Pty Ltd, Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd and Ipswich City Developments Pty Ltd for the 2018-2019 financial year. The Auditor-General has now written to the Interim Administrator providing a copy of the final management reports comprising a summary of issues formally reported to management relating to internal controls and financial reporting matters for attention.

Section 213 of the *Local Government Regulation 2012* provides as follows:

- (1) This section applies if the auditor-general gives the mayor of a local government a copy of the auditor-general's observation report about an audit of the local government's financial statements.
- (2) An auditor-general's observation report, about an audit of a local government's financial statements, is a report about the audit prepared under section 54 of the *Auditor-General Act 2009* that includes observations and suggestions made by the auditor-general about anything arising out of the audit.
- (3) The mayor must present a copy of the report at the next ordinary meeting of the local government.

LEGAL/POLICY BASIS

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

Local Government Act 2009

Local Government Regulation 2012

Australian Accounting Standards

RISK MANAGEMENT IMPLICATIONS

The QAO has raised internal control and reporting issues that require action and implementation by management to ensure effective controls, processes and procedures and continued improved governance, to minimise the risk of misstatement in the financial statements, non-compliance with policies and procedures or inappropriate use of public resources.

FINANCIAL/RESOURCE IMPLICATIONS

There are no budget implications as a result of this report.

COMMUNITY AND OTHER CONSULTATION

Community consultation has not been undertaken in relation to this report. QAO's final management reports will be of interest to the community as the reports detail observations and suggestions made by the auditor-general about anything arising out of the audit.





The summary of issues detailed in the final management report were also detailed in QAO's Closing Report presented to the Audit and Risk Management Committee on the 9 October 2019 and the Governance Committee on the 12 November 2019 for their consideration and further recommendations as to follow-up action.

CONCLUSION

Following the annual audit of Ipswich City Council, Ipswich City Properties Pty Ltd, Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd and Ipswich City Developments Pty Ltd's financial statements by the Queensland Audit Office the attached final management reports are to be received and noted.

The final management reports includes observations and suggestions made by the auditor-general about anything arising out of the audit.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Ipswich City Council - Final Management Report- 2018-2019 ↓ 
2.	Ipswich City Properties Pty Ltd - Final Management Report - 2018-2019 ↓ 
3.	Ipswich City Enterprises Pty Ltd and Ipswich City Enterprises Investments Pty Ltd - Final Management Report - 2018-2019 ↓ 
4.	Ipswich City Developments Pty Ltd - Final Management Report - 2018-2019 ↓ 

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"



Your ref:
Our ref: 2019-4167
Patrick Flemming 3149 6041

30 October 2019

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

Dear Mr Chemello

Final Management Report for Ipswich City Council

We have completed our 2019 financial audit for Ipswich City Council (ICC). I have issued an unmodified audit opinion on your financial statements.

The purpose of this letter is to provide the council with details on audit matters and other important information related to the audited financial statements.

Reporting on issues

Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included as Appendix A to this letter. A status update on previously reported issues is included as Appendix B. Our rating definitions for internal control deficiencies is shown in Appendix C.

This letter is required under section 213 of the Local Government Regulation to be presented at the next ordinary meeting of the council.

Report to parliament

Each year we report the results of all financial audits and significant issues to parliament.

This year we intend to include the results of our audit of Ipswich City Council in a report to parliament. In this report, we will comment on the results of our audit of your financial report, financial position, performance and sustainability matters, and any significant internal control issues we identified. This report is prepared in accordance with the *Auditor-General Act 2009*.

Audit fee

The final audit fee for this year is \$323,500 exclusive of GST (2018: \$475,500). As communicated to the Audit and Risk Committee on 19 June, this fee includes an increase of \$25,000 to the original audit fee estimate stated in our external audit plan. This increase reflects the additional substantive procedures required over the payroll system due to the weaknesses identified in payroll internal controls.

We would like to thank you and your staff for their engagement in the audit.

Queensland Audit Office
Level 13, 53 Albert Street, Brisbane Qld 4000
PO Box 15396, City East Qld 4002

Phone 07 3149 6000
Email qao@qao.qld.gov.au
Web www.qao.qld.gov.au
 Queensland Audit Office (QAO)

Item 15.1 / Attachment 1.

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 3149 6041 or Lisa Fraser, Engagement Manager on 3149 6132.

Yours sincerely



Patrick Flemming
Sector Director

cc: Mr D Farmer, Chief Executive Officer, Ipswich City Council
Mr G Stratford, Chair of the Audit and Risk Committee

Appendix A

New issues identified since our interim management letter dated 28 June 2019

This table provides you with a summary of issues that we have formally reported to management.

Internal control issues - Significant Deficiencies

Ref	Issue	Our recommendation	Status
19CR-1	<p>Guarantees provided by ICC – approval and monitoring of financial arrangement <i>(Information and Communication)</i></p> <p>Type 1 and Type 2 financial arrangements entered into by Ipswich City Council (ICC) require prior approval by the Treasurer under section 60A of the Statutory Bodies Financial Arrangements Act 1982 (SBFA). A type 1 financial arrangement includes "entering into anguarantee.....to meet liabilities or obligations" (paragraph (e) in the schedule dictionary).</p> <p>From 2018, Cherish the Environment Foundation Limited (CTEF) is a controlled entity of ICC. Organisations with environmental offset obligations can engage CTEF to undertake environmental offset projects on their behalf to meet those obligations. CTEF entered into contractual arrangements with three external organisations for which ICC was required to act as guarantor. These agreements totalled \$4,098,845 and ICC as guarantor would be required to discharge these obligations in the event that CTEF is unable to.</p> <p>ICC has not obtained the Treasurer's approval to enter into this Type 1 financial arrangement. Council has not formally monitored the discharge of the CTEF obligations for the purpose of minimising the risk that it would be required to meet CTEF's obligations.</p> <p>The risks to ICC is that:</p> <ul style="list-style-type: none"> • ICC has breached the requirements of the SBFA 1982 by not obtaining the Treasurer's approval to enter into the Type 1 financial arrangement; and • ICC is not aware of its current exposure concerning the guarantees provided. 	<p>We understand that retrospective Treasurer's approval cannot be obtained for these financial arrangements however, the Treasurer should be notified of these arrangements. It is also recommended that council:</p> <ul style="list-style-type: none"> • assess its current exposure in terms of these, and any other, guarantees it has provided. • establish and monitor a Register of Guarantees provided by ICC. 	<p>Management Comment: Council agrees with the observation and recommendations and notes that the guarantees were signed by the former CEO in 2015.</p> <p>Responsible Officer: Treasury Accounting Manager</p> <p>Status: Work in Progress</p> <p>Due date: 31 December 2019</p>

Internal control issues - Deficiencies

Ref	Issue	Our recommendation	Status
19CR-2	<p>Exceptions identified during contributed assets testing (Control activities)</p> <p>During testing over developer contributions of physical assets, audit identified the following exceptions:</p> <ul style="list-style-type: none"> Two grouping of additions (valued at \$2.2m and \$1.1m) were incorrectly processed twice, materially overstating revenue and property plant and equipment. Three individual assets have been recorded at incorrect values due to typographical errors <ul style="list-style-type: none"> Asset 1 - Recorded at \$170,070.00 as opposed to \$174,070.00 Asset 2 - Recorded at \$344,115.60 as opposed to \$34,115.60 Asset 3 - Recorded at \$304,694.60 as opposed to \$323,594.60 One individual asset (valued at \$84,150) was recorded in the Financial Apportionment Form (FAF) as a contributed asset but not recorded as an addition. One grouping of additions (valued at \$1,362,040) were capitalised based on the FAF which could not be produced/provided. One FAF was not signed by the Developer engaged engineer. This was accepted by council as the FAF was provided as part of a submission package which was authorised. <p>With ineffective controls around the entering and processing of the contributed assets, the fixed asset register may not be accurate and complete. This could lead to misstatement in revenue, depreciation and property plant and equipment.</p>	<p>It is recommended that Council:</p> <ul style="list-style-type: none"> Implement a more stringent review process over the entering and processing of contributed assets. Ensure all supporting documentation is provided and appropriately authorised. 	<p>Management Comment:</p> <p>Council acknowledges the duplication and errors. Council will enforce accuracy of data entry and has improved the donated asset reconciliation and tracking process in relation to notifications received from Planning and Regulatory Services Department for assets "on and off" maintenance and capitalisation of the assets to avoid duplication.</p> <p>Finance contacted Planning and Regulatory Services Department in July 2019 about the completeness of notifications being emailed to Asset Accounting. Finance now returns incomplete documentation to PD compliance officers for rectification and resubmission.</p> <p>Responsible Officer: Business Accounting Manager</p> <p>Status: Work in Progress</p> <p>Due date: 31 October 2019</p>

Item 15.1 / Attachment 1.

Ref	Issue	Our recommendation	Status
19CR-3	<p>Valuation of Contributed Assets (Control activities)</p> <p>Developers are required to engage a register professional engineer to certify and oversee all stages of delivery of the development. The engaged engineer is responsible for completing the council Financial Apportionment Form (FAF). The FAF includes the quantity and assessed value of all physical assets which are being contributed by the developers to council. Council does not perform a detailed review or reasonableness check over the unit rates and valuations provided by the developer engaged engineer. Council use these values as the fair value of the contributed assets at the time of donation (acquisition).</p> <p>By relying on the engaged engineer for the value there is a risk that the contributed assets are not accurately recorded at fair value. This could lead to a material misstatement of revenue and property plant and equipment.</p>	<p>It is recommended that Council apply their own unit rates against the physical assets contributed by developers to determine a fair value at time of acquisition for recognising revenue (in settlement of infrastructure charges) and recording in the fixed asset register.</p>	<p>Management Comment: Council acknowledges QAO's recommendation. Council's planning, asset management and finance teams will review and consider QAO's recommendation to fully understand the recommended process and the implications.</p> <p>Responsible Officer: Manager, Engineering, Health and Environment Status: Not Started Due date: 31 March 2020</p>
19CR-4A	<p>Accuracy, completeness and understandability of PPE reconciliation (Control activities)</p> <p>The reconciliation between the fixed asset register (FAR) and the general ledger (GL) is confusing. All adjustments / reconciling items to the GL are collated with the FAR balances and subsequently are lost amongst the detail. It was noted that for two of the asset classes the balances did not equal the sum of the line items. Audit has consistently encountered issues with the PPE reconciliation, with similar difficulties noted during prior year testing.</p> <p>There is an increased risk that errors in the PPE reconciliation may not be detected in a timely manner.</p>	<p>It is recommended the template utilised for the FAR to GL reconciliation is adjusted to clearly identify the balance:</p> <ul style="list-style-type: none"> • per the general ledger • per the fixed asset register • of individual reconciling items. <p>It is recommended that the support (e.g. journal entries and supporting narratives) for each of the reconciling items are also attached to the reconciliation.</p>	<p>Management Comment: Council will review the PPE reconciliation and implement changes to clearly identify the balance for the general ledger, fixed asset register and individual reconciling items. Supporting documentation like journals will also be attached to the reconciliation.</p> <p>Responsible Officer: Business Accounting Manager Status: Work in Progress Due date: 31 October 2019</p>

Item 15.1 / Attachment 1.

Ref	Issue	Our recommendation	Status
19CR-4B	<p>Improvements required to the stocktake process for plant and equipment (Control activities)</p> <p>During review of the stocktake results over plant and equipment it was noted that:</p> <ul style="list-style-type: none"> there were 70 items that had been marked as not found (net book value \$216,000) but as at 30 June 2019 these assets were still recorded in the fixed asset register. Audit was advised that these items will be followed up during the next stocktake. The stocktake memorandum (or other documentation) did not identify the number of assets that were unable to be located or specific details in relation to the individual assets or their value. <p>In the absence of sufficient controls and procedures over the stocktake process;</p> <ul style="list-style-type: none"> Plant and equipment and depreciation may be misstated misappropriation may not be identified the results of the stocktake being reported to management is not clear to allow the above to be assessed. 	<p>It is recommended that improvements to the stocktake process are implemented including:</p> <ul style="list-style-type: none"> thorough follow up processes for assets that are not located. If the assets are still not located, corrective action undertaken in the current financial year (e.g. write off/disposal) a summary of the stocktake results be provided to the General Manager, Corporate Services including details of assets not found and the total impact of the write off/disposal an assessment of whether missing assets have been misappropriated and consideration given to appropriate reporting requirements. 	<p>Management Comment:</p> <p>Council agrees with the need to follow up items "not found" on a more timely basis.</p> <p>Council will implement changes in the stocktakes process as Finance will escalate outstanding items of assets that are not located to department management for corrective action. If stocktake items are still outstanding by end of financial year, Finance will recognise those outstanding stocktake items as either impaired or written off.</p> <p>The report to the General Manager, Corporate Services will also be updated.</p> <p>Responsible Officer: Business Accounting Manager</p> <p>Status: Not Started</p> <p>Due date: 31 December 2019</p>

Ref	Issue	Our recommendation	Status
19CR-5	<p>Exceptions identified in SAP Payroll Payments (Control activities)</p> <p>When performing payroll testing for the six month period post the implementation of SAP on 13 November 2018, audit identified the following exceptions. For each pay period:</p> <ul style="list-style-type: none"> 16 employees have been underpaid as a result of incorrect salary tables held within SAP. Total underpayments are approx. \$225. Five employees have been underpaid due to an error when migrating their payscale into SAP from Oracle. This included the CIVIC1 and CIVIC2 payscales which were not in-line with EBA scales. Total underpayments are approx. \$1,715. Absence of superannuation data within the SAP system led to council not contributing superannuation to an employee for the duration of their employment (20 November 2018 to 10 January 2019) totalling \$953. <p>One employee's substantive annual salary has not been updated to reflect EBA changes from Oct 2018. This has not led to an underpayment as the employee is currently performing higher duties where their rate has been confirmed as accurate.</p> <p>Due to a system error, one employee received a duplicate termination payment of \$105,000. It is acknowledged that council are aware of this discrepancy and this duplicate payment has since been refunded to council.</p> <p>There is an increased risk of employee benefits not being calculated correctly resulting in under/over payments.</p>	<p>It is recommended that robust processes be implemented when verifying data migration during system implementations. In our interim report, we raised an issue regarding the absence of system generated reports within SAP. Some of the discrepancies noted above may have been identified if exception reporting was implemented.</p>	<p>Management Comment: Management agrees to implement exception reporting or other measures to identify discrepancies. All exceptions noted by QAO have been corrected. As part of implementing any reporting or additional measures, management will confirm with QAO whether the exceptions in relation to salary tables were as a result of the implementation / transition to the new system or on-going payroll operations. This will determine if the response will be learnings and changes in relation to systems upgrades or changes required to regular payroll control measures and reporting.</p> <p>Responsible Officer: Manager ICT & Manager People and Culture Status: Work in Progress Due date: 31 December 2019</p>
19CR-6	<p>Reconciliation between SAP HR and Oracle (Control activities)</p> <p>We raised a significant deficiency in our interim report in relation to the absence of system generated payroll reports. During our final visit we identified that there is no reporting function available to facilitate the reconciliation of SAP HR data to the Oracle general ledger.</p> <p>As such, there is currently no reconciliation completed between SAP HR data and Oracle.</p> <p>If reconciliations are not performed, there is an increased risk of undetected inaccurate and incomplete payroll postings to the general ledger.</p>	<p>Timely performance of payroll reconciliations is a key control to ensure payroll payments are complete and accurate. We recommend that council introduce reporting functionalities that allow the performance of payroll reconciliations on a monthly basis.</p>	<p>Management Comment: Agreed, reconciliations are an important control and have only stopped as a result of the reporting from SAP not being available, as outlined in the observation. ICT has implemented Spinifex to enhance reporting and is currently working on reports to enable the reconciliation to be undertaken.</p> <p>Responsible Officer: Manager ICT Status: Work in Progress Due date: 30 November 2019</p>

Other matters

Ref	Matter	Our recommendation	Status
19CR-7	<p>Restructure of Ipswich Arts bodies</p> <p>The processes and entity structures used by council to manage art acquisitions and donations is unnecessarily complex.</p> <p>Ipswich Arts Foundation (Foundation) and Ipswich Arts Foundation Trust (Trust) are controlled entities of the council. The Foundation, an unincorporated association, performs administrative and managerial services for the Trust but is not the trustee of the Trust. The Trust has two community members as trustees (previously the former Mayor and three community members). The Foundation has its own directors (four different community members) and executive members (currently only the art gallery director, who is an employee of council, but a former councillor and former mayor were also executive members until February 2019). The Ipswich Art Gallery, its staff and the artworks it displays are part of council.</p> <p>Annually, the Foundation processes agency transactions on behalf of the Trust, including receiving community donations of approximately \$25,000 and operating funds from council of \$12,000. In respect of the council funds, the Trust then pays \$1,000 per month back to the Foundation for administrative and managerial services.</p> <p>Cash donations are raised by the Foundation and given to the Trust to acquire artworks. The Trust, which also receives its own donations of cash and artworks, purchases art and transfers this to the council for inclusion in the council collection.</p> <p>On 8 November 2017, the Arts and Social Development Committee recommended to council to proceed with winding up the Foundation and to endorse the creation of a new company to act as sole trustee of the Trust. The Trust will continue to operate with a new company IA Foundation Limited as sole trustee.</p> <p>IA Foundation Limited was registered with ASIC on 12 February 2018, with eight directors which includes the former Mayor and a former councillor. As far as we are aware all these directors are still current.</p> <p>We understand that it was council's intention to transfer the assets and liabilities of the Foundation to the Trust and that IA Foundation Limited would act as the dormant trustee of the Trust. However, to date, this transition has not progressed.</p> <p>During the current and previous financial year, we have raised a number of governance issues with both the Foundation and the Trust. These issues are likely to be resolved when the new structure takes effect, the constitution is finalised, policies and procedures are established, and clear roles and responsibilities of the new entity and the Trust are defined.</p>	<p>We recommend that council, as the parent of each of these entities:</p> <ul style="list-style-type: none"> establishes a clear pathway with a defined timeframe to transition to the new structure and wind up the Foundation assists with finalising the constitution and governance arrangements provides guidance to help develop policies and procedures and establish clear roles and responsibilities for these entities, in line with council's expectations for controlled entities. 	<p>Management Comment:</p> <p>Council agrees to consider providing support to Ipswich Arts Foundation and Trust</p> <p>Responsible Officer: Director Art Gallery and Manager Finance</p> <p>Status: Not Started</p> <p>Due date: 30 June 2020</p>

Item 15.1 / Attachment 1.

Ref	Matter	Our recommendation	Status									
19CR-8	<p>IMP bank accounts still open</p> <p>Ipswich Motorsport Park Pty Ltd (IMP), a former controlled entity of council was deregistered on 3 September 2018 following a council resolution on 23 April 2018 to wind-up the company. IMP operated the following two bank accounts which continue to remain open:</p> <table><tr><th>IMP Account</th><th>\$ balance as at 30 June 2018</th><th>\$ balance as at 23 September 2019</th></tr><tr><td>Transaction Account</td><td>100</td><td>133.54</td></tr><tr><td>Debit Card Account</td><td>0</td><td>0.14</td></tr></table> <p>As per section 601AD of the Corporations Act 2001 and the ASIC website, once a company is deregistered it ceases to exist as a legal entity and can no longer do anything in its own right, and the former officeholders no longer have the right to deal with property registered in the company's name.</p> <p>For deregistered company bank accounts, the ASIC website states that 'it is inappropriate for a bank account to remain open in the name of a deregistered company. Any funds in a deregistered company's bank account will ordinarily vest in ASIC. If an account registered in the name of a deregistered company is identified it should be immediately frozen'.</p> <p>On 6 November 2018, council emailed the relevant bank advising the circumstances and seeking advice in terms of actions to be taken. At present, these two bank accounts in the name of Ipswich Motorsport Park Pty Ltd remain open and council staff can still access these accounts. We note however that the only transactions for the financial year are interest.</p>	IMP Account	\$ balance as at 30 June 2018	\$ balance as at 23 September 2019	Transaction Account	100	133.54	Debit Card Account	0	0.14	<p>It is recommended that Council continue to liaise with the relevant bank to determine the required actions to be taken and advise ASIC of the circumstances.</p>	<p>Management Comment:</p> <p>Council agrees with the recommendation and has again recently followed up with the bank to have the accounts frozen and funds transferred to ASIC, and also provided a copy of the ASIC Information Bulletin.</p> <p>Per the ASIC information Bulletin, Banks are required to immediately freeze an account when they are aware that it has been deregistered, close it and transfer the funds to ASIC. The bank was emailed on 6 November 2018 saying that IMP had been deregistered. The Directors and company no longer exist after deregistration so have no ability to sign or action any closure.</p> <p>When lodging for deregistration, having reduced the balance sheet down to \$100 cash and paid up capital, we were aware that the \$100 would vest to ASIC on deregistration.</p> <p>Responsible Officer: Treasury Accounting Manager</p> <p>Status: Work in Progress</p> <p>Due date: 30 November 2019</p>
IMP Account	\$ balance as at 30 June 2018	\$ balance as at 23 September 2019										
Transaction Account	100	133.54										
Debit Card Account	0	0.14										

Financial reporting issues

Ref	Issue	Our recommendation	Status
19CR-9	<p>Inadequate year-end accrual process <i>(Low Risk)</i></p> <p>We have identified through a sample of subsequent payments that in six of 11 instances no accrual was raised for services performed in financial year 2019. This has resulted in an understatement of the payables balance by \$1.662m (with \$680k relating to expenditure and \$982k relating to work in progress).</p> <p>Where the accruals process is not sufficiently robust there is an increased risk that material transactions may not be recognised in the correct accounting period.</p>	<p>We recommend that management review its current accruals process to ensure it is accurately capturing all accruals.</p>	<p>Management Comment: Management will review current accrual and receipting processes to ensure material accruals are captured.</p> <p>Approximately \$1m of the above understatement of payables tested was in relation to two (2) invoices. One related to the CBD construction and Council accepts was not captured through normal processes. The second was in relation to ICT managed services which is consumption based and the branch decided not to accrue the cost as there were 12 months invoices already captured in the financial year.</p> <p>Responsible Officer: Manager Finance Status: Work in Progress Due date: 31 October 2019</p>

Ref	Issue	Our recommendation	Status
19CR-10	<p>Insufficient evidence supporting a formal impairment assessment (re-raised) <i>(Low Risk)</i></p> <p>As per accounting standard AASB 136 <i>Impairment of assets</i>, assets must be assessed for indications of impairment annually. Council request asset custodians to assess impairment of assets as part of the annual stocktake. This assessment is not documented in the stocktake results spreadsheet or signed off as part of the stocktake completion form.</p> <p>Email confirmations are also obtained from financial officers in Infrastructure and Environment, Community, Cultural and Economic Development and Planning and Regulatory Services Department. These emails are high level and would benefit from including specific examples of possible impairment relevant to those classes of assets.</p> <p>There is an increased risk that:</p> <ul style="list-style-type: none"> the net book value of assets on the asset register may be inaccurate, resulting in an overstatement of property, plant and equipment incorrect net book values of assets may result in incorrect future investment decisions by management. 	<p>It is recommended that:</p> <ul style="list-style-type: none"> stocktake count sheets include an additional column for impairment assessment for individual assets stocktake completion forms provide an overall confirmation that impairment has been considered and results are documented in the results spreadsheet emails to departmental finance officers include a checklist which includes specific examples for each asset class for possible indicators of impairment. 	<p>Management Comment:</p> <p>Council will review its process and include checklists as part of identifying impaired assets. Council, as part of the stocktake process, does state impairment needs to be considered when performing a stocktake over assets, but will now include an impairment column in the stocktake count sheets for the custodian to indicate impairment or not for individual assets.</p> <p>Council in assessing impaired assets at end of financial year did email each department requesting the department to assess their assets for impairment, and included in the email was reference to the requirements in AASB 116 Property, Plant and Equipment. Finance then met with the asset management staff from the Infrastructure and Environment Department to clarify what was considered impairment of assets and provided examples from the Non-Current Asset Policies for the Queensland Public Sector, Queensland Treasury and Trade.</p> <p>Council's end of financial year email for assessing impairment will now include a checklist which includes specific examples for each asset class for possible indicators of impairment. In addition to this Council will continue to meet with departments to clarify any question about impairment of assets.</p> <p>Responsible Officer: Business Accounting Manager</p> <p>Status: Work in Progress</p> <p>Due date: 31 March 2020</p>

Appendix B

Previously reported internal control deficiencies

Significant Deficiencies

Ref	Issue	Status
18IR-4	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 Implementation date – 31 December 2019
18FR-4	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
19IR-1	Insufficient segregation of duties between the HR and payroll functions <i>(Control activities)</i> Payroll staff are currently responsible for maintaining employee masterfiles, processing and uploading weekly payruns and processing EBA adjustments.	Work in progress Implementation date – 30 November 2019
19IR-2	Absence of system generated payroll reports <i>(Control activities)</i> The reporting functionality within SAP was not established as part of system implementation. Reports requested for audit testing purposes could not be produced.	Work in progress Implementation date – 30 November 2019
19IR-3	Insufficient segregation of duties in maintaining the SAP system <i>(Control activities)</i> Twenty-six user accounts have privileged access within the SAP system, resulting in access to all functions.	Work in progress Implementation date – SAP support personnel segregation of duties - 30 November 2019 System access monitoring controls – 30 November 2019
19IR-4	Critical security settings are not enabled in SAP system <i>(Control activities)</i> Critical security settings are absent in SAP, which are required to protect the system against overwriting and to prevent accidental loss of data.	Work in progress Amended implementation date – 30 November 2019

Ref	Issue	Status
19IR-5	Processes and oversight in managing SAP system <i>(Control activities)</i> Council have not defined or formalised processes for managing the SAP system, including, user access management, change management and security oversight.	Work in progress Amended implementation date – 30 November 2019
19IR-6	Privileged user activities not monitored for Pathway and Oracle eBusiness systems <i>(Monitoring)</i> Council does not monitor the activities of users with high privileges or system administration access.	Work in progress Implementation date – 30 November 2019
18FR-2	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 Amended implementation date – 31 December 2019
18FR-1	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 Planning Act 2016, Ipswich Planning Scheme and the Adopted Infrastructure Charges Resolution.	Resolved
18FR-3	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.	Resolved
18FR-5	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.	Resolved

Deficiencies

Ref	Issue	Status
19IR-9	Lack of effective controls when changing employee bank account (Control activities) Insufficient procedures and controls in place to verify the authenticity of employee bank account changes received through email.	Work in progress Amended implementation date – 30 November 2019
18FR-11	Non-compliance with Councillor Expenses Reimbursement and Administrative Support Procedures (Control activities) QANTAS club memberships have been provided to councillors. The memberships are not included as an allowable expense per procedures.	Work in progress Being considered as part of Transformational Project Implementation date – 31 December 2019
19IR-10	Managing access to Pathway and SAP systems (Control activities) Requests for access to the systems are generic and not privilege specific.	Work in progress Amended implementation date – SAP - 30 November 2019 Pathway - 31 December 2019
18FR-6	Payments made to a community organisation (Control environment) Council is providing financial support to a community organisation for the funding of their annual budget deficit.	Work in progress Implementation date – 31 March 2020
18IR-11	Internal audit plan requires updating (Monitoring) The internal audit plan should be driven by risk and link to the strategic and operational plan of council. Council needs a robust risk management plan in place and is currently implementing an Enterprise Risk Management framework	Work in progress Implementation date – 30 June 2020
19IR-8	Independent verification of vendor bank details not documented (Control activities) There was no supporting documentation to indicate the details of the independent confirmation of the vendor's bank details for twelve instances.	Resolved pending audit verification
19IR-7	Incorrect coding of expenses – corporate credit cards (Control activities) Corporate credit card expenditure totalling \$14 450 had been incorrectly capitalised.	Resolved pending audit verification
18FR-9	Untimely processing of disposals when renewing an asset (Control activities) Delays identified in the decommissioning process of assets associated with a renewal.	Resolved pending audit verification

Ref	Issue	Status
18FR-12	Assessment over current legal claims <i>(Monitoring)</i> No formal review was initially completed and documented over all current legal claims to assess whether any disclosure was required in the financial statements.	Resolved
18FR-10	Insufficient action taken for long outstanding WIP projects <i>(Monitoring)</i> A large number of projects which had not occurred expenditure for substantial amount of time remain in work-in-progress.	Resolved
19IR-11	Security configuration for the information technology network <i>(Control activities)</i> Inconsistencies identified between council's ICT password management directive and the security setting of the network. The passwords for twenty network user accounts do not expire.	Resolved
18FR-7	Completeness and existence exceptions in relation to artwork <i>(Control activities)</i> A sample of artwork assets transferred from IAFT or sighted on council premises were not included in the fixed asset register. The portable and attractive register does not include artworks.	Resolved

Other Matters

Reference	Issue	Status
18IR-15	Current contract management reporting may not readily assist in analysing and reporting over procurement Collation of documentation and reports is labour intensive. There is also no defined quality review process.	Work in progress Being considered as part of Transformational Project Implementation date – 31 December 2019
18IR-16	Procurement planning and risk treatment could be improved To further strengthen the procurement process a council-wide strategic procurement approach is recommended, with an alignment of council resources.	Work in progress Being considered as part of Transformational Project Implementation date – 31 December 2019
18FR-13	Valuation of Artwork Fluctuations in artwork valuation to be thorough investigated following comprehensive valuation in 2018-19.	Resolved

Financial reporting issues

Reference	Issue	Status
18FR-14	No formal impairment assessment undertaken by Council (Low risk) There is no evidence that considerations of impairment has occurred as part of the annual stocktake.	Re-raised Refer to financial reporting issue 19CR-11

Appendix C

Our rating definitions for internal control deficiencies

We assess internal control deficiencies on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	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.</p> <p>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. 	This requires immediate management action to resolve.
Deficiency	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.	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter	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.	Our recommendation may be implemented at management's discretion.

Our risk rating definitions for financial reporting issues

We assess financial reporting issues on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	Prioritisation of remedial action
High	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.	This requires immediate management action to resolve.
Medium	We assess that there is a medium likelihood of this causing a material misstatement in one or more components of the financial statements	We expect management action will be taken in a timely manner to resolve deficiencies.
Low	We assess that there is a low likelihood of this causing a material misstatement in one or more components of the financial statements.	Our recommendation may be implemented at management's discretion.



Your ref:
Our ref: 2019-4186
Lisa Fraser - 3149 6132

6 November 2019

Mr G Chemello
Director
Ipswich City Properties Pty Ltd
PO Box 191
IPSWICH QLD 4305

Dear Mr Chemello

Final Management Report for Ipswich City Properties Pty Ltd (ICP)

We have completed our 2019 financial audit for Ipswich City Properties Pty Ltd (ICP). I issued an unmodified audit opinion, with an emphasis of matter, on your financial statements, highlighting the impending wind up of the company.

The purpose of this letter is to provide you with details on audit matters and other important information related to the audited financial statements.

Reporting on issues

We have not raised any new internal control deficiencies or other matters in the current financial year. Issues raised in previous financial years are considered to be resolved given ICPs transition into Ipswich City Council and its pending closure. For information purposes, details of prior year issues are included as Appendix A. Our rating definitions for internal control deficiencies is shown in Appendix B.

Report to parliament

Each year we report the results of all financial audits and significant issues to parliament.

Consistent with previous years, we intend to include the results of our audit of ICP in a report to parliament. In this report, we will comment on the results of our audit of your financial report, financial position, performance and any significant internal control issues we identified. This report is prepared in accordance with the *Auditor-General Act 2009*.

Audit fee

The final audit fees for this year is \$35,000 exclusive of GST (2018: \$55,000) which is in line with our external audit plan.

We would like to thank you and your staff for their engagement in the audit.

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 3149 6041 or Lisa Fraser on 3149 6132.

Yours sincerely

Patrick Flemming
Sector Director

Appendix A

Previously reported internal control deficiencies

Deficiencies

Reference	Issue	Status
18CR-5	No overall budget for ICP	Resolved – through transfer of operations to council.
18CR-4	Compliance with expenditure policy in relation to obtaining quotes	Resolved – through transfer of operations to council and adoption of ICCs policies and procedures.
18CR-3	Annual reporting of loan to Department of Local Government, Racing and Multicultural Affairs	Resolved – through extinguishment of loan.

Other Matters

Reference	Issue	Status
18CR-6	KMP declarations not completed	Resolved
18CR-7	Potential loan cap breach	Resolved – through extinguishment of loan.

Appendix B

Our rating definitions for internal control deficiencies

We assess internal control deficiencies on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	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.</p> <p>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. 	This requires immediate management action to resolve.
Deficiency	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.	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter	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.	Our recommendation may be implemented at management's discretion.



Your ref:
Our ref: 2019-4249, 2019-4192
Lisa Fraser - 3149 6132

7 November 2019

Mr G Chemello
Director
Ipswich City Enterprises Pty Ltd
Ipswich City Enterprises Investments Pty Ltd
PO Box 191
IPSWICH QLD 4305

Dear Mr Chemello

Final Management Report for Ipswich City Enterprises Pty Ltd and Ipswich City Enterprises Investments Pty Ltd

We have completed our 2019 financial audits for Ipswich Enterprises Pty Ltd (ICE) and Ipswich City Enterprises Investments Pty Ltd (ICEI). I issued unmodified audit opinions on the financial statements for both ICE and ICEI, each with an emphasis of matter highlighting the impending wind up of these companies.

The purpose of this letter is to provide you with details on audit matters and other important information related to the audited financial statements.

Reporting on issues

We have not raised any new internal control deficiencies or other matters in the current financial year for both ICE and ICEI. Issues raised in previous financial years are considered to be resolved given the planned wind-up of both ICE and ICEI. For information purposes, details of prior year issues are included as Appendix A. Our rating definitions for internal control deficiencies is shown in Appendix B.

Report to parliament

Each year we report the results of all financial audits and significant issues to parliament.

Consistent with previous years, we intend to include the results of our audits of ICE and ICEI in a report to parliament. This report is prepared in accordance with the *Auditor-General Act 2009*.

Audit fee

The final audit fees for this year are \$3 500 for ICE and \$2 500 for ICEI (both exclusive of GST) which is in line with our original estimate (2018: ICE \$10 000 and ICEI \$7 500).

We would like to thank you and your staff for their engagement in the audit.

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 3149 6041 or Lisa Fraser on 3149 6132.

Yours sincerely

Patrick Flemming
Sector Director

Queensland Audit Office
Level 13, 53 Albert Street, Brisbane Qld 4000
PO Box 15396, City East Qld 4002

Phone 07 3149 6000
Email qao@qao.qld.gov.au
Web www.qao.qld.gov.au
 Queensland Audit Office (QAO)

Appendix A

Previously reported internal control deficiencies

Ipswich City Enterprises Pty Ltd

Deficiencies

Reference	Issue	Status
Re-raised in FY18-FML 1	Bank reconciliations not reviewed	Resolved

Other Matters

Reference	Issue	Status
FY18-FML 2	KMP declarations not completed	Resolved

Appendix A (continued)

Previously reported internal control deficiencies

Ipswich City Enterprises Investments Pty Ltd

Deficiencies

Reference	Issue	Status
Re-raised in FY18-FML 1	Bank reconciliations not reviewed	Resolved

Other Matters

Reference	Issue	Status
FY18-FML 2	KMP declarations not completed	Resolved

Appendix B

Our rating definitions for internal control deficiencies

We assess internal control deficiencies on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	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.</p> <p>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. 	This requires immediate management action to resolve.
Deficiency	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.	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter	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.	Our recommendation may be implemented at management's discretion.



Your ref:
Our ref: 2019-4232
Lisa Fraser - 3149 6132

7 November 2019

Mr G Chemello
Director
Ipswich City Developments Pty Ltd
PO Box 191
IPSWICH QLD 4305

Dear Mr Chemello

Final Management Report for Ipswich City Developments Pty Ltd (ICD)

We have completed our 2019 financial audit for Ipswich City Developments Pty Ltd (ICD). We have audited the trial balance and reviewed the financial statements but have not issued an audit opinion on your financial statements as ICD was deregistered on 20 June 2019.

The purpose of this letter is to provide you with details on audit matters and other important information related to the 2019 financial audit.

Reporting on issues

We have not raised any new internal control deficiencies or other matters in the current financial year. Issues raised in previous financial years are considered to be resolved given ICD's is now deregistered. For information purposes, details of prior year issues are included as Appendix A. Our rating definitions for internal control deficiencies is shown in Appendix B.

Report to parliament

Each year we report the results of all financial audits and significant issues to parliament.

Consistent with previous years, we intend to include the results of our audit of ICD in a report to parliament. This report is prepared in accordance with the *Auditor-General Act 2009*.

Audit fee

The final audit fee for this year is \$3,500, exclusive of GST, which is in line with the original estimate in our external audit plan (2018: \$14,500).

We would like to thank you and your staff for their engagement in the audit.

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 3149 6041 or Lisa Fraser on 3149 6132.

Yours sincerely

Patrick Flemming
Sector Director

Appendix A

Previously reported internal control deficiencies

Significant Deficiencies

Reference	Issue	Status
FY17-FML	Sale of Redbank Plains – Retail and Residential – not offered to market	Resolved

Deficiencies

Reference	Issue	Status
Re-raised in FY18-FML	Bank reconciliations not reviewed	Resolved
FY17-FML	Debit card expenditure not independently approved	Resolved

Other Matters

Reference	Issue	Status
FY18-FML	KMP declarations not completed	Resolved

Financial reporting issues

Reference	Issue	Status
FY17-FML	Administration Costs (Accrual – methodology)	Resolved

Appendix B

Our rating definitions for internal control deficiencies

We assess internal control deficiencies on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	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.</p> <p>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. 	This requires immediate management action to resolve.
Deficiency	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.	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter	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.	Our recommendation may be implemented at management's discretion.

Our risk rating definitions for financial reporting issues

We assess financial reporting issues on their potential to cause a material misstatement in the financial statements as follows:

Assessed category	Definition/Criteria	Prioritisation of remedial action
High	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.	This requires immediate management action to resolve.
Medium	We assess that there is a medium likelihood of this causing a material misstatement in one or more components of the financial statements	We expect management action will be taken in a timely manner to resolve deficiencies.
Low	We assess that there is a low likelihood of this causing a material misstatement in one or more components of the financial statements.	Our recommendation may be implemented at management's discretion.

Doc ID No: A5900448

ITEM: 15.2
SUBJECT: CONTRACT FOR TELECOMMUNICATION SERVICES
AUTHOR: BUSINESS SUPPORT MANAGER
DATE: 14 NOVEMBER 2019

EXECUTIVE SUMMARY

This is a report by the Interim Information and Communications Technology Manager concerning the contractual arrangement for Telecommunications Services for Ipswich City Council (Council) which was presented at the Governance Committee Meeting on Tuesday 12 November, 2019.

At this meeting, a recommendation was made that this matter be further considered at the Council Ordinary Meeting scheduled for Tuesday, 19 November 2019, together with an additional report identifying background in due diligence, and any additional relevant information to support the recommendation. This report includes other options considered, including an open tender process (see Attachment 1).

The recommendation below does not restrict Council to Telstra as a sole supplier for Telecommunication Services.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That Council (Interim Administrator of Ipswich City Council), in accordance with section 234 of the *Local Government Regulation 2012* (exception for LGA arrangement), approve for the provision of Telecommunication Services with Telstra Corporate Limited via Local Buy Contract NPN 1.18.**
- B. That Council (Interim Administrator of Ipswich City Council) enter into a contract for the provision of Telecommunication Services via Local Buy contract NPN 1.18 with Telstra Corporate Limited for a period 3 years.**
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contract 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

There were no declaration of conflicts of interest.

ADVANCE IPSWICH THEME

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

In September 2017, Council entered into a three (3) year contractual Business Services Arrangement (BSA) with Telstra Corporation Pty Ltd (Telstra) for Telecommunications Services, utilising Local Buy Contract BUS238-0813.

Following contract refresh activities conducted by Local Buy in 2019, a new Telecommunication Services contract has been established under contract number NPN1.18, with an updated BSA agreement applicable to this new contract.

Council's current annual spend in the Telecommunications Services category is approximately \$1.8 - \$2 million/year covering the following services:

- Fixed and Mobile Voice Services
- Data Services
- Mobile Radio Services
- Internet Hosting Services
- Telephony Products, and
- Associated Professional Services

Benefits of a New Agreement

There are a number of advantages to Council entering into the revised BSA with Telstra, under the new Local Buy agreement NPN1.18, including a projected cost reduction across Opex and Capex by ~ \$150,000/year. These include:

- Actual realised savings across the Mobile and Mobile data fleet (currently approx. 1000 services Council wide) – 10-15%
- Increased data allowance for mobile phone and data plans, supporting an increasing mobile workforce, without incurring excess data charges.
- Access to the Bluewater billing system included in the SIM cost per month. Currently Council uses the TIF allowance for this subscription. Bluewater platform is an expense management and reporting tool for mobile devices, providing reporting and transparency for Council resources. This is ~ \$60k/year benefit to ICC (Capex – as is an infrastructure fund).
- Increased data allowances across all data services, including NBN, with no associated increased cost.
- Increased data allowance for Telstra Internet Direct (TID) services with no increased cost.

- Additional Intra account call cost reductions, reducing call costs to and from Council services ie. – desk phone to mobile
- Allows Council to leverage additional innovative ICT technologies that are not available under the current contract.
- Enables Council to access updated Telstra pricing, which will be applicable for the whole 3 years of this agreement, without the need to renew again within a shortened timeframes.

Ongoing benefits also include:

- Strengthening the mutually beneficial partnership with Telstra which has enabled Council to progressively reduce its Telecommunication costs, while increasing Service volume and value to Council and Community.
- Telstra continue to waive a number of monthly charges relating to 1300 diversion costs and GWIP fees for mobile technologies, saving ICC \$8000/month.
- Continued best service coverage for mobile phones in the remoter areas of the municipality,
- Towers tested under disaster conditions with coverage considered to be adequate.
- Minimise business disruption, including business critical functions such as internet and GWIP services, and
- Leverage best in class industry leading technology.
- Wavering of all cancellation fees of upgrading from old pricing to new pricing.
- Ensures Ipswich City Council is more closely aligned with the timing of the latest prices offerings by Telstra. Updated BSA will become available July 2022. ICC agreement will be due to expire November 2022.
- NPN 1.18 has additional benefits not offered in previous contracts, that all updated pricing is to flow through within the contract term, and not wait for the new BSA to be signed to achieve savings.

Additional information was requested at the Governance Committee Meeting on Tuesday, 12 November to support the recommendation. This has been provided in the attached memorandum (Attachment 1 - additional background information for Telecommunication Services NPN 1.18). There is some information in the memorandum that is in this report that has been included again for context and background.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

A risk analysis has been undertaken in relation to this report, with potential risks assessed identified as medium, due to the requirement for these services. Risk is associated with the cost of the engagement, not the products, or requirement.

The risk of not approving the recommendation is financial only, and not a level of service or service availability. This financial risk will increase if there is a requirement to run dual services in multiple sites, as we begin to transition to the new Library/s, while still maintaining the current site/s.

The risk to Council will be potentially high if there is a requirement to transition all services to a new provider from a service continuity and financial perspective.

FINANCIAL/RESOURCE IMPLICATIONS

There are no financial implications. The operational costs associated with this agreement is an existing item within the ICT operational budget.

There is a projected savings of ~ \$150,000/year by entering into the updated agreement. This is a mixture of Opex and Capex savings.

Resource implications will be the ICT Business Support Manager who will oversee to ensure the correct pricing is applied and backdated to the Contract execution date.



COMMUNITY AND OTHER CONSULTATION

The contents of this report did not require any community consultation.

CONCLUSION

Council will achieve greater value for money by entering into the new 36 month BSA, leveraging new market offerings by Telstra utilising Local Buy Contract NPN1.18. Although the current BSA does not expire until August 2020, Council will not incur any penalties and the additional service benefits can be realised immediately.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Additional background and information requested at Governance Committee of 12 November  
	CONFIDENTIAL
2.	Confirmation of No Early Termination Payments by Telstra
3.	General Conditions of Contract for the Supply of Telecommunications Services LGA Arrangement NPN1.18 - letter for signing by the approved Delegated Authority
4.	Mobile phone fleet account analysis with projected savings for the Mobile component of the offering
5.	Whole Of Business Agreement between Local Buy and Telstra. Outlines the service offerings, prices and terms and conditions
6.	Correspondence with Legal outlining the requirements and recommendations

Fiona Byrnes
BUSINESS SUPPORT MANAGER

I concur with the recommendations contained in this report.

Tony Welsh

**INTERIM INFORMATION AND COMMUNICATIONS MANAGEMENT AND 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

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

14/11/2019

MEMORANDUM

TO: CHIEF EXECUTIVE OFFICER

FROM: INTERIM INFORMATION AND COMMUNICATIONS TECHNOLOGY MANAGER

RE: CONTRACT FOR TELECOMMUNICATIONS SERVICES

INTRODUCTION

This memorandum is to provide additional background and information to support the request to enter into the Contract for the Supply of Telecommunication services LGA Arrangement NPN 1.18 and to provide a level of confidence around the due diligence that has been performed to date.

BACKGROUND

In 2013, the now ICT Business Support Manager highlighted an opportunity to save money for Ipswich City Council on the telecommunication service offering, which was with Telstra, via Local Buy BUS238-0813. Being responsible for the budget preparation, a question was raised by the officer on the increasing costs, so an opportunity was given to review the detail and the contract. Through this process, a rationalisation was done on services across the organisation, which saw the expenditure for telecommunication services reduce by up to \$1million over 3 years. The 19/20 budget for Telecommunication expenses is only just back to what it was in 2013/14 prior to the rationalisations, with the increase due to additional services, BCP services, and Free Wifi at Orion Lagoon, Nth Ipswich and Robelle Domain.

Through this process, a detailed understanding of the service offerings, potential limitations, service level agreements and other key critical business factors, impacting business efficiencies were highlighted and understood more broadly by the business. A consultation with other Local Governments in QLD by the ICT Business Support Manager, provided an opportunity to collectively provide feedback to Local Buy on business requirements and expectations for future tender considerations or inclusions.

One of the savings realised by ICC through this process, was a review of a call forward charge that was costing up to \$8,000 / month (depending how many calls come into the Call Centre), due to how the call routing is done from the in dial numbers to the 1300 numbers. A provision has now been added to the new contract NPN 1.18 to include this fee waiver for all of QLD Local Govt that have a Telstra Call centre product, if they are using Telstra as their fixed line supplier, saving money for Local Government across QLD.

One of the other key factors that had been highlighted as an issue, was the need by Local Buy and Telstra to sign the Business Services Agreement (BSA), which would lock that pricing

in for a whole 3 year term at that rate, based on that agreement. Depending on where the agreement was up to in the 3 years cycle, current pricing was not always applicable.

In consultation with Local Buy, and raising concerns around technology changes, and potential price efficiencies that should be available over a 3 year term, this has been addressed in contract NPN 1.18. This contract was tendered in 2019, and awarded in June 2019, with both Telstra and Optus being successfully added to this arrangement.

The terms and conditions of the updated contract, include *any reduced pricing variations under the BSA as agreed between Local Buy and Telstra*. Optus have not provided the same level of detail to support these terms and conditions, however, they have also provided their worst case pricing matrix under this contract. Optus remain less flexible in their offering, particularly around mobile services. Prices are comparable, without the same level of SLA

BENEFITS OF A NEW AGREEMENT

There are a number of advantages to Council entering into the revised BSA with Telstra, under the new Local Buy agreement NPN1.18, including a projected cost reduction across Opex and Capex by ~ \$150,000/year. These include:

- Actual realised savings across the Mobile and Mobile data fleet (currently approx. 1000 services Council wide) – 10-15%
- Increased data allowance for mobile phone and data plans, supporting an increasing mobile workforce, without incurring excess data charges.
- Access to the Bluewater billing system included in the SIM cost per month. Currently Council uses the TIF allowance for this subscription. Bluewater platform is an expense management and reporting tool for mobile devices, providing reporting and transparency for Council resources. This is ~ \$60k/year benefit to ICC (Capex – as is an infrastructure fund).
- Increased data allowances across all data services, including NBN, with no associated increased cost.
- Increased data allowance for Telstra Internet Direct (TID) services with no increased cost.
- Additional Intra account call cost reductions, reducing call costs to and from Council services ie. – desk phone to mobile
- Allows Council to leverage additional innovative ICT technologies that are not available under the current contract.
- Enables Council to access updated Telstra pricing, which will be applicable for the whole 3 years of this agreement, without the need to renew again within a shortened timeframes.

Ongoing benefits also include:

- Strengthening the mutually beneficial partnership with Telstra which has enabled Council to progressively reduce its Telecommunication costs, while increasing Service volume and value to Council and Community.
- Continued best service coverage for mobile phones in the remoter areas of the municipality,
- Towers tested under disaster conditions with coverage considered to be adequate.
- Minimise business disruption, including business critical functions such as internet and GWIP services, and
- Leverage best in class industry leading technology.
- Wavering of all cancellation fees of upgrading from old pricing to new pricing.
- Ensures Ipswich City Council is more closely aligned with the timing of the latest prices offerings by Telstra. Updated BSA will become available July 2022. ICC agreement will be due to expire November 2022.
- ***NPN 1.18 has additional benefits not offered in previous contracts, that all updated pricing is to flow through within the contract term, and not wait for the new BSA to be signed to achieve savings.***
- ***Does not restrict Council to a sole supplier arrangement.***

OTHER OPTIONS CONSIDERED

- Continue with the current agreement and approach the market via an Open Tender Process. Disadvantages of this option would be :-
 - Reduced coverage in a regional area with other providers, including those that utilise Telstra infrastructure due to priority being given to Telstra customers;
 - Anticipated additional significant cost and investment for ICC to undertake a tender process and a potential transition process;
 - Potential additional management overhead if multiple vendors are selected across the different services;
 - Negating the benefits of the already negotiated LGAQ agreement, including price reductions applied where relevant over the term of the agreement;
 - Significant risk increase to ICC and potential cost increase and resource impacts, including potential cancellation fees on some existing Telstra services where applicable
- Stay on current agreement until September 2020. This will remove the immediate benefit realisation of transitioning to the current contract NPN 1.18.

CONCLUSION

Council will achieve greater value for money by entering into the Whole of Business Agreement with Telstra via Local Buy NPN 1.18 for the Supply of Telecommunication Services. Council will not incur any cancellation penalties and the additional service benefits can be realised immediately.

The Whole of Business agreement allows access to all of Telstra's service offerings, not just Telecommunications, with an Enterprise level of support and Business grade SLA's to support business critical functions and key service delivery.

Entering into this agreement Telstra, will not disqualify Optus from providing services for BCP requirements, if that is the preferred option, based on the requirement. ICC currently have BCP services with TPG, to remove single points of failure in business critical areas.

Due diligence to ensure value for money, service offerings and support, vendor management and delivery has been conducted.

Tony Welsh

**INTERIM INFORMATION AND COMMUNICATIONS MANAGEMENT AND SUPPORT
MANAGER**

I concur with the recommendation contained in this report.

Andrew Knight

CHIEF OPERATING OFFICER – CORPORATE SERVICES

Doc ID No: A5897680

ITEM: 15.3

SUBJECT: REPORT - AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05) OF 6 NOVEMBER 2019

AUTHOR: COMMITTEE MANAGER

DATE: 13 NOVEMBER 2019

EXECUTIVE SUMMARY

This is a report concerning the report of the Audit and Risk Management Committee No. 2019(05) held on 6 November 2019 for adoption by Council.

At the meeting on 6 November 2019, it was decided that those items that the Audit and Risk Management Committee are recommending for adoption be referred to the Council Ordinary Meeting for formal adoption. An outline of those recommendations and reports is listed below.

- **Item 4 of the Audit and Risk Management Committee Report – Planned Agenda for the Audit and Risk Management Committee for 2020.**

Recommendation: That the 2020 planned agenda for the Audit and Risk Management Committee be adopted.

- **Item 5 of the Audit and Risk Management Committee Report – Asset Valuation – Land, Buildings and Infrastructure Assets**

Recommendation: That Council endorse the request for quotation process for the engagement of a qualified valuer for five (5) years to perform asset revaluation services as outlined in the report by the Principal Financial Accountant dated 30 October 2019.

- **Item 6 of the Audit and Risk Management Committee Report – Audit and Risk Management Committee Charter**

Recommendation: That the Audit and Risk Management Committee Charter as detailed in Attachment 2 be adopted.

- **Item 9 of the Audit and Risk Management Committee Report – Internal Audit Charter Review**

Recommendation: That the proposed Internal Audit Charter as detailed in Attachment 2 be adopted

RECOMMENDATION/S










- A. That the report of the Audit and Risk Management Committee No. 2019(05) of 6 November 2019, be received and the recommendations contained therein, be adopted.
- B. That the 2020 planned agenda for the Audit and Risk Management Committee be adopted.
- C. That Council endorse the request for quotation process for the engagement of a qualified valuer for five (5) years to perform asset revaluation services as outlined in the report by the Principal Financial Accountant dated 30 October 2019.
- D. That the Audit and Risk Management Committee Charter as detailed in Attachment 2 (Attachment 1.6.2 below) of the Officer's Report, be adopted.
- E. That the proposed Internal Audit Charter as detailed in Attachment 2 (Attachment 1.9.2 below) of the Officer's Report, be adopted.

ADVANCE IPSWICH THEME LINKAGE

Listening, leading and financial management

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Report of Audit and Risk Management Committee of 6 November 2019 
1.1	Confirmation of previous Audit and Risk Committee Minutes of 9 October 2019 (<i>under separate cover</i>) 
1.2	ICT Strategy Update (<i>under separate cover</i>) 
1.2.1	Attachment 1 - ICT Strategy Update (<i>under separate cover</i>) 
1.2.2	Attachment 2 - ICT Strategy Highlights (<i>under separate cover</i>) 
1.3	Update on QAO Recommendations for Planning and Regulatory Services (<i>under separate cover</i>) 
1.4	Planned Agenda for the Audit and Risk Management Committee for 2020 (<i>under separate cover</i>) 
1.4.1	Attachment 1 Draft Planned dates for Audit and Risk Management Committee for 2020 (<i>under separate cover</i>) 
1.5	Asset Valuation - Land Buildings and Infrastructure Assets (<i>under separate cover</i>) 
1.5.1	Attachment 1 2020 Project Specification (<i>under separate cover</i>) 
1.6	Audit and Risk Management Committee Charter (<i>under separate cover</i>) 
1.6.1	Attachment 1 Current Audit and Risk Management Committee Charter (<i>under separate cover</i>) 
1.6.2	Attachment 2 Proposed Audit and Risk Management Committee Charter - tracked changes (<i>under separate cover</i>) 
1.7	Insurance and Risk Update (<i>under separate cover</i>) 
1.8	Corporate Governance Section Performance in Legislative Compliance (<i>under separate cover</i>) 
1.9	Internal Audit Charter Review (<i>under separate cover</i>) 

1.9.1	Attachment 1 - Current Internal Audit Charter (<i>under separate cover</i>) 
1.9.2	Attachment 2 - Proposed Internal Audit Charter (<i>under separate cover</i>) 
1.10	Internal Audit Branch Activities 16 August to 29 October 2019 (<i>under separate cover</i>) 
1.10.1	Internal Audit Register (<i>under separate cover</i>) 
1.11	Summary of Recent Internal Audit Reports Issued (<i>under separate cover</i>) 
1.12	Overdue Recommendations as at 16 August 2019 (<i>under separate cover</i>) 
1.13	Queensland Audit Office Final Management Letter to Ipswich City Council (<i>under separate cover</i>) 
1.14	Queensland Audit Office Briefing Paper for Ipswich City Council (<i>under separate cover</i>) 
1.15	Business Transformation Program Update (<i>under separate cover</i>) 
	CONFIDENTIAL
1.7.1	Attachment 1 to 1.7 - Insurance Claims 1 July to 30 September 2019 (<i>under separate cover</i>)
1.7.2	Attachment 2 to 1.7 - LGM Insurance Claims Over \$15,000 (<i>under separate cover</i>)
1.8.1	Attachment 1 to 1.8 - Complaints for the quarter (<i>under separate cover</i>)
1.10.2	Attachment 2 to 1.10 - Internal Audit Activity Report (<i>under separate cover</i>)
1.10.3	Attachment 3 to 1.10 - Internal Audit Recommendations Implemented (<i>under separate cover</i>)
1.10.4	Attachment 4 to 1.10 - External Audit Recommendations Implemented (<i>under separate cover</i>)
1.11.1	Attachment 1 to 1.11 - Executive Summary of Recent Reports Issued (<i>under separate cover</i>)
1.11.2	Attachment 2 to 1.11 - Audit Report No. A1819-11 (<i>under separate cover</i>)
1.11.3	Attachment 3 to 1.11 - Audit Report No. A1819-12 (<i>under separate cover</i>)
1.12.1	Attachment 1 to 1.12 - Recommendation Statistics and Overdue Summary (<i>under separate cover</i>)
1.12.2	Attachment 2 to 1.12 - Internal Audit Recommendations overdue more than 3 months (<i>under separate cover</i>)
1.12.3	Attachment 3 to 1.12 - External Audit Recommendations overdue more than 3 months (<i>under separate cover</i>)
1.13.1	Attachment 1 to 1.13 - Final Management Letter (<i>under separate cover</i>)
1.14.1	Attachment 1 to 1.14.1 - Briefing Paper from Queensland Audit Office (<i>under separate cover</i>)
1.15.1	Attachment 1 to 1.15 - Audit and Risk Report BTP (<i>under separate cover</i>)
1.15.2	Attachment 2 to 1.15 - TP5 Project Close Report (<i>under separate cover</i>)
1.15.3	Attachment 3 to 1.15 - TP12 Project Close Report (<i>under separate cover</i>)
1.15.4	Attachment 4 to 1.15 - TP14 Project Close Report (<i>under separate cover</i>)
1.15.5	Attachment 5 to 1.15 - TP17 Project Close Report (<i>under separate cover</i>)
1.15.6	Attachment 6 to 1.15 - TP18 Project Close Report (<i>under separate cover</i>)
1.15.7	Attachment 7 to 1.15 - Project Closure - Actions Register (<i>under separate cover</i>)
1.15.8	Attachment 8 to 1.15 - TP5 - Business Planning Framework (<i>under separate cover</i>)
1.15.9	Attachment 9 to 1.15 - TP14 - Final Report to IA (<i>under separate cover</i>)
1.15.10	Attachment 10 to 1.15 - TP17 ICT Strategy Report (<i>under separate cover</i>)
1.15.11	Attachment 11 to 1.15 - TP17 ICT Strategy Roadmap for Delivery (<i>under separate</i>

	<i>cover)</i>
1.15.12	Attachment 12 to 1.15 - TP18 Advocacy Policy (<i>under separate cover</i>)
1.15.13	Attachment 13 to 1.15 - TP18 Advocacy Strategy (<i>under separate cover</i>)
1.15.14	Attachment 14 to 1.15 - TP18 Priority Scoring Assessment (<i>under separate cover</i>)

Vicki Lukritz

COMMITTEE 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”

6 NOVEMBER 2019

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)

6 NOVEMBER 2019

REPORT

<u>MEMBERS' ATTENDANCE:</u>	Graeme Stratford (Chairperson and External Members), Dr Annette Quayle (External Member), Greg Chemello (Interim Administrator), Robert Jones (Interim Management Committee) and Stan Gallo (Interim Management Committee)
<u>MEMBER'S APOLOGIES:</u>	Andrew Knight (General Manager – Corporate Services)
<u>OTHER ATTENDANCE:</u>	David Farmer (Chief Executive Officer), Jeff Keech (Manager, Finance), Freddy Beck (Chief Audit Executive), Lisa Fraser (Queensland Audit Office), Patrick Fleming (Queensland Audit Office), Tony Welsh (Interim ICT Management Support), Brett Davey (General Manager – Planning and Regulatory Services), Angela Harms (Governance Manager), Graham McGinniskin (Risk Management Coordinator)

1. **REPORT - AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(04) OF 9 OCTOBER 2019**

This is the report of the Audit and Risk Management Committee No. 2019(04) of 9 October 2019.

RECOMMENDATION

That the report be received and the contents noted.

2. **ICT STRATEGY UPDATE**

This is a report providing an update on implementation progress against the ICT Strategy approved by the Executive Leadership Team (ELT) on 8 August 2019. This update has been requested for the November Audit and Risk Management Committee (ARMC) meeting.

RECOMMENDATION

That the schedule, progress and reported matters in the attached ICT Strategy Implementation Status Update, be noted.

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DISCUSSION

Rob Jones queried whether this strategy will be incorporated into a transformational project moving forward. The Interim ICT Manager stated that there has been some discussion around business improvement however at this stage this has not been progressed.

Rob Jones stated that an update should be provided at each meeting of the Audit and Risk Management Committee to give members an understanding of how the strategy is progressing.

3. UPDATE ON QUEENSLAND AUDIT OFFICE RECOMMENDATIONS (PLANNING AND REGULATORY SERVICES DEPARTMENT)

This is a progress report outlining the Planning and Regulatory Services Department's actions in complying with the Queensland Audit Office (QAO) recommendations outlined in the QAO 2018 Closing Report (adopted by Council on 4 December 2018).

RECOMMENDATION

That the report be received and the contents noted.

4. PLANNED AGENDA FOR THE AUDIT AND RISK MANAGEMENT COMMITTEE FOR 2020

This is a report concerning the proposed structured and planned agenda for the Audit and Risk Management Committee for the period 1 January 2020 to 31 December 2020. This document was reviewed at the Audit and Risk Management Committee Strategy Meeting held on 24 October 2019 and the suggested changes in Attachment 1 are shown in track changes.

RECOMMENDATION

That the 2020 planned agenda for the Audit and Risk Management Committee be adopted.

DISCUSSION

The Chief Executive Officer suggested that moving forward a standing agenda item be listed at the end of the Audit and Risk Management Committee report outlining those matters that the Audit and Risk Management Committee are recommending for adoption that are to be referred to the Council Ordinary Meeting for formal adoption.

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AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

5. ASSET VALUATION - LAND, BUILDINGS AND INFRASTRUCTURE ASSETS

This is a report by the Principal Financial Accountant dated the 30 October 2019 concerning the engagement of a qualified valuer to perform asset revaluation services of Council's land, building and infrastructure assets over the next five (5) years.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolves:

That Council endorse the request for quotation process for the engagement of a qualified valuer for five (5) years to perform asset revaluation services as outlined in the report by the Principal Financial Accountant dated 30 October 2019.

6. AUDIT AND RISK MANAGEMENT COMMITTEE CHARTER

This is a report concerning a review of the Audit and Risk Management Committee Charter. The Charter was reviewed and discussed at the Audit and Risk Management Committee Strategy Meeting held on 24 October 2019 with suggested changes outlined in track changes in Attachment 2.

RECOMMENDATION

That the Audit and Risk Management Committee Charter as detailed in Attachment 2 be adopted.

The confidential papers associated with Item 7 are confidential as they relate to the status of claims currently under investigation by Ipswich City Council.

7. INSURANCE AND RISK UPDATE

This is a report concerning Council's Insurance statistics for the period 1 July 2019 to 30 September 2019 and the implementation status of Transformational Project #7 Risk Management Framework (TP#7).

RECOMMENDATION

That the report be received and the contents noted.

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AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

The confidential papers associated with Item 8 are confidential as they relate to the status of complaints currently under investigation by Ipswich City Council.

8. CORPORATE GOVERNANCE SECTION'S PERFORMANCE IN RELATION TO LEGISLATIVE COMPLIANCE

This is a report concerning the performance of the Corporate Governance Section (the Section) in relation to managing Council's legislative compliance in the management of Complaints, Right to Information and Information Privacy functions for the period 1 July 2019 to 30 September 2019 (the Quarter).

RECOMMENDATION

That the report be received and the contents noted.

DISCUSSION

The Governance Manager raised a concern regarding the statistics related to infringements and the amount of infringements that are waived compared to the amount that are issued. The Governance Manager advised that this process would be reviewed.

9. INTERNAL AUDIT CHARTER REVIEW

This is a report concerning a proposed update of the Internal Audit Charter. The Charter was reviewed and discussed at the Risk Management Committee Strategy Meeting held on 24 October 2019.

RECOMMENDATION

That the proposed Internal Audit Charter as detailed in Attachment 2 be adopted.

The confidential papers associated with Item 10 are confidential as they relate to internal audits either being undertaken or those that have been completed.

10. INTERNAL AUDIT BRANCH ACTIVITIES REPORT FOR THE PERIOD 16 AUGUST 2019 TO 29 OCTOBER 2019

This is a report concerning the activities of Internal Audit undertaken since 16 August 2019 and the current status of these activities.

RECOMMENDATION

That the report be received, the contents noted and the recommendations in Attachments 3 and 4, be considered finalised and archived.

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AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

The confidential papers associated with Item 11 are confidential as they relate to the result of internal audit matters and proposed recommendations.

11. SUMMARY OF RECENT INTERNAL AUDIT REPORTS ISSUED

This is a report concerning recently completed internal audits and the subsequent reports released since the previous report dated 16 August 2019.

RECOMMENDATION

That the report be received and the contents noted.

The confidential papers associated with Item 12 are confidential as they relate to internal audit matter and proposed recommendations.

12. OVERDUE RECOMMENDATIONS AS AT 16 AUGUST 2019

This is a report concerning the status of each Department's progress in actioning the internal and external audit recommendations due or overdue for implementation.

RECOMMENDATION

That the report be received and considered.

The confidential papers associated with Item 13 are confidential as the matters outlined in the management letter relate to confidential outstanding matters at Ipswich City Council.

13. QUEENSLAND AUDIT OFFICE FINAL MANAGEMENT LETTER TO IPSWICH CITY COUNCIL

This is a report concerning submission of the final management letter to Ipswich City Council from the Queensland Audit Office.

RECOMMENDATION

That the report be received and the contents noted.

The confidential papers associated with Item 14 are confidential as the matters outlined in the report relate to outstanding matters for Ipswich City Council.

14. QUEENSLAND AUDIT OFFICE BRIEFING PAPER FOR IPSWICH CITY COUNCIL

This is a report concerning the submission of a briefing paper for October 2019 to the Audit and Risk Management Committee.

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AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

RECOMMENDATION

That the report be received and the contents noted.

The confidential matters associated with Item 15 are confidential as they relate to ongoing strategic project delivery and confidential resourcing matters.

15. BUSINESS TRANSFORMATION PROGRAM UPDATE

This is a report concerning the Business Transformation Program. This report has been drafted to highlight the following:

- Program health check;
- A summary of the issues/risks and proposed control process to ensure appropriate management of the Transformation Projects (TP) with significant risk;
- Summary of control process for the management of number 1 organisational risk;
- Identification of closed projects, submission of project close reports and key deliverables.

RECOMMENDATION

That the report be received and the contents noted.

DISCUSSION

The Business Improvement Manager outlined that as this is the first report of what will be a standing agenda item for the committee, that all information relating to the Transformational Projects had been included. He stated that if there were matters that the committee were concerned about that these could be reported in more detail.

Rob Jones suggested that as People and Culture and ICT are critical components and that it is appropriate from a risk perspective to have oversight on these projects, that they be included as regular updates.

16. AUDIT AND RISK MANAGEMENT COMMITTEE RECOMMENDATIONS TO COUNCIL

The following matters were recommended for adoption by the Audit and Risk Management Committee to be submitted to Council for formal adoption:

- **Item 4 – Planned Agenda for the Audit and Risk Management Committee for 2020.**

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AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05)]

Recommendation: That the 2020 planned agenda for the Audit and Risk Management Committee be adopted.

- **Item 5 – Asset Valuation – Land, Buildings and Infrastructure Assets**

Recommendation: That Council endorse the request for quotation process for the engagement of a qualified valuer for five (5) years to perform asset revaluation services as outlined in the report by the Principal Financial Accountant dated 30 October 2019.

- **Item 6 – Audit and Risk Management Committee Charter**

Recommendation: That the Audit and Risk Management Committee Charter as detailed in Attachment 2 be adopted.

- **Item 9 – Internal Audit Charter Review**

Recommendation: That the proposed Internal Audit Charter as detailed in Attachment 2 be adopted.

RECOMMENDATIONS FOR COUNCIL

- A. That the 2020 planned agenda for the Audit and Risk Management Committee be adopted.
- B. That Council endorse the request for quotation process for the engagement of a qualified valuer for five (5) years to perform asset revaluation services as outlined in the report by the Principal Financial Accountant dated 30 October 2019.
- C. That the Audit and Risk Management Committee Charter as detailed in Attachment 2 be adopted.
- D. That the proposed Internal Audit Charter as detailed in Attachment 2 be adopted.

17. NEXT MEETING

The next meeting is scheduled for Wednesday, 12 February 2020.

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 1.03 pm.

The meeting closed at 3.00 pm.
