

AGENDA

of the

GOVERNANCE AND TRANSPARENCY COMMITTEE

Held in the Council Chambers 8th floor – 1 Nicholas Street IPSWICH QLD 4305

On Thursday, 16 June 2022
At 10 minutes after the conclusion of the Growth, Infrastructure and Waste Committee

MEMBERS OF THE GOVERNANCE AND TRANSPARENCY COMMITTEE				
Deputy Mayor Jacob Madsen (Chairperson)	Mayor Teresa Harding			
Councillor Russell Milligan (Deputy Chairperson)	Councillor Marnie Doyle			
	Councillor Kate Kunzelmann			
	Councillor Nicole Jonic			

GOVERNANCE AND TRANSPARENCY COMMITTEE AGENDA

10 minutes after the conclusion of the Growth, Infrastructure and Waste Committee on **Thursday**, 16 June 2022 Council Chambers

Item No.	Item Title	Page No
	Welcome to Country or Acknowledgment of Country	
	Declarations of Interest	
	Business Outstanding	
	Confirmation of Minutes	
1	Confirmation of Minutes of the Governance and Transparency Committee No. 2022(04) of 5 May 2022	13
	Officers' Reports	
2	Annual Review of Delegations to Chief Executive Officer	19
3	Discontinuation of discounted dog registration classifications for Obedience Trained Dogs, Dogs Queensland Members and Farm Dogs	24
4	Procurement - Contract 16117 Human Resource Information System - HRIS - Deloitte Consulting	33
5	Procurement - Microsoft Enterprise Licensing 3 year Agreement	38
6	Procurement - Waste Services Commercial Management System	42
7	**Proposed Disposal of a Subterranean Easement located at Eastern Heights	47
8	**Disposal of Council Freehold Land - Access Restriction Strip located at Lots 67 and 68 Unnamed Road, Pine Mountain	51
9	**Repeal of Previous Council Decision for Renewal of Lease - Kiosk 1 Karalee Shopping Village, 39 Junction Road, Chuwar - CVS Lane Capital Partners Pty Ltd to Ipswich City Council	58
10	iVolve Project Quarterly Status Update	118
11	2020-2021 Annual Financial Statements for Controlled Entities	126
12	Revised Alcohol Consumption and Sale in Public Places Policy	178
	Notices of Motion	
	Matters Arising	

^{**} Item includes confidential papers

GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 5

16 JUNE 2022

AGENDA

WELCOME TO COUNTRY OR ACKNOWLEDGEMENT OF COUNTRY

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

BUSINESS OUTSTANDING

CONFIRMATION OF MINUTES

1. <u>CONFIRMATION OF MINUTES OF THE GOVERNANCE AND TRANSPARENCY</u> <u>COMMITTEE NO. 2022(04) OF 5 MAY 2022</u>

RECOMMENDATION

That the Minutes of the Meeting held on 5 May 2022 be confirmed.

OFFICERS' REPORTS

2. <u>ANNUAL REVIEW OF DELEGATIONS TO CHIEF EXECUTIVE OFFICER</u>

This is a report concerning the annual review of delegations to the Chief Executive Officer for 2022.

RECOMMENDATION

- A. That the delegation listed in Attachment 1 which has previously been delegated from Council to the Chief Executive Officer be repealed.
- B. That under s257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer (CEO), the power contained and detailed in Attachment 2 of the report dated 17 May 2022 by the Governance Project Officer.
- 3. <u>DISCONTINUATION OF DISCOUNTED DOG REGISTRATION CLASSIFICATIONS FOR</u>
 OBEDIENCE TRAINED DOGS, DOGS QUEENSLAND MEMBERS AND FARM DOGS

This report provides clarification about changes to the Fees & Charges that were adopted by Council in April 2022 as they relate to the discontinuation of discounted dog registration classifications for Obedience Trained Dogs, Dogs Queensland Members and Farm Dogs.

RECOMMENDATION

That the report be received and the contents noted.

4. <u>PROCUREMENT - CONTRACT 16117 HUMAN RESOURCE INFORMATION SYSTEM - HRIS - DELOITTE CONSULTING</u>

This a report seeking a resolution by Council to vary contract 16117 with existing supplier Deloitte Consulting Pty Ltd (Deloitte) to add five (5) further one (1) year extension options to continue the uninterrupted provision and servicing of critical Council internal systems whilst awaiting an iVolve outcome to be determined and actioned. The contract is for the provision of hosted managed services, support and related integrated licencing and subscriptions for Council's core operational Human Resources Information System (HRIS), including payroll, payroll timecard management, tax office payroll data reporting and employee push communications.

This matter is required as officers seek Council resolution that the exception under section 235(a) of the *Local Government Regulation 2012* applies to the uninterrupted continuation of the key HRIS system and associated components for the operational functionality and compliance required. The complex integration of the solution provided by the incumbent supplier means that there is only one supplier who is reasonably available to continue providing the system. Further, due to the identified iVolve dependency of the Human Resources Information System, it is more costly and disadvantageous to Council to tender for a different system until iVolve is able to deliver a final solution.

A resolution of Council is sought to vary the contractual arrangement with Deloitte for five (5) further one (1) year extension options. This will increase the total value of the contract to approximately eight million two hundred thousand dollars (\$8,200,000.00) excluding GST for the full 10-year term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(a) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies as it is satisfied that there is only one supplier who is reasonably available for the ongoing provision of the Deloitte HRIS system and associated components.
- B. That the contractual arrangement 16117 (formerly 10805) with Deloitte Consulting Pty Ltd (Supplier) for the Deloitte HRIS system and associated components be extended by five (5) further one (1) year options at an approximate value of \$4,000,000.00 + GST over the additional term (increasing the approximated contract value to \$8,200,000.00 + GST over the entire extended term of the contract).

- C. That Council enter into a Deed of Variation with the Supplier to appropriately amend the existing contractual arrangement.
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision.

5. PROCUREMENT - MICROSOFT ENTERPRISE LICENSING 3 YEAR AGREEMENT

This is a report concerning the financial approval for the renewal of the Microsoft Enterprise Licencing for a three (3) year period commencing 1 August 2022.

A request for quotation was released under the LGA arrangement BUS274 ICT Solutions and Services. After evaluation of responses it was determined supplier Data#3 Limited offered the most value for Council for the following three (3) year period commencing 1 August 2022.

The cost of the engagement for the provision of Microsoft Enterprise licencing for the 3-year period is estimated at \$1.48 million (ex GST) per annum or \$4.431 million (ex GST) for the contract term of three (3) years. The estimate is based upon current volumes and anticipated future resource requirements as quoted by Data#3 Limited in the RFQ response.

RECOMMENDATION

- A. That pursuant to Section 234 of the *Local Government Regulation 2012* (Regulation), Council utilise LGA Arrangement ICT Solutions and Services BUS274 by Local Buy Pty Ltd for the provision of Microsoft Enterprise Licencing (Council file reference number 18620), with Data#3 Limited (Supplier) who is a party to the LGA Arrangement.
- B. That under the LGA Arrangement with the Supplier, the approximate purchase price is \$4.431 Million excluding GST over the entire term, the end date of the initial term being 31st July 2025, with no current options for extension.
- C. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision.

6. PROCUREMENT - WASTE SERVICES COMMERCIAL MANAGEMENT SYSTEM

This a report seeking a resolution by Council to enter into a new agreement with Council's current vendor AMCS Australia Pty Ltd (AMCS) to transition from the old waste services commercial management system currently in use at Council

(RMSWin) that is being retired by the manufacturer to the current cloud-based technology offering of the product in order to continue the uninterrupted provision of a critical Council service, being commercial waste services scheduling and billing.

This matter is required as officers seek Council resolution that the exception under section 235(b) of the *Local Government Regulation 2012* applies to the uninterrupted provision the waste services commercial management system and other related ancillary items for the operationally necessary functionality required. The specialised and proprietary nature of the incumbent supplier's products means that there is only one supplier who is reasonably available to provide such a solution and transition Council's data from the old proprietary system into the new proprietary cloud-based system. It would therefore be costly and disadvantageous to Council to tender for other software products for such a specialised component of the current waste system technology stack.

A resolution of Council is sought to enter into a new contractual arrangement with AMCS for the implementation, migration to and provision of the new cloud based Wastedge system and other related ancillary items as required for an initial term of two (2) years with options for extension of an additional one (1) year term and a further nine (9) month term. This is an estimated total cost of approximately four hundred and sixty-two thousand dollars (\$462,000.00) excluding GST for the full term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised nature of the services that are sought and it would be impractical and disadvantageous to invite tenders for the provision of the proprietary Wastedge waste services commercial management system and related ancillary items.
- B. That Council enter into a contractual arrangement (Council file reference number 18941) with AMCS Australia Pty Ltd, at an approximate purchase price of \$462,000.00 excluding GST over the entire term, being an initial term of two (2) years, with options for extension at the discretion of Council (as purchaser), of an additional one (1) year term and a further nine (9) month term.

7. **PROPOSED DISPOSAL OF A SUBTERRANEAN EASEMENT LOCATED AT EASTERN HEIGHTS

This is a report concerning the proposed disposal of a subterranean easement (Easement 601111652) which connects Lots 237, 238, and 239 RP221971 (Subterranean Land) owned by Ipswich City Council (Council) to two hundred and twenty-one (221) surface lots located within Eastern Heights. The disposal of the subterranean easement will occur by way of a surrender of the easement.

RECOMMENDATION

- A. That Council declare the subterranean easement described as Easement 601111652 surplus to Council requirements and available for disposal.
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation* 2012 (the regulation) that the exception referred to in section 236(1)(c)(iv) of the Regulation applies to the disposal of the subterranean easement described as Easement 601111652.
 - (i) Easement 601111652 is not suitable to be offered for disposal by tender or auction due to its sub-surface location;
 - (ii) It is in the public interest to dispose of Easement 601111652 without a tender process; and;
 - (iii) The disposal is otherwise in accordance with sound contracting principles.
 - (iv) To Council's knowledge there are no surface landowners who have expressed a wish to acquire the interest created by the Easement; if a surface landowner did express an interest, then they would also be required to purchase the adjoining subterranean land which is connected to the surface land by the Easement.
- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of the disposal, by way of surrender, of Easement 601111652.

8. **DISPOSAL OF COUNCIL FREEHOLD LAND - ACCESS RESTRICTION STRIP LOCATED AT LOTS 67 AND 68 UNNAMED ROAD, PINE MOUNTAIN

This is a report concerning the disposal of freehold land for road purposes located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618 owned by Ipswich City Council (Council). Both lots are identified as an Access Restriction Strip (ARS) and are preventing the adjoining landowners from making an application to the Department of Resources (DoR) for a permanent road closure.

RECOMMENDATION

- A. That Council declare the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, surplus to Council requirements and available for disposal for road purposes.
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation* 2012 (the Regulation) that the exception referred to in section 236(1)(b)(i) of the Regulation apply to the disposal of the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, to the State of Queensland (represented by the Department of Resources ('DoR')).

- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of disposal of the ARS described in recommendation B for road purposes.
- 9. **REPEAL OF PREVIOUS COUNCIL DECISION FOR RENEWAL OF LEASE KIOSK 1
 KARALEE SHOPPING VILLAGE, 39 JUNCTION ROAD, CHUWAR CVS LANE CAPITAL
 PARTNERS PTY LTD TO IPSWICH CITY COUNCIL

This is a report requesting the repeal of a previous decision of the Governance and Transparency Committee, Item No. 3 on the 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022 concerning the renewal of lease via a lease amendment from CVS Lane Capital Partners Pty Ltd over premises located at Kiosk 1, Karalee Shopping Village, 39 Junction Road, Chuwar and that Council now enter into a new lease.

As the lease amendment was not executed by the Lessor before the lease term expiry, Council must now enter into a new lease (versus an amendment) with CVS Lane Capital Partners Pty Ltd, on the same terms as the March resolution.

RECOMMENDATION

- A. That the previous decision of Council, as per Item No. 3 of the Governance and Transparency Committee, on 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022, be repealed.
- B. That Council enter into a lease (Council reference 5542) with CVS Lane Capital Partners Pty Ltd ACN 155 490 154 as trustee (the Lessor):
 - (i) at an annual rent of \$23,766.92 excluding GST payable by Council, from the commencement of the new lease; and
 - (ii) for a term of three (3) years, with no options for extension.

10. IVOLVE PROJECT QUARTERLY STATUS UPDATE

This report provides a status update on the iVolve Program to the Governance and Transparency Committee from both the Program Director and Strategic Advisor regarding Stage 3 project controls and milestones.

The Project has progressed the following key outcomes and objectives during this reporting period:

- Completion of functional and non-functional requirements gathering workshops.
- Completion of the draft Application Solution Architecture and Integration Overview.
- Progression on the preparation of procurement documentation.
- Produced Assurance Gate Report.

It is noted that the ICT Branch have presented an Oracle Risk Report to ELT during this reporting period which highlights the risks and issues in the current Oracle solution and options for mitigating these risks.

These risks and the options are detailed in Attachment 2 – Strategic Advisor Report by Strategic Directors.

At the 12 May meeting, ELT endorsed recommendations regarding planned remediation activities, and resetting the iVolve schedule as a dependency of these activities, this work is currently in progress.

RECOMMENDATION

That the report be received and the contents noted.

11. <u>2020-2021 ANNUAL FINANCIAL STATEMENTS FOR CONTROLLED ENTITIES</u>

This is a report concerning the 2020-2021 Annual Financial Statements for the following controlled entities of Ipswich City Council (Council):

- Ipswich City Properties Pty Ltd;
- Ipswich City Enterprises Pty Ltd; and
- Ipswich City Enterprises Investments Pty Ltd.

RECOMMENDATION

That the report be received and the contents noted.

12. REVISED ALCOHOL CONSUMPTION AND SALE IN PUBLIC PLACES POLICY

This is a report seeking Governance and Transparency Committee approval to repeal the existing "Alcohol Consumption and Sale in Public Places Policy" and adopt the revised "Alcohol Consumption and Sale in Public Places Policy", managed by Community and Cultural Services Branch within the Community, Cultural and Economic Development Department.

RECOMMENDATION

- A. That the policy titled, "Alcohol Consumption and Sale in Public Places Policy" (current) as detailed in Attachment 1 be repealed.
- B. That the Policy titled, "Alcohol Consumption and Sale in Public Places Policy" (revised) as detailed in Attachment 2 be adopted.

NOTICES OF MOTION

MATTERS ARISING

GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 2022(04)

5 MAY 2022

MINUTES

<u>COUNCILLORS' ATTENDANCE:</u> Deputy Mayor Jacob Madsen (Chairperson); Councillors

Russell Milligan (Deputy Chairperson), Mayor Teresa Harding, Marnie Doyle, Kate Kunzelmann and Nicole Jonic

COUNCILLOR'S APOLOGIES: Nil

OFFICERS' ATTENDANCE: Chief Executive Officer (Sonia Cooper), Acting General

Manager Corporate Services (Jeff Cooper), General

Manager Community, Cultural and Economic Development (Ben Pole), General Manager Planning and Regulatory Services (Peter Tabulo), General Manager Infrastructure and Environment (Sean Madigan), Acting General Manager

Coordination and Performance (Maree Walker),

Procurement Manager (Richard White), People and Culture Manager (Talia Love-Linay), Resource Recovery Manager (David McAlister), Manager Works and Field Services (James Hilyard), Manager Libraries and Customer Service (Samantha Chandler), Manager Marketing and Promotions

(Carly Gregory), Chief of Staff – Office of the Mayor (Melissa Fitzgerald), Senior Policy and Communications Officer (David Shaw), Manager Community and Cultural Services (Don Stewart), Manager Procurement (Richard White), Manager Capital Program Delivery (Graeme Martin), Customer Experience Project Lead (Anne Cahill), Manager Economic and Community Development (Cat Matson), Manager Stakeholder Management (Susan Scott)

and Theatre Technician (Harrison Cate)

WELCOME TO COUNTRY/ACKNOWLEDGEMENT OF COUNTRY

Deputy Mayor Jacob Madsen (Chairperson) delivered the Acknowledgement of Country.

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. <u>CONFIRMATION OF MINUTES OF THE GOVERNANCE AND TRANSPARENCY</u> <u>COMMITTEE NO. 2022(03) OF 7 APRIL 2022</u>

RECOMMENDATION

Moved by Councillor Russell Milligan: Seconded by Councillor Marnie Doyle:

That the minutes of the Governance and Transparency Committee held on 7 April 2022 be confirmed.

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Madsen Nil

Madsen Milligan Harding Doyle

Kunzelmann

Jonic

The motion was put and carried.

OFFICERS' REPORTS

2. QUARTER 3 - OPERATIONAL PLAN 2021-2022 QUARTERLY PERFORMANCE

This is a report concerning an assessment of Ipswich City Council's progress towards implementation of the 2021-2022 Operational Plan with notable achievements that have occurred during quarter three (Q3) (January to March 2022). Departmental representatives have provided the presented Q3 data.

RECOMMENDATION

Moved by Councillor Marnie Doyle: Seconded by Councillor Russell Milligan:

That the report be received and the contents noted.

AFFIRMATIVE NEGATIVE Councillors: Councillors: Madsen Nil

Milligan Harding Doyle

Kunzelmann

Jonic

The motion was put and carried.

3. QUARTERLY REPORTS TO THE DEPARTMENT OF STATE DEVELOPMENT, INFRASTRUCTURE, LOCAL GOVERNMENT AND PLANNING

This is a report concerning a request received by the Mayor (on behalf of Council) from the Director-General, Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) for Council to provide a series of quarterly performance reports through to the quarter ending 30 June 2022.

This is the fourth of the quarterly reports for consideration by the Governance and Transparency Committee and relates to the period January – March 2022. This quarterly report also addresses the recent further request of 21 April 2022 from the Director-General (Attachment 1) concerning the recent change to Council's Media and Corporate Communication Policy. Endorsement of this quarterly report is sought, with the Mayor to send a letter and the quarterly report to the Director-General.

As noted above, Council's obligation to provide quarterly performance reporting ends on 30 June 2022. This quarter's letter seeks direction from the Director-General on concluding this reporting requirement.

RECOMMENDATION

Moved by Councillor Marnie Doyle: Seconded by Councillor Russell Milligan:

That Committee endorse the draft letter and quarterly performance reports (January – March 2022) set out in Attachments 2-7.

AFFIRMATIVE NEGATIVE Councillors: Councillors: Madsen Nil

Milligan Harding Doyle

Kunzelmann

Jonic

The motion was put and carried.

4. <u>APPOINTMENT OF URBAN UTILITIES BOARD MEMBER</u>

This is a report concerning the proposed appointment of Gerard Pender to the Board of Urban Utilities.

"The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the Local Government Regulation 2012."

RECOMMENDATION

Moved by Mayor Teresa Harding: Seconded by Councillor Marnie Doyle:

- A. That Council endorse the appointment of Gerard Pender as a Board member of Urban Utilities, effective from 1 July 2022, for a term of three years, expiring 30 June 2025.
- B. That the Chief Executive Officer be authorised to sign an Instrument of Appointment of Board Member of Urban Utilities and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the Local Government Act 2009.

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Madsen Nil
Milligan
Harding
Doyle
Kunzelmann

The motion was put and carried.

Jonic

5. PROCUREMENT: 18397 SUPPLY & DELIVERY OF SIX (6) WASTE COLLECTION / COMPACTION TRUCKS

This is a report concerning the recommendation to award a contract for the supply and delivery of six (6) side loading waste collection and compaction trucks to be utilised by Ipswich Waste Services.

A request for quotation was released under the LGA arrangement for the Supply of Trucks (Cab Chassis) – LGA arrangement reference NPN04.13, to Volvo Group Australia Pty Ltd who were the successful supplier following RFQ 16421 for the replacement of the first eighteen (18) side loading waste collection and compaction trucks in November 2021. This procurement 18397 leveraged the extensive evaluation process and outcomes from 16421 ensuring fleet consistency and value for money.

"The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the Local Government Regulation 2012."

RECOMMENDATION

Moved by Mayor Teresa Harding: Seconded by Councillor Marnie Doyle:

- A. That pursuant to Section 234 of the Local Government Regulation 2012 (Regulation), Council utilise LGA Arrangement NPN04.13 for the supply of Trucks (Cab Chassis) by Local Buy Pty Ltd, for the provision of the supply and delivery of six (6) side loading waste collection and compaction trucks (Council file reference number 18397), with Volvo Group Australia Pty Ltd (T/A Volvo Commercial Vehicles) (Supplier) who is a party to the LGA Arrangement.
- B. That under the LGA Arrangement with the Supplier, the approximate purchase price is \$2,869,220.00 excluding GST over the entire term, the end date of the initial term being 30 September 2023, with no current options for extension.
- C. That Council may enter into ancillary contractual arrangements with the Supplier, as allowed for by the LGA Arrangement.
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision.

AFFIRMATIVE NEGATIVE
Councillors: Councillors:
Madsen Nil

Milligan Harding Doyle Kunzelmann Jonic

The motion was put and carried.

NOTICES OF MOTION

Nil

MATTERS ARISING

Nil

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 9.29 am.

The meeting closed at 9.43 am.

Doc ID No: A8060988

ITEM: 2

SUBJECT: ANNUAL REVIEW OF DELEGATIONS TO CHIEF EXECUTIVE OFFICER

AUTHOR: GOVERNANCE PROJECT OFFICER

DATE: 17 MAY 2022

EXECUTIVE SUMMARY

This is a report concerning the annual review of delegations to the Chief Executive Officer for 2022.

RECOMMENDATION/S

- A. That the delegation listed in Attachment 1 which has previously been delegated from Council to the Chief Executive Officer be repealed.
- B. That under s257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer (CEO), the power contained and detailed in Attachment 2 of the report dated 17 May 2022 by the Governance Project Officer.

RELATED PARTIES

There are no related parties

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

The Legal and Governance Branch monitor all minor changes to existing legislation which may impact and require amendments to Council's delegation instrument and delegations register from Council to the CEO. The monitoring and review of ongoing legislation changes, and updates are completed by both the Governance Project Officer and the Legal Services Section.

As a result of the regular annual review of sub-delegations to officers it has been identified there was one power within the *Local Government Act 2009* which was duplicated and is able to be repealed. (refer Attachment 1) Delegation code Del-1008 was a duplication of a power provided directly to the CEO by the legislation under Section 265A (2) as section 265A(1) advises the section applies to the Chief Executive Officer.

In addition, the Legal Section have identified an additional power within the *Planning Act* 2016 which should be delegated to the Chief Executive Officer (Refer Attachment 2).

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

Local Governments provide numerous services to their communities in accordance with powers outlined in Queensland legislation. Some of these powers and functions are 'delegable', that is, may be assigned to appropriately experienced and qualified officers to undertake this work. By undertaking an annual reviewing Council's delegation instrument and delegations regarding and approving the delegation and repeal of legislative powers, council ensures that all legislative powers and functions are managed effectively, and that decision are validly made by a lawfully appointed delegate or subdelegate.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACT	S
OTHER DECISION	
(a) What is the Act/Decision being made?	Recommendation A states that Council repeal a delegation which is no longer required. Recommendation 2 states the Council delegate a new power to the CEO
(b) What human rights are affected?	No human rights are affected by this decision.
(c) How are the human rights limited?	No applicable
(d) Is there a good reason for limiting the relevant rights? Is the limitation fair and reasonable?	No applicable
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

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

COMMUNITY AND OTHER CONSULTATION

The contents of this report did not require any community consultation

CONCLUSION

The repeal of a legislative power has been identified in Attachment 1 of this report. The addition of a new legislative power has been identified in Attachment 2 of this report. The amendments will be incorporated into the delegations register upon adoption by Council.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

- 1. Annual review of Delegations to the CEO Local Government Act Delegated Power to be Repealed 4 🖺
- 2. Annual Review of Delegations to the CEO Planning Act Delegated Power to be Approved 1

Alisha Campbell

GOVERNANCE PROJECT OFFICER

I concur with the recommendations contained in this report.

Angela Harms

CORPORATE GOVERNANCE MANAGER

I concur with the recommendations contained in this report.

Allison Ferres-MacDonald

ACTING MANAGER, LEGAL AND GOVERNANCE (GENERAL COUNSEL)

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

Item 2 / Attachment 1.

ATTACHMENT 1 – LOCAL GOVERNMENT ACT DELEGATED POWER TO BE REPEALED

Authorising Act	Delegator	Delegation Code	Name & Description	Position Code & Name	Date Of Delegation	Conditions
Local Government Act 2009 s 257 s 265A	Local Government	Del-1008	Local Government Act 2009 - s 265A Power to conduct searches of registers or documents about land in the land registry.	P1000 Chief Executive Officer	28/07/2020	Nil

Item 2 / Attachment 2.

ATTACHMENT 2 – PLANNING ACT DELEGATED POWER TO BE APPROVED

Authorising Act	Delegator	Delegation Code	Name & Description	Position Code & Name	Date Of Delegation	Conditions
Local Government Act 2009 s 257	Local Government	Del-2367	Planning Act 20-16 – 275V(2) The power to provide owners consent for a plan application.	P1000 Chief Executive Officer		Nil

Doc ID No: A8082806

ITEM: 3

SUBJECT: DISCONTINUATION OF DISCOUNTED DOG REGISTRATION CLASSIFICATIONS FOR

OBEDIENCE TRAINED DOGS, DOGS QUEENSLAND MEMBERS AND FARM DOGS

AUTHOR: ACTING MANAGER, COMPLIANCE

DATE: 27 MAY 2022

EXECUTIVE SUMMARY

This report provides clarification about changes to the Fees & Charges that were adopted by Council in April 2022 as they relate to the discontinuation of discounted dog registration classifications for Obedience Trained Dogs, Dogs Queensland Members and Farm Dogs.

RECOMMENDATION

That the report be received and the contents noted.

RELATED PARTIES

There was no declaration of conflicts of interest.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

The Compliance Branch undertook a review of the fees and charges, as part of the annual budget process.

This review included the proposed discontinuation of three dog registration classifications (Farm Dog, Dogs Queensland member and Dog Obedience trained), which affected 299 registered dogs owned by 217 residents.

The discontinuation of these classifications was endorsed by Council at the Ordinary Meeting held 21 April 2022 however it has been the subject of some community interest since.

Events to date

- Report on Proposed Fees and Charges endorsed at Governance and Transparency Committee 7 April 2022.
- Minutes of Governance and Transparency Committee confirmed at Ordinary Council Meeting 21 April 2022.

- Impacted dog owners sent correspondence from the Animal Management and Biosecurity Manager, advising of change to registration class in 2022-2023 registration period sent on 12 May 2022.
- Registration Renewal Notices with 2022-2023 Fees begun arriving in the letterboxes of all registered dog owners (including 299 impacted dog registrations) from 27 May 2022.
- Impacted dog owners sent correspondence from the Animal Management and Biosecurity Manager, advising that Council has received feedback from impacted dog owners, and will be discussing the discontinued classifications specifically. The owners were advised not to action their 2022-2023 registration renewal notice at this stage.

Farm Dogs

Separate registration of farm dogs is currently listed to be discontinued in the 2022-2023 dog registration period. Genuine working dogs on farm properties are exempt from the registration requirement under the Act, and as such no fee applies. Where a dog is a pet dog, these should be registered as either the standard entire or desexed dogs. This policy amendment brings non-urban dog registration requirements in line with that applied to residential areas.

Farm/Rural area discounts offered by other local governments in Southeast Queensland are outlined in the table below:

Local Government	Fee (annual per animal)	Notes
Brisbane City Council	No fee classification	
City of Gold Coast	No fee classification	
Lockyer Valley Regional Council	No fee classification	
Logan City Council	No fee classification	
Moreton Bay Regional	No fee classification	
Council		
Noosa Council	No fee classification	
Redland City Council	No fee classification	
Scenic Rim Regional Council	No fee classification	
Somerset Regional Council	No fee classification	
Sunshine Coast Council	No fee classification	
Toowoomba Regional	\$65.00 entire dog	Rural dogs other than working
Council	\$33.00 desexed dog	dogs that are kept by a primary producer.

Dogs Queensland

In 2010, Council endorsed amendments to the Cat and Dog Registration Policy that included the provision of a discount on entire dog registration for Dogs Queensland members who also had a current Commercial Kennel Licence (the local law licence required to breed dogs for commercial purposes in Ipswich).

In 2018, after representations from Dogs Queensland, Council endorsed a discount to all Dogs Queensland members and fixed the discount at 50% of the entire dog registration fee. This change widened the scope of the discount, making it available to any resident Dogs Queensland member that keeps an entire dog.

Discounted registration of entire dogs for Dogs Queensland Members is currently also listed to be discontinued in the 2022-2023 registration period, as the option to use this fee is considered to provide a disincentive for owners to desex their dogs. This fee was also being combined with the obedience training discount, by a small number of dog owners, to reduce their annual fee to 75% of the entire dog registration fee.

Council is obliged to provide a desexing incentive through its registration fee structure by s.52 of the Act.

This policy amendment brings Dogs Queensland members who chose to participate in activities that require them to keep entire dogs in line with other members of the community who chose to keep entire dogs.

Dogs Queensland discounts are offered by other local governments in Southeast Queensland, as outlined in the Table below:

Local Government	Fee (annual per animal)	Notes
Brisbane City Council	\$39.50 in the first year	A registration concession is
	\$52.65 in subsequent	allowed for a non-desexed
	years	pedigree show dog owned by a
		member of Dogs Queensland.
		Proof of eligibility for concession
		is required in the form of
		relevant certificates.
City of Gold Coast	\$67.00	Entire dog - endorsed dog breed
		clubs or associations include
		Dogs Queensland and any other
		dog breed club or association
		endorsed by Council.
Lockyer Valley Regional	No discount	
Council		
Logan City Council	\$68.00 entire dog	Dog entire, member of
	\$36.00 desexed dog	recognised association.
Moreton Bay Regional	\$46.00	Registration Fee applies to
Council		members of Dogs QLD with a
		current MBRC Animal Permit -
		Additional Animal - Affiliated

		Breeder Premises Concession applies to each dog registration.
Noosa Council	\$86.50	Entire dog (owned by a member of Canine Control Council - CCC or similar State or National organisation) Discounted (only if paid by due date)
Redland City Council	50% off entire fee	50% discount applies for holders of current membership for Dogs Queensland.
Scenic Rim Regional Council	\$52.00 category 1 \$20.00 category 2	Dog owned by current member of Dogs Queensland.
Somerset Regional Council	No discount	
Sunshine Coast Council	\$77.00	Non desexed dog - owned by a member of Dogs Queensland or similar state or national organisation
Toowoomba Regional Council	\$70.00 entire dog	Dogs currently registered with the Canine Control Council of Queensland (Proof of Registration required).

Relevant to the 2010 endorsement, there are 72 residents who receive the Dogs Queensland discount who have 124 individual registered dogs. Of these 72 residents, 8 have Commercial Kennel Licences approved by Council.

Obedience Training

In 2007, Council endorsed a recommendation by the Partnership and Policy Officer to establish a discount for dogs that have reached a required standard of obedience.

Discounted registration for dogs that have undertaken approved obedience training is also listed to be discontinued in the 2022-2023 registration period. The dog obedience training discount, when claimed by entire dog owners, also provides a disincentive for owners to desex their dogs.

Council is obliged to provide a desexing incentive through its registration fee structure by s.52 of the Act.

There are a number of dogs (78 in total) that were receiving a discount for their desexed, obedience trained dog. This discount is limited to no less than the desexed pensioner rate of \$28.00, meaning these owners received a \$11 per annum discount on registration. These dog registrations are listed to return to the Normal Dog Desexed classification in the 2022-2023 registration period.

This policy amendment ends a discount into perpetuity, where an owner has met a level of obedience at a point in its life.

Local Government	Fee (annual per animal)	Notes
Brisbane City Council	No discount	
City of Gold Coast	No discount	
Lockyer Valley Regional Council	No discount	
Logan City Council	No discount	
Moreton Bay Regional Council	No discount	
Noosa Council	No discount	
Redland City Council	No discount	
Scenic Rim Regional Council	No discount	
Somerset Regional Council	No discount	
Sunshine Coast Council	No discount	
Toowoomba Regional	\$65.00 entire dog	Per dog, per registration year.
Council	\$33.00 desexed dog	Number of dogs kept at premises must be in accordance with Local Laws.

When the discount was established the report's author noted issues concerning the level of rigour and transparency regarding assessors. The issues highlighted, which were concerning industry deregulation and the difficulty in establishing accredited assessors remain to date.

Impacted Dog Owners

There are 217 dog owners that have one or more dogs registered within the classifications listed to be discontinued, with 299 registered dogs.

The breakdown of classifications and fees paid:

Classification	Total	Fee paid in 2021/22 (per dog)
Farm Dog (1st)	18	\$77.00
Farm Dog Additional	20	\$29.00
Farm Dog Desexed (1st)	8	\$31.00
Normal Dog (Dogs Queensland Member)	124	\$75.00
Normal Dog (Obedience)	51	\$89.50
Normal Dog Desexed (Obedience)	78	\$28.00
Grand Total	299	

The breakdown for the 2022-2023 registration period:

Classification	Total	Fee paid in 2021/22 (per dog)
Normal Dog Desexed	92	\$41.00
Normal Dog	207	\$184.00

Grand Total	299	

Important to note, the above table represents the worst-case scenario. Other discounts (pensioner for example) may be available to the impacted owners.

To provide broader context, this number represents 0.8% of the total number of dog registration renewals being sent for the 2022-2023 period (299 of 36,850).

Feedback to Council

To date Council has received three complaints to the Complaints Management Unit, with two enquiries received by the Animal Management and Biosecurity Manager.

Calls managed through the scripted solution within the Contact Centre, without escalation, are not available.

Options for 2022-2023 Registration Period

Option 1: Discontinue the classifications

No action is required, this option confirms the decision made by Council on 21 April 2022.

Option 2: Reinstate the classifications for the 299 affected dog registration records and implement a grandfather clause

To affect this option, Council must update the recommendation of this report to reflect that option 2 is preferred. This will result in:

- The Animal Management and Biosecurity Manager creating a new classification for each of the three legacy classes.
- The Animal Management and Biosecurity Manager updating the classification of the 299 affected dog registrations to the corresponding legacy classifications in the dog registration database.
- The Animal Management and Biosecurity Manager issue Dog Registration Renewal notices, for the 2022/23 registration period, in line with the forecast Council Cost Index (CCI) at 2.35% (plus rounding):

Legacy Classification	2021/22 Fee	2022/23 Fee	Increase
Farm Dog (1st)	\$77.00	\$79.00	2.59%
Farm Dog Additional	\$29.00	\$29.75	2.58%
Farm Dog Desexed (1st)	\$31.00	\$31.75	2.41%
Normal Dog (Dogs Queensland Member)	\$75.00	\$77.00	2.66%
Normal Dog (Obedience)	\$89.50	\$92.00	2.79%
Normal Dog Desexed (Obedience)	\$28.00	\$28.75	2.67%

Note: There is no "Pay After Fee" in this option, as the renewal notices for the 2022/23 registration period will be issued after 30 June (making the pay before/pay after structure unachievable).

- The Animal Management and Biosecurity Manager issue Dog Registration Renewal notices, for the life of the affected dogs, in line with the forecast (CCI) for the particular financial year (plus rounding). These future registration periods will return to the "Pay Before" and "Pay After" format.
- Confirmation that the classifications for Obedience Trained Dogs, Dogs Queensland Members and Farm Dogs are discontinued, outside the affected 299 dog registrations.

Option 3: Reinstate the classifications

To affect this option, Council must update the recommendation of this report to reflect that option 3 is preferred. This will result in:

- The Chief Financial Officer updating the Register of Fees and Charges for 2022-23 to reflect:
 - o Animal Management Fee Policies insert:
 - Dogs Queensland Discount: Normal Dog (Dogs Queensland Member) applies to financial Dogs Queensland members where satisfactory proof of membership is provided.
 - Dog Obedience Training Discount: Dogs that are obedience trained may qualify to receive a discounted registration fee, where they have provided the Dog Obedience Testing Criteria form signed by a Registered Training Organisation that has been approved by the General Manager (Planning and Regulatory Services).
 - Farm Dog Discount: Dogs that don't meet the criteria for a working dog provided by the Animal Management (Cats and Dogs) Act 2008 but satisfy the Farm Dog Testing Criteria may be eligible for a discounted registration fee. The Farm Dog Testing Criteria:
 - The dog aids the operation of farming activities (droving, protecting, tending, or working stock).
 - The property where the dog resides is classified rural within the Ipswich Planning Scheme.
 - The owner of the dog derives an income from farming activities involving livestock (dairy, grazier, etc.). Primary production does not have to be your principal occupation.
 - Multiple discounts: Combining Dogs Queensland, Dog Obedience
 Training or Farm Dog discount is not permitted.
 - Dog Registration (Annual Fee) insert:

Classification	Pay Before Fee	Pay After Fee
Farm Dog (1st)	\$79.00	\$109.00
Farm Dog Additional	\$29.75	\$44.75
Farm Dog Desexed (1st)	\$31.75	\$46.75
Normal Dog (Dogs Queensland Member)	\$77.00	\$107.00
Normal Dog (Obedience)	\$92.00	\$122
Normal Dog Desexed (Obedience)	\$28.75	\$58.75

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions: Animal Management (Cats and Dogs) Act 2008

RISK MANAGEMENT IMPLICATIONS

The primary risk relevant to the available options relates to compliance with s.52 of the *Animal Management (Cats and Dogs) Act 2008*. This section places an obligation on Council to provide a desexing incentive through its fee structure.

It is noted that other Councils in Southeast Queensland have a discount for Dogs Queensland members in similar circumstances.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACT	S
OTHER DECISION	
(a) What is the Act/Decision being made?	Recommendation A requests that Council the report and its contents are noted.
(b) What human rights are affected?	This decision has the potential to impact human rights in relation to:
	 Recognition and equality before the law, and Taking part in public life
(c) How are the human rights limited?	The application of fees and charges has potential to disadvantage some members of the community by limiting their ability to access Council services.
(d) Is there a good reason for limiting the relevant rights?	Where fees and charges are applied, this is enabled by, and governed by legislative provisions.
Is the limitation fair and reasonable?	Where genuine hardship or equity considerations exist, there is provision in the fees and charges for adjustments and waivers to ensure access to services is made as broadly available as possible, whilst balancing the regulatory pricing requirements,

	and other social policy objectives such as the user pays principle.
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There are no financial or resource implications.

COMMUNITY AND OTHER CONSULTATION

- Internal consultation with the relevant branches.
- Mayoral and Councillor Briefing Note distributed.
- Correspondence has been provided to the owners of the affected dog registrations.
- Dogs Queensland has met with the author of this report.

CONCLUSION

The discontinued classes improve Council's position, as it relates to the *Animal Management* (Cats and Dogs) Act 2008 and moves the organisation past legacy fee classifications that had low participation rates when compared to the majority of registered dog owners.

It is noted by both the Compliance Branch and the Finance Branch, that the restructuring of fees resulted in community interest. Both Branch's will review strategies to improve the visibility of these types of changes in future fees and charges reports.

Haiden Taylor

ACTING MANAGER, COMPLIANCE

I concur with the recommendations contained in this report.

Peter Tabulo

GENERAL MANAGER PLANNING AND REGULATORY SERVICES

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

Doc ID No: A7951221

ITEM: 4

SUBJECT: PROCUREMENT - CONTRACT 16117 HUMAN RESOURCE INFORMATION SYSTEM

- HRIS - DELOITTE CONSULTING

AUTHOR: CONTRACTS OFFICER ICT

DATE: 18 MARCH 2022

EXECUTIVE SUMMARY

This a report seeking a resolution by Council to vary contract 16117 with existing supplier Deloitte Consulting Pty Ltd (Deloitte) to add five (5) further one (1) year extension options to continue the uninterrupted provision and servicing of critical Council internal systems whilst awaiting an iVolve outcome to be determined and actioned. The contract is for the provision of hosted managed services, support and related integrated licencing and subscriptions for Council's core operational Human Resources Information System (HRIS), including payroll, payroll timecard management, tax office payroll data reporting and employee push communications.

This matter is required as officers seek Council resolution that the exception under section 235(a) of the *Local Government Regulation 2012* applies to the uninterrupted continuation of the key HRIS system and associated components for the operational functionality and compliance required. The complex integration of the solution provided by the incumbent supplier means that there is only one supplier who is reasonably available to continue providing the system. Further, due to the identified iVolve dependency of the Human Resources Information System, it is more costly and disadvantageous to Council to tender for a different system until iVolve is able to deliver a final solution.

A resolution of Council is sought to vary the contractual arrangement with Deloitte for five (5) further one (1) year extension options. This will increase the total value of the contract to approximately eight million two hundred thousand dollars (\$8,200,000.00) excluding GST for the full 10-year term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(a) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies as it is satisfied that there is only one supplier who is reasonably available for the ongoing provision of the Deloitte HRIS system and associated components.
- B. That the contractual arrangement 16117 (formerly 10805) with Deloitte Consulting Pty Ltd (Supplier) for the Deloitte HRIS system and associated components be extended by five (5) further one (1) year options at an approximate value of \$4,000,000.00 + GST over the additional term (increasing

the approximated contract value to \$8,200,000.00 + GST over the entire extended term of the contract).

- C. That Council enter into a Deed of Variation with the Supplier to appropriately amend the existing contractual arrangement.
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision.

RELATED PARTIES

Deloitte Consulting Pty Ltd

Ipswich City Council

There are no conflicts of interest identified and declared in relation to the contents of this report.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

Deloitte Touche Tohmatsu Limited, parent of Deloitte Consulting Pty Ltd, is a multinational advisory and professional services firm, headquartered in England, with registered offices located in Australia, including Brisbane.

On 23 May 2017, following a tender process, approval was given by resolution to enter into a contract with vendor Presence of IT (PoIT) for the provision of a Human Resource Information System (HRIS) for an estimated purchase price of \$3,244,290.00 excluding GST. The subsequent contract 10805 executed between Council and PoIT was for an initial term of 3 years commencing 29 September 2017, with a further 2 x 1 year extension options.

The contract was for the provision of hosted managed services, support and related integrated licencing and subscriptions for Council's core operational Human Resources Information System (HRIS). The solutions and services provided under this contract include first line support and support facilitation for Council's payroll and payroll timekeeping systems hosted by or integrated to the software that hosted and managed by Deloitte. Other closely-held and ancillary subscriptions, such as specialised payroll data reporting capability and employee database integrated push communications are also incorporated under the umbrella of this contract.

In December 2020, following an acquisition of PoIT by Deloitte, the 10805 contract with PoIT was novated to contract number 16117 with new supplier Deloitte.

All extension options of the contract have been exercised by Council and the end date of the contract is 28 September 2022. Over the term of the contract and in response to arising

related requirements (both operational and legislative) the value of the contract has increased and is anticipated to be approximately \$4,200,000.00 excluding GST at the end date of the current contract term.

The HRIS provided by Deloitte has been identified as being iVolve-dependent. This means that iVolve is expected to be developed to include a Human Resource Information System component. As such, it would be counterproductive, costly and untimely to source and implement a new product which will potentially be superseded by iVolve. This renders Deloitte the only supplier reasonably available for the provision of the complex and integrated system currently in use by Council. It is prudent to allow up to five (5) years for the iVolve Project and associated system to be fully implemented within Council.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

The risk to Council if the recommendation within this report is not approved is that Council will not be able continue receiving the provision of hosted managed services, support and related integrated licencing and subscriptions for Council's operationally critical Human Resources Information System (including payroll, payroll timecard management, tax office payroll data reporting and employee push communications).

The Deloitte-hosted and managed HRIS is likely to be part of core systems being addressed by Council's iVolve Project. The risk of investing in this software at this time is low and can be addressed by a yearly review as the iVolve Project progresses.

Application	iVolve Scope	iVolve Impact	Impact Treatment
	Alignment	Rating	
Deloitte HRIS hosting	High – is part of core	High	Identified as being in
and managed services	systems		the initial 5-year
			roadmap

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS OTHER DECISION		
(a) What is the Act/Decision being made?	Recommendations A, B and C state that Council vary the existing contractual arrangement with Deloitte for five (5) further one (1) year extension options for the continued provision of the Deloitte HRIS system and associated components.	

(b) What human rights are affected?	No human rights are affected by this decision as the contracts will be with a Company. Further, the subject matter of the contract will not impact on the human rights of any third parties.
(c) How are the human rights limited?	Not applicable.
(d) Is there a good reason for limiting the relevant rights? Is the limitation fair and reasonable?	Not applicable.
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There are no new resourcing or budgeting implications, as the subscriptions and services provided under contract with Deloitte are budgeted as operational expenses by People and Culture, ICT, and Communications and Engagement Branches. There are no additional financial implications.

The total value of the contractual arrangement will increase to approximately \$8,200,000.00 excluding GST over the entire term of the contract if all extension options are exercised.

COMMUNITY AND OTHER CONSULTATION

The Procurement Branch has consulted with the People and Culture Branch, the ICT Branch and the Communications and Engagement Branch who support the recommendations of this report. This report does not require community consultation.

CONCLUSION

In order for Council to receive continued critical provision of the hosted managed services, support and related integrated licencing and subscriptions for Council's Human Resources Information System, it is recommended that Council provide the requested approval to vary the current contractual arrangement with Deloitte to add five (5) further one (1) year extension options to allow for an iVolve outcome to be determined and actioned.

Amanda Cowen

CONTRACTS OFFICER ICT

I concur with the recommendations contained in this report.

Jacquie Whitham

ICT CATEGORY MANAGER

I concur with the recommendations contained in this report.

Richard White

MANAGER, PROCUREMENT

I concur with the recommendations contained in this report.

Sylvia Swalling

CHIEF INFORMATION OFFICER

I concur with the recommendations contained in this report.

Talia Love-Linay

MANAGER, PEOPLE AND CULTURE

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

Doc ID No: A8016277

ITEM: 5

SUBJECT: PROCUREMENT - MICROSOFT ENTERPRISE LICENSING 3 YEAR AGREEMENT

AUTHOR: ICT CATEGORY MANAGER

DATE: 21 APRIL 2022

EXECUTIVE SUMMARY

This is a report concerning the financial approval for the renewal of the Microsoft Enterprise Licencing for a three (3) year period commencing 1 August 2022.

A request for quotation was released under the LGA arrangement BUS274 ICT Solutions and Services. After evaluation of responses it was determined supplier Data#3 Limited offered the most value for Council for the following three (3) year period commencing 1 August 2022.

The cost of the engagement for the provision of Microsoft Enterprise licencing for the 3-year period is estimated at \$1.48 million (ex GST) per annum or \$4.431 million (ex GST) for the contract term of three (3) years. The estimate is based upon current volumes and anticipated future resource requirements as quoted by Data#3 Limited in the RFQ response.

RECOMMENDATION

- A. That pursuant to Section 234 of the Local Government Regulation 2012 (Regulation), Council utilise LGA Arrangement ICT Solutions and Services BUS274 by Local Buy Pty Ltd for the provision of Microsoft Enterprise Licencing (Council file reference number 18620), with Data#3 Limited (Supplier) who is a party to the LGA Arrangement.
- B. That under the LGA Arrangement with the Supplier, the approximate purchase price is \$4.431 Million excluding GST over the entire term, the end date of the initial term being 31st July 2025, with no current options for extension.
- C. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take "contractual action" pursuant to section 238 of the Regulation, in order to implement Council's decision.

RELATED PARTIES

Ipswich City Council

Data#3 Limited

There were no conflict of interest declarations in relation to the proposed recommendations made during this procurement activity.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

Prior to the current Microsoft Enterprise Agreement expiring on 31 July 2022 and with Microsoft's constant evolving license models and structures there was an initiative to identify solutions that would benefit Council to support its corporate plan, future strategies and take upcoming projects into account.

A market valuation was taken to action through a Request for Information (RFI) to determine options and budget considerations to four (4) Microsoft resellers in December 2021 and three (3) responses were received. This was to identify vendors that could have the knowledge and expertise to provide Council with the correct requirements with the least financial impact as well as to identify updated budgetary impacts.

Utilising the expertise and knowledge of the current vendor alongside the ICT operations team, a solution of a hybrid Licensing structure to support both the moving components and static components of our Microsoft eco system was identified. This information was further identified within the three responses received in the RFI process and, in line with council's corporate plan, future strategies and project roadmap, a refined Request for Quote was released under Local Buy BUS274 to two (2) Microsoft resellers (Data #3 Limited and Datacom Systems (Au) Pty Ltd) for their response and formal quote.

Upon evaluation of the responses and the options there within, it was determined the best value for money and provision of value adds services beyond standard Microsoft Licencing, was presented by Data#3 Limited. Their offering included additional pricing options which will allow Council to achieve costs savings on a per user basis as well as achieved enhanced Security for Council. The Pricing option also included additional Tools to support the upcoming project for 'Cloud Access Security Broker (CASB)' which will reduce the timeline and financial impact of needing to revisit the market.

Further negotiation will be undertaken with Data#3 Limited to achieve additional cost savings where possible prior to execution of contract.

The agreement is for three (3) years and does not include an option to change the model without significant financial impacts in the 3-year contract term. Analysis and consultation with Microsoft Licensing experts has been conducted with all available options being reviewed.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions: Local Government Act 2009 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 this licencing. Risk is associated with the cost of the engagement, not the product, or requirement.

The Microsoft Licencing has not been scoped as part of the core systems being addressed by Council's iVolve Project.

Accordingly, the risk of investing in this software at this time is low and can be addressed in the integration business requirements for the iVolve Project.

Application	iVolve Scope	iVolve	Impact Treatment
	Alignment	Impact	
		Rating	
Microsoft Enterprise	Low – not likely to	Low	Not identified as being
Licencing	be part of core		in the Core system, or
	systems		in the initial 5 year
			roadmap

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS		
OTHER DECISION		
(a) What is the Act/Decision being made?	The Decision to enter into a contractual arrangement with Data#3 Limited.	
(b) What human rights are affected?	No human rights are affected as the contract is with a Proprietary Limited Company.	
(c) How are the human rights limited?	Not applicable	
(d) Is there a good reason for limiting the relevant rights? Is the limitation fair and reasonable?	Not applicable	
(e) Conclusion	The decision is consistent with human rights.	

FINANCIAL/RESOURCE IMPLICATIONS

The financial implications (cost to Council) for the three (3) year Microsoft Enterprise Licencing contract is estimated to be \$4.431 Million (ex GST). The true value is calculated and invoiced annually based upon a true-up or true-down of Council requirements. Council

projections have been used within the Request for Quote process to allow as accurate an assessment of value as is available. The contract term is three (3) years which allows for fixed pricing across this term.

COMMUNITY AND OTHER CONSULTATION

The Procurement Branch has consulted with the ICT Branch who support the recommendations of this report. This report does not require community consultation.

CONCLUSION

It was determined by the Evaluation Panel that the Microsoft Enterprise Licencing Agreement be awarded to Data#3 Limited for the value of \$4.31 million (ex GST) for a three (3) year period commencing 1 August 2022.

Due to the value of the Agreement being over the CEO delegation, financial approval is sought from Council for the value of \$4.31 million ex GST.

Jacquie Whitham

ICT CATEGORY MANAGER

I concur with the recommendations contained in this report.

Richard White

MANAGER, PROCUREMENT

I concur with the recommendations contained in this report.

Sylvia Swalling

CHIEF INFORMATION OFFICER

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

Doc ID No: A8019456

ITEM: 6

SUBJECT: PROCUREMENT - WASTE SERVICES COMMERCIAL MANAGEMENT SYSTEM

AUTHOR: CONTRACTS OFFICER ICT

DATE: 21 APRIL 2022

EXECUTIVE SUMMARY

This a report seeking a resolution by Council to enter into a new agreement with Council's current vendor AMCS Australia Pty Ltd (AMCS) to transition from the old waste services commercial management system currently in use at Council (RMSWin) that is being retired by the manufacturer to the current cloud-based technology offering of the product in order to continue the uninterrupted provision of a critical Council service, being commercial waste services scheduling and billing.

This matter is required as officers seek Council resolution that the exception under section 235(b) of the *Local Government Regulation 2012* applies to the uninterrupted provision the waste services commercial management system and other related ancillary items for the operationally necessary functionality required. The specialised and proprietary nature of the incumbent supplier's products means that there is only one supplier who is reasonably available to provide such a solution and transition Council's data from the old proprietary system into the new proprietary cloud-based system. It would therefore be costly and disadvantageous to Council to tender for other software products for such a specialised component of the current waste system technology stack.

A resolution of Council is sought to enter into a new contractual arrangement with AMCS for the implementation, migration to and provision of the new cloud based Wastedge system and other related ancillary items as required for an initial term of two (2) years with options for extension of an additional one (1) year term and a further nine (9) month term. This is an estimated total cost of approximately four hundred and sixty-two thousand dollars (\$462,000.00) excluding GST for the full term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(b) of the Local Government Regulation 2012 (Regulation), Council resolve that the exception applies because of the specialised nature of the services that are sought and it would be impractical and disadvantageous to invite tenders for the provision of the proprietary Wastedge waste services commercial management system and related ancillary items.
- B. That Council enter into a contractual arrangement (Council file reference number 18941) with AMCS Australia Pty Ltd, at an approximate purchase price of

\$462,000.00 excluding GST over the entire term, being an initial term of two (2) years, with options for extension at the discretion of Council (as purchaser), of an additional one (1) year term and a further nine (9) month term.

RELATED PARTIES

AMCS Australia Pty Ltd

Ipswich City Council

There are no conflicts of interest identified and declared in relation to the contents of this report.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

AMCS Group, parent of AMCS Australia, is an international supplier of waste management processing software, headquartered in Ireland, with a registered office located in Sydney NSW. The specialised RMSWin product for commercial waste services management has been in use by Council since September 2007 by initial engagement with Australian Software Professionals (NSW) Pty Ltd prior to their acquisition by AMCS.

In March 2019, Council tested the market in relation to waste management software via means of Open Tender. Although other parties were awarded components of the tender following evaluation, no suitable alternative was identified for the commercial management requirement component and Council continued to engage with AMCS for the provision of this operationally critical requirement component.

In 2021, AMCS notified Council that the RMSWin product was reaching end of life and was to be retired in the near future. The modern equivalent subscription product offering by AMCS, Wastedge, was identified as the replacement option. To that end, a request for exception under section 235(b) of the Regulation was resolved at the Growth Infrastructure and Waste Committee on 5 August 2021 for the continued use of the RMSWin product while ICT Branch set up a project in relation to the new solution.

AMCS have subsequently advised Council that the hard date for the RMSWin end of life is 30 March 2023. To avoid disruption to the essential services underpinned by this product, transition to a new replacement system as soon as possible is critical.

The Wastedge product is structurally compatible for the data contained in the current RMSWin system, therefore transitioning to the Wastedge cloud subscription system would require minimal time, migration investment and overhead and would ensure the continued integrity of the local commercial waste data that has been accumulated over the years at Council and captured in the current solution.

It would therefore be both practical and advantageous to Council to transition to the new Wastedge product offered by AMCS to continue to provide essential waste services to the community whilst ensuring minimal disruption and cost in so doing.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

The risk to Council if the recommendation within this report is not approved is that Council will be unable to transition from the old technology that is at End of Life, resulting in disruption to critical commercial waste services provided by Council to the Ipswich community.

The RMSWin product that is proposed to be replaced with the upgraded Wastedge system has not been scoped as part of the core systems being addressed by Council's iVolve Project.

The risk of investing in this software at this time is medium and can be addressed in the integration business requirements for the iVolve Project.

Application	iVolve Scope	iVolve Impact	Impact Treatment
	Alignment	Rating	
Wastedge	Medium- not likely	Medium	Not identified as being
	to be part of core systems		in the Core system, or in the initial 5 year
			roadmap

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS		
OTHER DECISIO	N	
	https://objprd.council.ipswich.qld.gov.au/id:A8064782/document/versions/latest	
(a) What is the Act/Decisi on being made?	Recommendations A and B state that Council enter into a contractual arrangement for an initial term of two (2) years with options for extension of an additional one (1) year term and a further nine (9) month term with ACMS Australia Pty Ltd for the provision of Wastedge waste services commercial management system and related ancillary items.	
(b) What human rights are affected?	No human rights are affected by this decision as the contracts will be with a Company. Further, the subject matter of the contract will not impact on the human rights of any third parties.	

(c) How are	Not applicable.
the human	
rights	
limited?	
(d) Is there a	Not applicable.
good	
reason for	
limiting	
the	
relevant	
rights? Is	
the	
limitation	
fair and	
reasonable	
?	
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There are no new resourcing or budgeting implications, as the Wastedge waste services commercial management system and its related ancillary items are budgeted as an operational expense in the Environment and Sustainability Branch. There are no additional financial implications.

The purchase price of the contractual arrangement is approximately \$462,000.00 excluding GST over the entire term of the contract if all extension options are exercised.

COMMUNITY AND OTHER CONSULTATION

The Procurement Branch has consulted with the Environment and Sustainability Branch and the ICT Branch who support the recommendations of this report. This report does not require community consultation.

CONCLUSION

In order for Council to receive continued provision of the commercial waste services scheduling and invoicing functionality required to service the Ipswich community, it is recommended that Council provide the requested approval in relation to the proposed contractual arrangement with AMCS Australia Pty Ltd for an initial term of two (2) years with options for extension of an additional one (1) year term and a further nine (9) month term.

Amanda Cowen

CONTRACTS OFFICER ICT

I concur with the recommendations contained in this report.

Jacquie Whitham

ICT CATEGORY MANAGER

I concur with the recommendations contained in this report.

Richard White

MANAGER, PROCUREMENT

I concur with the recommendations contained in this report.

Sylvia Swalling

CHIEF INFORMATION OFFICER

I concur with the recommendations contained in this report.

Kaye Cavanagh

MANAGER, ENVIRONMENT AND SUSTAINABILITY

I concur with the recommendations contained in this report.

Sean Madigan

GENERAL MANAGER - INFRASTRUCTURE AND ENVIRONMENT

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

Doc ID No: A7998857

ITEM: 7

SUBJECT: PROPOSED DISPOSAL OF A SUBTERRANEAN EASEMENT LOCATED AT EASTERN

HEIGHTS

AUTHOR: SENIOR PROPERTY OFFICER (ACQUISITIONS AND DISPOSALS)

DATE: 11 APRIL 2022

EXECUTIVE SUMMARY

This is a report concerning the proposed disposal of a subterranean easement (Easement 601111652) which connects Lots 237, 238, and 239 RP221971 (Subterranean Land) owned by Ipswich City Council (Council) to two hundred and twenty-one (221) surface lots located within Eastern Heights. The disposal of the subterranean easement will occur by way of a surrender of the easement.

RECOMMENDATION/S

- A. That Council declare the subterranean easement described as Easement 601111652 surplus to Council requirements and available for disposal.
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation 2012* (the regulation) that the exception referred to in section 236(1)(c)(iv) of the Regulation applies to the disposal of the subterranean easement described as Easement 601111652.
 - (i) Easement 601111652 is not suitable to be offered for disposal by tender or auction due to its sub-surface location;
 - (ii) It is in the public interest to dispose of Easement 601111652 without a tender process; and;
 - (iii) The disposal is otherwise in accordance with sound contracting principles.
 - (iv) To Council's knowledge there are no surface landowners who have expressed a wish to acquire the interest created by the Easement; if a surface landowner did express an interest, then they would also be required to purchase the adjoining subterranean land which is connected to the surface land by the Easement.
- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of the disposal, by way of surrender, of Easement 601111652.

RELATED PARTIES

There was no declaration of conflicts of interest

IFUTURE THEME

Vibrant and Growing

PURPOSE OF REPORT/BACKGROUND

Easement 601111652 is over subterranean land being Lots 237, 238, 239 on RP221971 (as shown on the attached plans). The easement has been registered on the subterranean and surface land since 8 April 1941. Ipswich City Council is registered on title as the owner of Lots 237, 238 and 239 on RP221971.

Easement 601111652 is to the depth of 50 feet from the surface and is for the purpose for conveyance of coal and other minerals from the subterranean land to the surface land inclusive of all associated mining activities such as construction of means to convey coal or minerals to the surface land, to open or dig shafts, air tunnels, pits, machinery structure buildings for the mining operation, construct dams, wells, tanks or other reservoirs for the storing of water and to use water for any purpose in connection with the working of the said mine.

Recently, Property Services has undertaken nine (9) partial surrenders of Easement 601111652 which are recorded on the Land Title for Lots 237, 238 and 239 on RP221971. Other surrenders have taken place since the late 1940's, however, there are two hundred and twenty-one landowners that have Easement 601111652 recorded on their land titles within the Eastern Heights area.

Easement 601111652 is of little value to any person or entity given the surface land is fully developed for residential purposes. Mining of the subterranean land would not be possible given the constructed houses on the surface land.

Easement 601111652 burdens the surface land and benefits the subterranean land. A surface landowner would only be able to take the benefit of, and make use of, the easement if the surface landowner purchased the subterranean land from Ipswich City Council and took steps to obtain the ability to undertake a mining operation, including obtaining a permit or mining lease, as the easement's purpose is specifically related to mining and the movement of minerals and coal. Subterranean land can only be transferred to the registered owner of the surface land above it, so the surface landowner would be limited to the subterranean land directly below their surface lot. Further, as outlined above, it is unlikely that a surface landowner would receive permission from the State to undertake a mining operation, due to the surface land being fully developed for residential purposes and the land being subject to constraints for mining purposes, including but not limited to being within a restricted area.

LEGAL/POLICY BASIS

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

Local Government Act 2009

Local Government Regulation 2012

Duties Act 2001

Land Title Act 1994

RISK MANAGEMENT IMPLICATIONS

Council has no use for Easement 601111652 and it is therefore surplus to Council requirements. There will be no impact to Council if the recommendations to dispose of Easement 601111652 is not resolved, however each landowner that is affected by Easement 601111652 will be required to seek Council's consent to any future development of their land.

Disposing of Easement 601111652 is an administrative process and once the easement has been extinguished it will allow the affected landowners to construct improvements without seeking Council's consent in addition to any development approvals or permits that are required for the improvements they wish to construct.

HUMAN RIGHTS IMPLICATIONS

LILINAANI DICUTS INADACT	c
HUMAN RIGHTS IMPACT	3
OTHER DECISION	
(a) What is the	Local Government Act 2009
Act/Decision being	Local Government Regulation 2012
made?	Duties Act 2001
	Land Title Act 1994
(b) What human rights	No human rights are affected by this decision the disposal of
are affected?	Easement 601111652 will not impact on other third-party or
	individual property rights, as their land is burdened by the
	easement. Outcome is made via Section 90 of the Land Title
	Act 1994 seeking the appropriate approval for removal of the
	easement from the Registered Titles.
(c) How are the human	Not applicable
rights limited?	
(d) Is there a good	Not applicable
reason for limiting	
the relevant rights?	
Is the limitation fair	
and reasonable?	
(e) Conclusion	The decision is consistent with human rights.
(c) conclusion	The decision is consistent with namen rights.

FINANCIAL/RESOURCE IMPLICATIONS

The cost to Council will be limited to stamp duty required to be applied to the Surrender Form (if applicable) and lodgement of the Surrender Form in the Titles Registry for all properties.

COMMUNITY AND OTHER CONSULTATION

Internal consultation and valuation of the easement in this instance has not occurred as Easement 601111652 cannot be used for its purpose in its current state.

CONCLUSION

It is recommended that Council declare Easement 601111652 surplus to Council requirements and for the easement to be surrendered.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

CONFIDENTIAL

- 1. Title Search 237, 238, 239 RP221971 (Subterranean Land)
- 2. Easement Dealing 601111652
- 3. Orthoimagery Plan Properties connected to Easement Dealing 601111652
- 4. | Boundary Plan Properties connected to Easement Dealing 601111652
- 5. | Map Outlining Easement Dealing 601111652 Lots 237, 238 & 239 on RP221971

Alicia Rieck

SENIOR PROPERTY OFFICER (ACQUISITIONS AND DISPOSALS)

I concur with the recommendations contained in this report.

Kerry Perrett

ACTING PROPERTY SERVICES MANAGER

I concur with the recommendations contained in this report.

Allison Ferres-MacDonald

ACTING MANAGER, LEGAL AND GOVERNANCE (GENERAL COUNSEL)

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

Doc ID No: A8053695

ITEM: 8

SUBJECT: DISPOSAL OF COUNCIL FREEHOLD LAND - ACCESS RESTRICTION STRIP LOCATED

AT LOTS 67 AND 68 UNNAMED ROAD, PINE MOUNTAIN

AUTHOR: SENIOR PROPERTY OFFICER (ACQUISITIONS AND DISPOSALS)

DATE: 11 MAY 2022

EXECUTIVE SUMMARY

This is a report concerning the disposal of freehold land for road purposes located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618 owned by Ipswich City Council (Council). Both lots are identified as an Access Restriction Strip (ARS) and are preventing the adjoining landowners from making an application to the Department of Resources (DoR) for a permanent road closure.

RECOMMENDATION/S

- A. That Council declare the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, surplus to Council requirements and available for disposal for road purposes.
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation 2012* (the Regulation) that the exception referred to in section 236(1)(b)(i) of the Regulation apply to the disposal of the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, to the State of Queensland (represented by the Department of Resources ('DoR')).
- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of disposal of the ARS described in recommendation B for road purposes.

RELATED PARTIES

There was no declaration of conflicts of interest

IFUTURE THEME

Vibrant and Growing

PURPOSE OF REPORT/BACKGROUND

An ARS is a narrow strip of freehold land owned by Council and are designed to prevent adjoining landowners from having dual access to their properties.

The ARS located at Unnamed Road, Pine Mountain currently prevents the adjoining landowners (the applicants) from having dual access to their properties at 20 and 28 Velvet Street, Pine Mountain.

Council has received a request from the applicants for the signing of a Department of Resources (DoR) Part C application for a permanent road closure, the application is made under section 99 of the *Land Act 1994*, which provides that a public utility provider or an adjoining owner for the road may apply for the permanent closure of a road.

Council is the adjoining landowner as the ARS joins the unformed road that the applicants wish to purchase from the State.

Prior to Council providing the signed Part C, the applicants need to arrange for the ARS to be opened as road by way of a survey plan that will identify the ARS as road. The cost of preparing and lodging the survey plan in the Titles Registry will be borne by the applicants.

Baird and Hayes Surveyors has drawn Survey Plan 329020 which shows the ARS opened as road. Council as landowner is required to provide a Form 18A (Titles Registry Form) to enable Survey Plan 329020 to be registered in the Titles Registry.

It has been identified that both the ARS and the unformed road are affected by an overland flow path. It is for this reason that access to the private freehold land from the unformed road has not been used and as the unformed road is not providing a benefit to Council or the landowners it be considered surplus to Council's requirement.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions: Land Act 1994
Land Title Act 1994
Local Government Regulation 2012

RISK MANAGEMENT IMPLICATIONS

Council has no use for the ARS. There will be no impact to Council if the recommendations to dispose of the ARS are not resolved. However, the ARS will prohibit the adjoining landowners from purchasing the unformed road from DoR.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS		
OTHER DECISION		
	https://objprd.council.ipswich.qld.gov.au/id:A 8051952/document/versions/latest	

(a) What is the Act/Decision being made?	The Land Act 1994 allows for freehold land to be opened as road by way of survey plan.
(b) What human rights are affected?	No human rights are affected by this decision to support the request to open Council owned freehold land as road under the Land Act 1994. Council has undertaken investigations and deems the land surplus to Council requirements. The decision by Council to open the ARS as road means that the underlying land tenure will transfer to the State – the State does not have human rights as it is not an individual; this decision will not affect human rights.
(c) How are the human rights limited?	Not applicable
(d) Is there a good reason for limiting the relevant rights? Is the limitation fair and reasonable?	Not applicable
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There are no financial impacts to Council as the ARS is of no value and cannot be used for any purpose other than road. Council propose to provide a signed Form 18A for lodgement of the Survey Plan. All costs will be the borne by the applicants which include preparation and lodgement of Survey Plan 329020 and the Part C application for permanent road closure with the Titles Registry.

COMMUNITY AND OTHER CONSULTATION

Internal consultation was undertaken with Council's Infrastructure and Environment Department (Transport Planning, Asset Management and Open Space & Facilities). All internal stakeholders have advised that they have no objections to the disposal of the land for road purposes.

Internal consultation was also undertaken with Council's Planning and Regulatory Services and advice was received that the action to open road does not fall under the definition of Reconfiguring a Lot application, therefore planning approval was not required.

This advice was also confirmed with the Department of Resources that once the ARS are open as road, then the application for permanent road closure falls under the requirements of the *Land Act 1994*.

Several searches associated with due diligence for the disposal have been completed. The ARS is not on the Environmental Management Register or the Contaminated Land Register. There are also no Aboriginal or Torres Strait Islander cultural heritage values in the area.

The cost of engaging a valuer to provide a valuation for the ARS would not be covered by the sale price of the land and is not considered viable.

It is proposed that Council approve the ARS to be made available for road purposes.

CONCLUSION

It is recommended that Council approve the ARS to be opened for road purposes by way of survey plan. The survey plan will require lodgement in the Titles Registry by the applicants.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

- 1. | Survey Plan 329020 🗓 🛣
- 2. Plan of Access Restriction Strip J. 🖺

CONFIDENTIAL

- 3. Title Search 67RP132618 ARS Unnamed Road, Pine Mountain
- 4. Title Search 68RP132618 ARS Unnamed Road, Pine Mountain
- 5. Title Search 29RP132618 20 Velvet Street, Pine Mountain
- 6. Title Search 30RP132618 28 Velvet Street, Pine Mountain

Alicia Rieck

SENIOR PROPERTY OFFICER (ACQUISITIONS AND DISPOSALS)

I concur with the recommendations contained in this report.

Kerry Perrett

ACTING PROPERTY SERVICES MANAGER

I concur with the recommendations contained in this report.

Allison Ferres-MacDonald

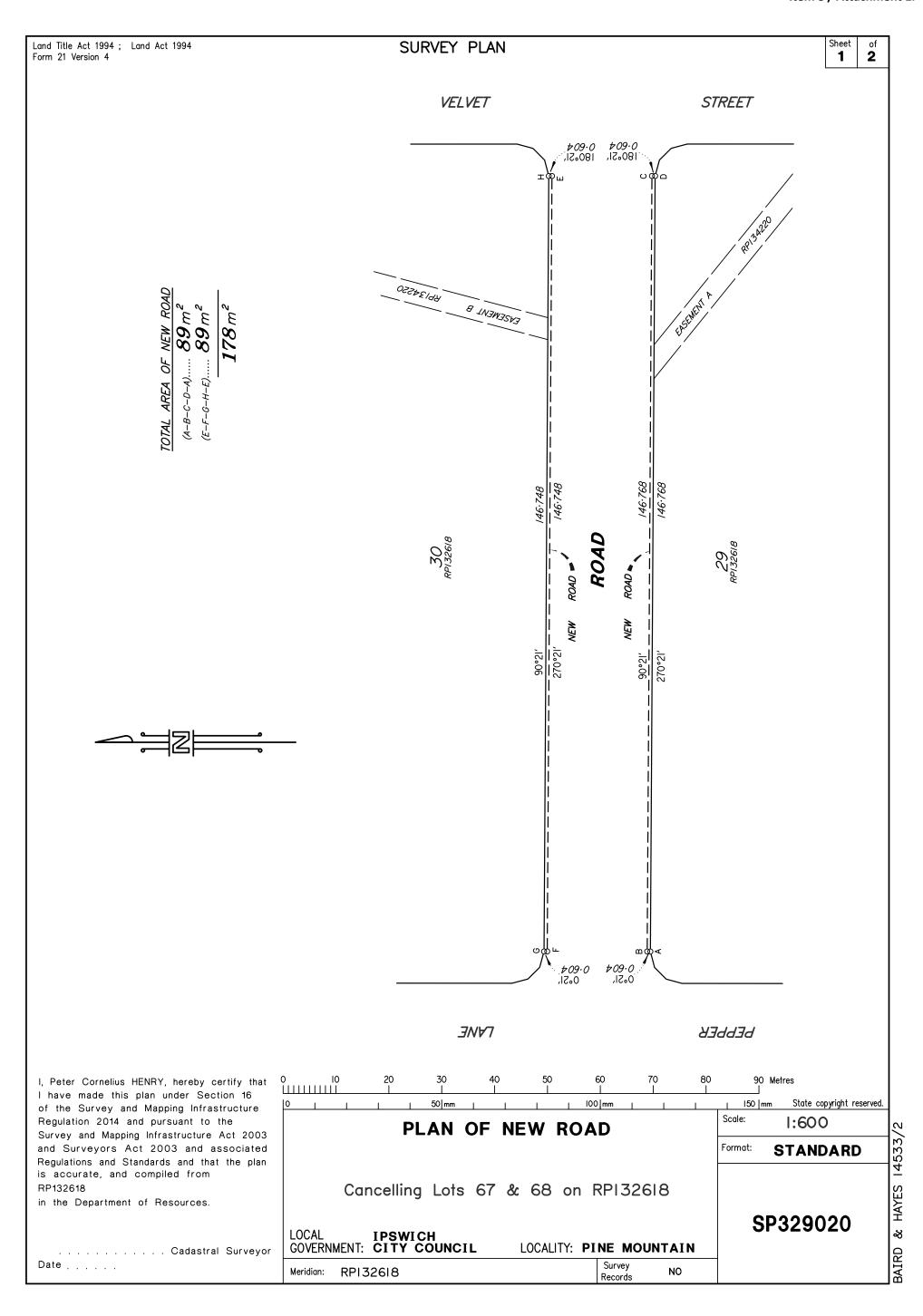
ACTING MANAGER, LEGAL AND GOVERNANCE (GENERAL COUNSEL)

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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



Land Title Act 1994 ; Land A Form 21B Version 2	ct 1994	WARNING: Folded or Mutilated Pl Plans may be Information may not be placed	rolled.
	(Dealing No.)		
		(Include address, phone number, reference, and Loc	lger Code)
1.	Existing		Created
Title Reference	Description	New Lots	Road Secondary Interests
15000070 15000071	LOT 67 ON RP132618 LOT 68 ON RP132618		New Rd.
	REINST	ATEMENT REPORT NOT REQUIRED	
			6. Building Format Plans only. I certify that: * As far as it is practical to determine, no part of the building shown on this plan encroaches onto adjoining lots or road: * Part of the building shown on this plan encroaches onto adjoining * lots and road
			Cadastral Surveyor/Director * Date **delete words not required
			7. Lodgement Fees :
			Survey Deposit \$
Lots	Orig		New Titles \$
2. Orig Grant Allocation	n:	5. Passed & Endorsed :	Photocopy \$
3. References:		By: Peter Cornelius Henry	Postage \$ TOTAL \$
Dept File : Local Govt : 5583		Date : Signed :	8. Insert
Surveyor: 14533,	/2	Designation : Cadastral Surveyor	Plan Number SP329020



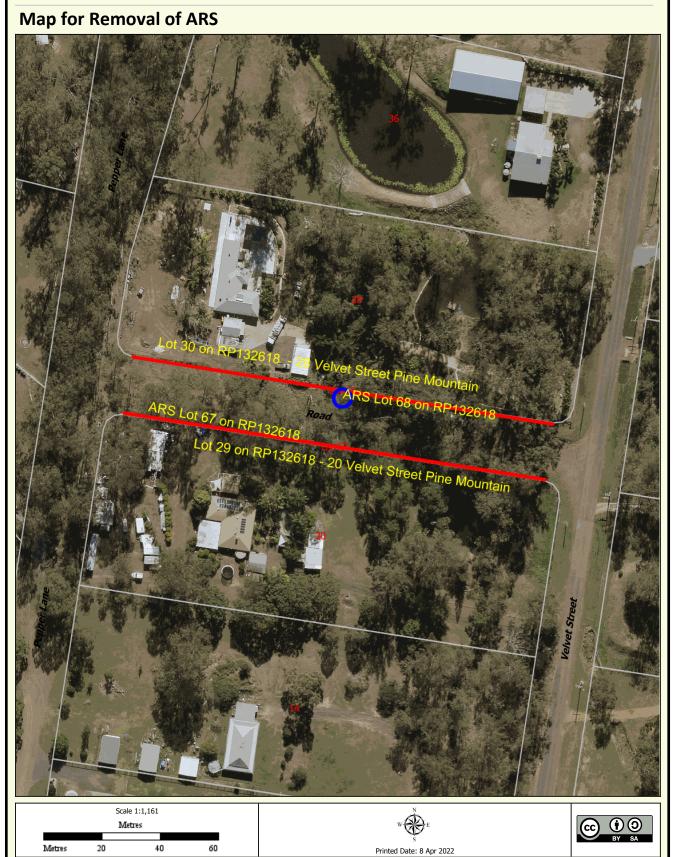
 Telephone
 (07) 3810 6666

 Fax
 (07) 3810 6731

 Email
 council@ipswich.qld.gov.au

 Web
 www.ipswich.qld.gov.au

 Business Hours
 8:00am - 4:30pm (Mon - Fri)



Doc ID No: A8053819

ITEM: 9

SUBJECT: REPEAL OF PREVIOUS COUNCIL DECISION FOR RENEWAL OF LEASE - KIOSK 1

KARALEE SHOPPING VILLAGE, 39 JUNCTION ROAD, CHUWAR - CVS LANE

CAPITAL PARTNERS PTY LTD TO IPSWICH CITY COUNCIL

AUTHOR: PROPERTY SUPPORT OFFICER

DATE: 11 MAY 2022

EXECUTIVE SUMMARY

This is a report requesting the repeal of a previous decision of the Governance and Transparency Committee, Item No. 3 on the 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022 concerning the renewal of lease via a lease amendment from CVS Lane Capital Partners Pty Ltd over premises located at Kiosk 1, Karalee Shopping Village, 39 Junction Road, Chuwar and that Council now enter into a new lease.

As the lease amendment was not executed by the Lessor before the lease term expiry, Council must now enter into a new lease (versus an amendment) with CVS Lane Capital Partners Pty Ltd, on the same terms as the March resolution.

RECOMMENDATION

- A. That the previous decision of Council, as per Item No. 3 of the Governance and Transparency Committee, on 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022, be repealed.
- B. That Council enter into a lease (Council reference 5542) with CVS Lane Capital Partners Pty Ltd ACN 155 490 154 as trustee (the Lessor):
 - (i) at an annual rent of \$23,766.92 excluding GST payable by Council, from the commencement of the new lease; and
 - (ii) for a term of three (3) years, with no options for extension.

RELATED PARTIES

There are no declarations of conflicts of interest

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

- A. Under the *Ipswich Library and Information Service Coping with Growth 2008-2026* strategy, Ipswich Libraries aims to extend the collection and presence of the library service into areas identified as remote to the city's main library facilities.

 B.
- C. The plan implemented in the 2008-2026 strategy included deploying kiosks or library links to locations with high pedestrian traffic, such as popular and busy community or retail hubs.
- D. A recommendation was adopted at the Council Ordinary Meeting on 26 June 2018, that Karalee Shopping Village was the most suitable location for the Library Pod and a lease agreement was entered into with CVS Lane Capital Partners Pty Ltd on 1 May 2018. E.
- F. The existing Lease for the Library Pod expired on 30 April 2022. A new lease for a further

3 years has been offered to Council by CVS Lane Capital Partners Pty Ltd. Initially, this was to proceed through an amendment to the existing, however, the lessor was unable to execute the amendment prior to it expiring on 30 April 2022. Under section 67(2)(c) of the *Land Title Act 1994*, an amendment to lease cannot be lodged after the lease's term has ended. For this reason, a new lease has been prepared for execution by Council as the lessee and CVS Lane Capital Partners Pty Ltd as lessor.

The essential lease terms are as follows:

Lease Terms	Existing Terms	Amended Terms
Period:	3 Years	3 Years
Commencement Date:	01/05/2019	01/05/2022
Expiry Date:	30/04/2022	30/04/2025
Options:	Nil	Nil
Rent:	\$21,750.00 per annum (excl. GST) plus outgoings	\$23,766.92 per annum (excl. GST) plus outgoings
Review Date(s):	Fixed Review (3% increase) on each anniversary of the date of commencement	Fixed Review (3% increase) on each anniversary of the date of commencement
Permitted Use:	Provision of a library service	Provision of a library service
Maintenance Responsibilities:	 Council is responsible for; keeping the premises in good repair other than fair wear and tear Replace all glass Redecorate during the last 3 months of the lease term 	 Council is responsible for; keeping the premises in good repair other than fair wear and tear Replace all glass Redecorate during the last 3 months of the lease term

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions: Land Title Act 1994
Local Government Regulation 2012
Local Government Act 2009
Retail Shop Leases Act 1994

RISK MANAGEMENT IMPLICATIONS

There are low risk management implications for this lease as Council will be entering into a new lease with CVS Lane Capital Partners Pty Ltd on expiry of the existing lease.

The risk implications for Council not entering into a tenure over the Kiosk for the Library Pod will result in a deficiency of library services to the Karalee community.

HUMAN RIGHTS IMPLICATIONS

LILINAANI DICLIT	CINADACTC		
	HUMAN RIGHTS IMPACTS		
OTHER DECISIO			
	https://objprd.council.ipswich.qld.gov.au/id:A8054156/document/versio		
	<u>ns/latest</u>		
(a) What is	The Recommendations resolve for Council to enter into a new lease from		
the	CVS Lane Capital Partners Pty Ltd for a three (3) year term for the		
Act/Decisi	provision of a library service		
on being			
made?			
(b) What	Recognition and equality before the law (section 15)		
human	Protection from torture and cruel, inhumane or degrading treatment		
rights are	Freedom of movement (section 19)		
affected?	Freedom of expression (section 21)		
	Peaceful assembly and freedom of association (section 22)		
	Privacy and reputation (section 25)		
	Thrusy and reputation (seedion 25)		
(c) How are	Human Rights not affected under s11 Human Rights Act 2019, only		
the human	individuals affected, Council contracting with corporation.		
rights	marviadais arrected, esarien contracting with corporation.		
limited?			
(d) Is there a	Human rights not limited by the decision.		
good	Trainar rights not innited by the decision.		
reason for			
limiting the			
relevant			
rights? Is			

the	
limitation	
fair and	
reasonable	
?	
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

Budget implications include rent and outgoings, maintaining the Kiosk in good repair and redecorating at the end of the tenancy.

COMMUNITY AND OTHER CONSULTATION

Council initiated discussions with CVS Lane Capital Partners Pty Ltd on the renewal of the tenure over the Kiosk and expressed an interest, for security of tenure for a further term of three (3) years on the same conditions as the existing Lease.

Internal consultation was completed with Community, Cultural and Economic Development:

• Community and Cultural Services confirmed their interest in renewing tenure over the Kiosk for a further term of three (3) years.

CONCLUSION

It is recommended that Council support entering into a new lease with CVS Lane Capital Partners Pty Ltd for a term of three (3) years. The lease will clearly outline maintenance responsibilities between CVS Lane and Council and will reflect the requirements of the *Local Government Act 2009, Local government Regulation 2012, and the Land Titles Act 1994*.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Draft Lease 🗓 🖫
2.	Property Plan 🗓 🖺
3.	Lease Area Plan 🗓 🚨
4.	Karalee Shopping Village Leasing Plan 🗓 🖺
	The state of the s
	CONFIDENTIAL
5.	Title Search

Michelle McNamara

PROPERTY SUPPORT OFFICER

I concur with the recommendations contained in this report.

Kerry Perrett

ACTING PROPERTY SERVICES MANAGER

I concur with the recommendations contained in this report.

Allison Ferres-MacDonald

ACTING MANAGER, LEGAL AND GOVERNANCE (GENERAL COUNSEL)

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

Priv Coll use	vacy Statement lection of information fr	GISTRY ct 1994 and Water Act 2000 Dealing Number OFFICE USE Common this form is authorised be searchable records. For mo	DNLY y legislation and i			Form 7 Version 6 Page 1 of 52
1.		al Partners Pty Ltd ACN Instrument 716649230		Mullins Lawyers GPO Box 2026 BRISBANE QLD E-mail: fsears@m		Lodger Code BNE 107A
2.	Lot on Plan Desc Lot 100 on SP298	=			Title Refe 51224397	
3.	Lessee Given n	names	-	ny name and number Council ABN 61	(include tenancy if m	ore than one)
4.	Interest being le Fee Simple	ased				
5.		remises being leased round of the Building er	ected on the la	and as shown on the	e attached plan as "K01"	
6.	Expiry date: 30 A #Options: Nil	date/event: 1 May 2022 April 2025 or insert option period (eg 3 y		rs)	7. Rental/Conside See Schedule	ration
8.	covenants and co	es the premises descri anditions contained in th	e attached sch	nedule.	the term stated in item	6 subject to the
		essing officer mast be awar	_			
			/	tion Date / 2022	Le: CVS Lane Capital Partners Pty I	ssor's Signature Ltd ACN 155 490 154
quali	fication					Director
	nessing officer must be al Practitioner, JP, C De	in accordance with Schedule c)	1 of the Land Title	Act 1994 eg		Director/Secretary
9.	Acceptance The Lessee acce	pts the lease and ackno	owledges the a	mount payable or c	other considerations for the	e lease.
Wit	nessing Officer		Execu	tion Date	Les	ssee's Signature
	aturo			/ 2022		ABN 61 461 981 077
full n	ame					
quali	fication				C	hief Executive Officer
	nessing officer must be al Practitioner, JP, C De	in accordance with Schedule c)	1 of the Land Title	Act 1994 eg		

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 2 of 52

Title Reference 51224397

Table of Contents

ran	iculars	
1	Definitions	
2	Term	. 12
3	Rent	
4	Outgoings	
5	Use	
6	Maintenance and Repair	
7	Alterations	
8	Insurance & Risk	
9	Indemnities	
10	Assignment Sub-letting & Other Dealings	
11	Costs	
12	Mortgagee of Freehold	. 26
13	Landlord's Covenants	
14	Default	
15	Damage Or Destruction	
16	Complex	
17	Centre Management	
18	General	
19	Covenant on Sale of Freehold	
20	Right to Strata Title	
21	Lessor's Right to Relocate	. 38
22	Demolition	. 40
23	Funds	. 40
24	Trusts	. 41
25	First Option	. 41
26	Second Option	. 42
27	Power of Attorney	. 43
28	End of Lease	. 44
29	Bank Guarantee	. 45
30	Security Bond	. 46
31	Landlord's Limitation of Liability	. 47
32	Guarantee and Indemnity	. 48

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 3 of 52

Title Reference 51224397

This is the Schedule referred to in the Form 7 Lease dated the day of 2022

Particulars

Fatticulars				
Landlord:	CVS Lane Capital Partners Pty Ltd ACN 155 490 154 as Trustee under Instrument 716649230 & 716934534			
Tenant:	Ipswich City Council ABN 61 461 981 077			
Lease Term:	Three (3) years			
Date of Commencement:	1 May 2022			
Address of the Premises:	Kiosk 1, Coles Karalee Shopping Village, 39-51 Junction Road, Chuwar			
Area of the Premises:	30m ²			
Base Rent:	\$23,766.92 per annum plus GST			
Review Date(s):	Fixed Review (3% increase): On each anniversary of the Date of Commencement CPI Review: Not applicable Market Review: Not applicable			
Turnover Rent Percentage	Not applicable			
Tenant's Proportion (at Date of Commencement):	0.25%			
Permitted Use:	Provision of a library service			
Core Trading Hours:	Monday to Wednesday and Friday – 8.30am to 6.00pm Thursday – 8.30am to 9.00pm Saturday – 9.00am to 5.00pm Sunday – 9.00am to 6.00pm			
Promotion Fund:	Not applicable			
Option Exercise Period:	Not applicable			
First Option Term:	Not applicable			
Second Option Term:	Not applicable			
Option Review Dates:	Not applicable			
Bank Guarantee:	Not applicable			
Security Bond:	Not applicable			
Guarantor:	Not applicable			
Landlord's Solicitors:	Mullins Lawyers, Level 21, 123 Eagle Street, Brisbane QLD 4000 or such other solicitors as the Landlord may appoint from time to time and notify to the Tenant			
Landlord's Address for Notices:	Level 8, 175 Eagle Street, Brisbane Qld 4000 and Level 32, 120 Collins Street, Melbourne VIC 3000			
Tenant's Address for Notices:	Address: 1 Nicholas Street, Ipswich Phone No: (07) 3810 6666 Mobile No: N/A Fax No: (07) 3810 6731			

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 4 of 52

Title Reference 51224397

Particulars					
	Email Address: council@ipswich.qld.gov.au				
Special Conditions:	1. Trading Hours				
	Despite the Core Trading Hours for the Complex, the Tenant agrees that it will open the Premises for trade during the following minimum hours:				
	Monday to Friday – 8.30am to 5.00pm Saturday – 9.00am to 5.00pm (excluding public holidays)				
	2. Land Tax				
	Despite any other clause in this clause, while the Tenant is Ipswich City Council ABN 61 461 981 077, the parties acknowledge and agree that the Tenant will not be required to pay any monies to the Landlord on account of Land Tax.				

1 Definitions

In this Lease unless the context otherwise requires:

- 1.1 Accounting Period means each period of 12 Months starting on 1 July and ending on 30 June next (or any other period nominated by the Landlord from time to time and notified to the Tenant). The first Accounting Period starts on the Date of Commencement and ends on 30 June next and the last Accounting Period starts on 1 July immediately preceding the date of determination of this Lease and ends on the date of determination.
- 1.2 **Air Conditioning Equipment** means the plant electrical installations ductwork and diffusers used for the manufacture and reticulation of conditioned air throughout the Building and includes all mechanical ventilation.
- 1.3 **Appurtenances** means the water closets drains water apparatus pipes and other appurtenances in the Premises and the Complex.
- 1.4 **Base Rent** has the meaning given in clause 3.2.
- 1.5 **Building** means the building or buildings of the Landlord erected or to be erected on the Land and on any other lands from time to time forming part of the Complex.
- 1.6 **Car Park** means those parts of the Complex from time to time allocated by the Landlord to the parking of cars and includes the driveways to and from those parts.
- 1.7 Claims means actions demands losses injuries damages suits judgments injunctions orders decrees costs and expenses of every description and includes without limitation consequential losses and damages.
- 1.8 **Common Areas** means all those parts of the Complex not leased or intended to be leased to any tenant. These parts of the Complex may be set aside by the Landlord or be available for use by the tenants of the Complex and others. They include any malls walkways passageways circulation areas staircases escalators travelators ramps and lifts service roads loading bays

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 5 of 52

Title Reference 51224397

forecourts and toilets.

1.9 **Complex** means:

- 1.9.1 the Land and all other parcels of land nearby included in and used mainly for the purpose of an office complex and/or shopping centre and/or car park together with the Building; and
- 1.9.2 the fixtures fittings and plant and other structures erected or to be erected on those other parcels but excluding any buildings or structures the Landlord decides in its discretion will not form part of the Complex.

1.10 Core Trading Hours means:

- 1.10.1 until a resolution is passed in accordance with the *Retail Shop Leases Act 1994* the core trading hours specified in the Particulars; and
- 1.10.2 upon the passing of such a resolution this term will mean the hours that are stated in the resolution provided always that it is lawful to trade during such hours.
- 1.11 **Date of Commencement** means the date as specified in the Particulars.
- 1.12 **Floor Area** means the Gross Lettable Area Retail of the area to be measured using the Property Council of Australia Method of Measurement for Lettable Area March 1997.
- 1.13 **Fire Equipment** includes all stopcocks hydrants fire hoses fire alarms fire sprinklers and other fire prevention extinguishing and detection equipment in the Complex.
- 1.14 **Form 7** means the lease in Form 7 to the *Land Title Act 1994* to which this Schedule is attached.
- 1.15 **GST Act** means *A New Tax System (Goods and Services Tax) Act* and includes other GST related legislation.
- 1.16 **Guarantor** means the guarantor or guarantors specified in the Particulars and also any person who enters into covenants with the Landlord as a guarantor under clause 10.1.
- 1.17 **Incoming Tenant** means the proposed assignee subtenant or other occupant under any dealing under clause 10.1 and includes where the context requires any person or persons referred to in clause 10.7.
- 1.18 Index Number means the Consumer Price Index (All Groups) for the city of Brisbane as published by the Australian Bureau of Statistics. If that index is discontinued the expression will mean an index or method of measuring increases in the cost of living agreed in writing by the Parties. If there is no agreement within 14 days, it will be an index or method determined at the request of either Party by the President or Acting President of the Valuers Institute or their nominee.
- 1.19 **Insured Risks** means the risks the Landlord is required by this Lease to insure and any additional risks against which the Landlord effects insurance relating to the Building.
- 1.20 **Land** means the land described in Item 2 of the Form 7.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 6 of 52

Title Reference 51224397

- 1.21 Landlord means the person referred to in Item 1 of the Form 7 its successors and assigns and unless inconsistent with the context includes all persons for the time being authorised by the Landlord.
- 1.22 Lease means this lease including the Form 7 and any annexures and schedules and any obligation or agreement expressed to be supplemental to this Lease and all amendments to those documents.
- 1.23 **Lease Term** means the period specified in the Particulars commencing on the Date of Commencement or such shorter period as provided under this Lease.
- 1.24 Lease Year means each separate year of the term of this Lease. The first Lease Year starts on the Date of Commencement and each subsequent Lease Year starts on the same day of the following year; the expression includes any broken period between the end of the last complete Lease Year and the date of termination.
- 1.25 **Month** means a calendar month.
- 1.26 **Mortgagee** means all present or future mortgagees of the Complex.
- 1.27 **Outgoings** means all expenses paid or incurred by the Landlord in managing supervising and maintaining the Land and Building and keeping them secure and include without limitation:
 - 1.27.1 Rates and taxes (other than income tax) and ground rent with respect to the Land or the Building charged or levied irrespective of ownership (other than charges payable by the Tenant under this Lease or by any other tenant of the Building) including without limitation:
 - 1.27.1.1 all charges and assessments whether municipal local governmental statutory or otherwise;
 - 1.27.1.2 land tax or taxes of the nature of a tax on land computed on the taxable value of the Land at the rate for the time being payable by the Landlord (excluding any land tax assessed against the Landlord by any government agency which the Landlord is precluded by law from recovering from the Tenant).
 - 1.27.2 Fire protection services.
 - 1.27.3 Maintaining the Common Areas and the external surfaces of the Building.
 - 1.27.4 Maintaining the Car Park and providing parking attendants.
 - 1.27.5 Maintaining gardens and landscaped areas in or near the Complex.
 - 1.27.6 Control of rodents vermin insects pests birds and animals in the Common Areas and the Car Park.
 - 1.27.7 Disposing of rubbish and waste from the Building.
 - 1.27.8 Providing lighting and power in the Common Areas and the Car Park.
 - 1.27.9 Fuel for the operation of the Air Conditioning Equipment and other plant and equipment.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 7 of 52

Title Reference 51224397

- 1.27.10 Supplying towels soap and other toilet requisites to the toilets and washrooms.
- 1.27.11 Insurance premiums and other charges (including stamp duties) for insurance of the Building against fire vandalism malicious mischief earthquake flood water damage boiler and pressure vessel explosion fusion and/or mechanical breakdown in broad cover form with repair and replacement terms and other risks decided by the Landlord in its discretion including but not limited to consequential losses and loss of all rents receivable from the Complex including all other charges payable in addition to the Rent in an amount or amounts and for periods determined by the Landlord. Insurance premiums for loss of profits are excluded.
- 1.27.12 Public risk liability insurance with limits of not less than \$20 million per occurrence or higher amounts reasonably required by the Landlord from time to time.
- 1.27.13 Insurance premiums and other charges (including stamp duties) for plate glass insurance in respect of the Building and for workers' compensation insurance in respect of the employees of the Landlord engaged in the maintenance operation and/or management of the Building.
- 1.27.14 Repairs painting plumbing maintenance renewals and replacements incurred by the Landlord to keep the Building in good repair not normally charged to capital account as determined by the Landlord's accountants in accordance with accounting principles generally accepted in Queensland.
- 1.27.15 Provision of security, caretaking and janitorial services.
- 1.27.16 Provision of all services to the tenants occupiers and invitees which the Landlord may deem desirable for the general amenity of the Building including the operation and maintenance of any music system and servicing and repairing of the Air Conditioning Equipment and the Fire Equipment.
- 1.27.17 Building supplies and the rental of equipment used by the Landlord in the maintenance and operating services.
- 1.27.18 Maintaining all pipes plant machinery and equipment serving the Building.
- 1.27.19 Providing and maintaining (at the Landlord's discretion) any architectural or ornamental features or murals.
- 1.27.20 Supplying all fixtures and fittings bins and receptacles tools appliances materials equipment and other things which the Landlord may deem desirable for the maintenance appearance upkeep or cleanliness of the Building or any part thereof.
- 1.27.21 Providing and maintaining all signs including without limitation illuminated signs.
- 1.27.22 The fees and disbursements of any accountant and any other person employed or retained by the Landlord for the following functions in relation to the Building:
 - 1.27.22.1 accounting functions;
 - 1.27.22.2 management;
 - 1.27.22.3 collection of moneys from the tenants;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 8 of 52

Title Reference 51224397

- 1.27.22.4 administration security repair maintenance renewal insurance and cleaning;
- 1.27.22.5 any other functions which might but for the employment or retainer have lawfully been carried out by the Landlord;
- 1.27.22.6 valuing the Building for the purposes of assessing the full cost of rebuilding and reinstatement;
- 1.27.22.7 fees of the Landlord for any of the functions referred to in this clause undertaken by the Landlord.
- 1.27.23 Employing staff for any of the functions referred to in this definition and all incidental expenditure in relation to that employment including for example:
 - 1.27.23.1 insurance pension welfare benefits transport facilities and benefits in kind;
 - 1.27.23.2 the provision of uniforms and working clothing;
 - 1.27.23.3 the provision of vehicles tools appliances cleaning and other materials fixtures fittings and other equipment for the proper performance of their duties and a store for housing the equipment;
- 1.27.24 All contributions towards the expense of making repairing rebuilding and cleansing any roads pavements structures pipes or anything which may belong to or be used for the Building exclusively or in common with other neighbouring or adjoining premises.
- 1.27.25 Supplying copies of any regulations made by the Landlord relating to the Building or the use of it.
- 1.27.26 Abating a nuisance in so far as the cost is not the liability of any individual tenant.
- 1.27.27 Complying with making representations against or otherwise contesting any orders or statutory requirements concerning assessments of unimproved value town-planning public health highways streets drainage or other matters relating to the Building.
- 1.27.28 Auditing the Outgoings and providing annual estimates and statements of expenditure incurred in respect of the Outgoings.

The Outgoings will be calculated on an accrual and prepayment basis and all the sums referred to in this definition will be deemed to have been paid when due. Any sum which is assessed at intervals or for periods other than periods falling wholly within the relevant Accounting Period will be apportioned.

For the purpose of apportioning the Outgoings equitably amongst the tenants of the Complex, the Landlord acting reasonably may from time to time determine that an expense forming part of the Outgoings (**the Expense**) will be paid by an individual tenant or group of tenants who derive direct benefit from the Expense. If the Landlord determines that the Expense is payable by:

- 1.27.29 an individual tenant, that individual tenant will bear the cost of the Expense solely; or
- 1.27.30 a group of tenants, the Expense will be apportioned amongst and be paid by the individual tenants in the group in the proportion which the Floor Area of each individual tenant's Premises bears to the Floor Area of the Building benefiting from the incurring of the Expense.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 9 of 52

Title Reference 51224397

- 1.28 Particulars means the particulars set out in the table at the start of this Schedule.
- 1.29 **Permitted Use** means the use specified in the Particulars.
- 1.30 **Premises** means the area shown hatched on the sketch plan annexed to this Lease including:
 - 1.30.1 all additions and improvements to the Premises;
 - 1.30.2 all the Landlord's fixtures and fittings and fixtures in or upon the Premises;
 - 1.30.3 all pipes that are in or on and that exclusively serve the Premises; and
 - 1.30.4 any equipment that is in or on and that exclusively serves the Premises,

but excluding the air-space above which remains the property of the Landlord.

- 1.31 **Quarterly Period** means each consecutive period of 3 Months during the Lease Term ending respectively on the last days of March, June, September and December; the expression also includes any broken period prior to the first complete Quarterly Period and after the last complete Quarterly Period.
- 1.32 Redecorate includes:
 - 1.32.1 washing down the exterior and interior of the Premises;
 - 1.32.2 treating as previously treated all internal surfaces of the Premises by painting staining polishing or otherwise to a specification approved by the Landlord; and
 - 1.32.3 replacing all floor coverings which in the opinion of the Landlord are worn or damaged and in need of replacement.
- 1.33 **Rent** means the Base Rent and the Turnover Rent (if any) referred to in clauses 3 and 1.42.
- 1.34 **Review Date** has the meaning given in clause 3.2.2.
- 1.35 **Regulations** means the regulations contained in Annexure A to this Lease as varied from time to time in accordance with clause 16.6.
- 1.36 **Stipulated Rate** means a percentage interest rate per annum equal to the prime lending rate charged by the Landlord's bank plus 5%.
- 1.37 **Tenancy Fitout Guide** means the guide prepared by the Landlord for the direction of tenants in the completion of their fitout of their tenancy in the Complex (if any).
- 1.38 **Tenant** means the lessee referred to in Item 3 of the Form 7.
- 1.39 **Tenant's Proportion** means the percentage of the Total Lettable Floor Area which is from time to time represented by the Floor Area of the Premises and which as at the Date of Commencement is as specified in the Particulars.
- 1.40 **Total Lettable Floor Area** means the Floor Area of all those parts of the Complex which are leased or licensed or may be for lease or licence or which are occupied by any tenant but does not include:

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 10 of 52

Title Reference 51224397

- 1.40.1 the Floor Area of the Common Areas and the Car Park; or
- 1.40.2 any part of the Complex to be used exclusively for storage.
- 1.41 **Turnover** means the amounts received for all goods sold services provided and hirings made from or at the Premises whether paid in cash by credit charge or instalments including:
 - 1.41.1 sums and credits received in settlement of claims for loss of or damage to goods and amounts received under insurance policies or other contracts of indemnity for loss of business sales or profit;
 - 1.41.2 any form of incentive payments or awards from any source which are attributable to the operation of the Tenant's business;
 - 1.41.3 all discounts received from suppliers;
 - 1.41.4 site rents and occupation fees; and
 - 1.41.5 the Turnover arising from the conduct of any competing business of the Tenant within a radius of 2 kilometres of the Premises. As far as possible this is to be calculated in the same manner and on the same basis as the Turnover under this Lease.

but excludes:

- 1.41.6 the net amount of discounts reasonably and properly allowed to customers in the usual course of business;
- 1.41.7 losses incurred in the resale or disposal of goods reasonably and properly purchased from customers as trade-ins in the usual course of business:
- 1.41.8 amounts of uncollected credit accounts written off by the Tenant;
- 1.41.9 cash or credit refunds allowed on sales that have previously been included as gross receipts if the goods sold are returned and the sales cancelled;
- 1.41.10 fees for services refunded in whole or part if the fees have previously been included as gross receipts;
- 1.41.11 amounts of instalments refunded to customers for cancelled lay-by transactions;
- 1.41.12 taxes including goods and services tax imposed on the purchase price or cost of hire of goods or services at the point of sale or hire;
- 1.41.13 delivery charges;
- 1.41.14 the value of goods exchanged between two or more of the Tenant's shops if the exchange is made solely for the convenient conduct of the Tenant's business and not for concluding a sale made at or from the Premises;
- 1.41.15 the value of goods returned to shippers wholesalers or manufacturers;
- 1.41.16 amounts received from the sale of the Tenant's fixtures and fittings from the leased shop;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 11 of 52

Title Reference 51224397

1.41.17 amounts received from lottery sales made on a commission basis (other than commission on the sales).

Each sale upon lay-by on instalment or on credit will be treated as a sale for the full cash price at the date when it is made. It will not matter when the Tenant receives payment. Every hiring of goods to a customer with an option to purchase is treated as a sale of the goods for the full cash price at the date of hiring. It will not matter when the Tenant receives payment. Where goods are hired by the Tenant to customers without an option to purchase the hiring charges will be included in Turnover. The Tenant cannot deduct commissions or other charges paid or payable to operators of any credit card system.

- 1.42 **Turnover Rent** means the amount by which the Turnover for any Lease Year multiplied by the Turnover Rent Percentage (as specified in the Particulars) exceeds the Base Rent payable in respect of that Lease Year.
- 1.43 **writing** includes printing, typing, lithography and other modes of reproducing words in a visible form and written has a corresponding meaning.
- 1.44 Obligations are joint and separate.
- 1.45 References to authorities associations and bodies will also refer to any body established in its place.
- 1.46 Rights of the Landlord to have access to the Premises extend to all persons authorised by the Landlord.
- 1.47 References to the Premises include any part of the Premises.
- 1.48 Any covenant by the Tenant not to do any act or thing includes an obligation not to permit that act or thing to be done and to use its best endeavours to prevent that act or thing being done by a third party.
- 1.49 Any provision in this Lease requiring the consent or approval of the Landlord also requires the consent or approval of any Mortgagee and any superior landlord where that consent is required. However there is no obligation upon any Mortgagee or superior landlord not to unreasonably refuse any consent or approval.
- 1.50 References to the **consent of the Landlord** or words to similar effect mean a consent in writing signed by or on behalf of the Landlord and references to **approved** and **authorised** or words to similar effect mean approved or authorised in writing by or on behalf of the Landlord.
- 1.51 The terms **Party** or **Parties** mean the Landlord and/or the Tenant and (except where there is an express indication to the contrary) exclude the Guarantor.
- 1.52 Words denoting the singular number only include the plural number and vice versa; a reference to any gender includes every other gender; and words denoting individuals include corporations.
- 1.53 A reference in this Lease to an Act of Parliament or any section of an Act should be read as though the words or any statutory modification or re-enactment of it or any statutory provision substituted for it were added to the reference. Any general reference to Statute or Statutes includes any regulations or orders made under the Statute or Statutes.
- 1.54 Every obligation undertaken by any Party (including the Guarantor) will be construed as if each obligation is separate and independent made by the Party and continuing (unless the context

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 12 of 52

Title Reference 51224397

otherwise requires) throughout the Lease Term and subsequently so long as it remains to be performed.

- 1.55 References in this Lease to any clause sub-clause paragraph or Schedule without further designation will be construed as a reference to the clause sub-clause paragraph or Schedule of this Lease so numbered.
- 1.56 The headings or marginal notes in this Lease are included for convenience only and do not affect the interpretation of this Lease.

2 Term

2.1 **Term**

The Landlord leases the Premises to the Tenant for the Lease Term subject to the provisions of this Lease.

2.2 Holding Over

If the Tenant with the consent of the Landlord remains in occupation of the Premises after the Lease Term has ended then:

- 2.2.1 the Tenant will be tenant of the Premises from month to month on the terms of this Lease so far as they are applicable to a monthly tenancy;
- 2.2.2 the monthly tenancy may be ended by either party giving not less than 1 Month's written notice to the other which may be given at any time; and
- 2.2.3 the rent payable in respect of the monthly tenancy will be the amount of Rent payable monthly under this Lease immediately before the end of the Lease Term and will be payable in advance.

3 Rent

3.1 Payment of Base Rent

The Tenant will pay to the Landlord (including by way of direct debit if the Landlord requires) the Base Rent without deduction or set-off, the first payment to be made on the Date of Commencement. The Base Rent will be paid by equal monthly instalments in advance on the first day of each Month. If necessary, the first and last payments will be apportioned on a daily basis.

3.2 Base Rent and Reviews

The expression **Base Rent** means an annual sum calculated as follows:

- 3.2.1 for the first Lease Year such amount as specified in the Particulars; and
- 3.2.2 for each subsequent Lease Year an amount calculated at the date of the start of the relevant Lease Year (**Review Date**) by Fixed Review, CPI Review or Market Review as nominated in the Particulars.
- 3.2.3 In the absence of any nomination for a Lease Year, the Base Rent will be the same as for the previous Lease Year.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 13 of 52

Title Reference 51224397

- 3.3 In this clause:
 - 3.3.1 **Fixed Review** means increasing the Base Rent payable immediately before the relevant Review Date by the Percentage Increase specified in the Particulars.
 - 3.3.2 **CPI Review** means calculating the new Base Rent in accordance with the following formula:

<u>A x B</u> C

where: A = Base Rent payable immediately before the relevant Review Date.

B = Index Number for the last quarter immediately before the relevant Review Date.

C = Index Number for the last quarter before the first day of the Lease Year last concluded.

3.3.3 **Market Review** means calculating the current market rent for the Premises as at the start of the Lease Year under review in accordance with the *Retail Shop Leases Act* 1994.

3.4 Obligation to Pay Until Base Rent Calculated

Pending calculation of the reviewed Base Rent for any Lease Year, Base Rent will continue to be paid at the rate payable during the Lease Year last concluded and will be adjusted retrospectively to the start of the Lease Year under review.

3.5 Rent Obligation Absolute

The Tenant's obligation to pay all Rent is absolute and is not subject to any abatement reduction set-off defence counterclaim or recoupment.

3.6 Goods and Services Tax

- 3.6.1 All amounts referred to in this Lease are exclusive of goods and services tax. The Tenant must pay all goods and services tax or other consumption tax applied to all supplies made by the Landlord to the Tenant under this Lease.
- 3.6.2 If this Lease requires the Tenant to reimburse the Landlord for a supply under this Lease made by a third party and the Landlord is entitled to claim an input tax credit on any amount paid by it for that supply then the amount that the Tenant must pay for that supply is the amount that the Landlord paid for that supply less the input tax credit.
- 3.6.3 The Tenant will pay the goods and services tax when the Landlord provides a tax invoice for the payment.
- 3.6.4 In this clause, the terms **goods and services tax**, **supply**, **input tax credit** and **tax invoice** have the meanings given to them in the GST Act.

QUEENSLAND TITLES REGISTRY
Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 14 of 52

Title Reference 51224397

4 Outgoings

4.1 Obligation to Pay Outgoings

4.1.1 In addition to Rent, the Tenant will during the Lease Term pay to the Landlord immediately on demand sums of money equal to the Tenant's Proportion of the Outgoings.

4.2 Payments on Account of Outgoings

- 4.2.1 The Landlord may before the start of any Accounting Period furnish to the Tenant an estimate of the Outgoings to be paid by the Tenant for that Accounting Period.
- 4.2.2 The Tenant will pay the Tenant's Proportion of the estimated Outgoings by equal monthly instalments in advance on the first day of each Month.

4.3 Statement of Adjustment of Outgoings

- 4.3.1 At the end of each Accounting Period the Landlord will give the Tenant an itemised statement of the actual Outgoings payable by the Tenant for the previous Accounting Period and an adjustment will be made between the Landlord and the Tenant by either:
 - 4.3.1.1 The payment of any shortfall by the Tenant to the Landlord; or
 - 4.3.1.2 The refunding or crediting of any excess by the Landlord to the Tenant.

4.4 Utility Supplies

The Tenant will not use any form of light power or heat other than electric current or gas supplied through meters. This covenant does not prevent the use of auxiliary power or lighting (other than an exposed flame) during any period of power failure or power restrictions. The Tenant will punctually pay all charges for electricity gas and water consumed in the Premises whether assessed against the Tenant or the Landlord.

4.5 Future Taxes

The Tenant will pay all rates and taxes (whether on a capital or revenue basis or any other basis and even though of a novel character) which may be imposed in respect of the Premises or on the Rent or for the use and occupation of the Premises and whether assessed against the Landlord or directly against the Tenant.

4.6 Cleaning Costs

- 4.6.1 The Tenant will pay the cost of any cleaning or refuse services to the Premises.
- 4.6.2 The Tenant will be required to supply and pay for its own refuse bins and for refuse removal.
- 4.6.3 The Landlord will provide a refuse bin holding area which the Tenant will be permitted to use, however, the Tenant acknowledges and agrees that it will not have exclusive right to use the area and will be required to use this area in conjunction with other tenants of the Complex.
- 4.6.4 The Tenant will be required to organise and pay for the cost of regular cleaning of any

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 15 of 52

Title Reference 51224397

grease trap accessed by the Tenant (if any).

4.7 Bulk Supply of Electricity

If the Landlord gives a notice to the Tenant electing to supply the Tenant with electricity consumed on the Premises from the bulk supply of electricity purchased by the Landlord, then the Tenant may purchase all electricity consumed on the Premises from the Landlord on the following terms:

- 4.7.1 So far as the Landlord is reasonably able to do so, the Landlord must supply the Tenant with all electricity reasonably required for the proper use of the Premises;
- 4.7.2 The amount of electricity supplied to the Premises is to be measured by meter;
- 4.7.3 In addition to paying for the electricity supplied, the Tenant must pay for the Landlord's costs of reading meters and issuing accounts;
- 4.7.4 The Landlord may charge for the electricity at the same rates as the electricity is supplied to the Landlord or at the rates the Landlord is entitled to charge the Tenant by law whichever allows the Landlord to charge the higher rate;
- 4.7.5 The Landlord must give the Tenant accounts from time to time for the electricity consumed on the Premises and the Landlord's costs of reading metres and issuing accounts:
- 4.7.6 The Tenant must pay each account within 21 days after receiving it;
- 4.7.7 Provided the Landlord takes reasonable steps to rectify any interruption in the electricity supply, the Landlord is not liable to the Tenant and the Tenant may not stop or reduce payments under this Lease or claim compensation or damages if:
 - 4.7.7.1 The bulk supply of electricity from the relevant authority fails for any reason; or
 - 4.7.7.2 The electrical system in the Building or the Premises fail because of breakdowns, repairs, maintenance, strikes, accidents or any other reason.

5 Use

5.1 Use of the Premises

- 5.1.1 The Tenant will not use or permit the Premises to be used for any purpose other than the Permitted Use.
- 5.1.2 The Tenant acknowledges that:
 - 5.1.2.1 the Tenant will obtain the consents of any planning or other authority which may be required for the Tenant to carry on its business in the Premises; and
 - 5.1.2.2 no warranty is given by or on behalf of the Landlord with respect to the suitability fitness or adequacy of the Premises or the Complex or that the Tenant has any exclusive right to carry on the Permitted Use or to sell the products specified in the Particulars (if any) or as to other businesses in the

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 16 of 52

Title Reference 51224397

Complex;

- 5.1.2.3 the Landlord is not responsible to the Tenant for breach of lease by any other tenant in the Complex;
- 5.1.2.4 the Tenant must not use the Premises for a permitted use or to sell products or provide services to the extent that any other tenant in the Complex has an exclusive right to carry on such permitted use or to sell products or provide services where such right has been granted prior to the date of this Lease.

5.2 Tenant to Carry on Business

- 5.2.1 The Tenant will carry on its business at the Premises during the Lease Term in a reputable manner and consistent with good business practice during the Core Trading Hours.
- 5.2.2 The Tenant may conduct its business in the Premises outside the Core Trading Hours as approved by the Landlord but nothing in this Lease requires the Landlord to open or keep open the Complex beyond the Core Trading Hours.
- 5.2.3 If the Landlord incurs costs because the Tenant trades outside of the Core Trading Hours including but not limited to the provision of extra security and electricity (**Out of Hours Costs**) the Tenant must pay a contribution towards the Out of Hours Costs calculated in accordance with clause 5.2.4.
- 5.2.4 The contribution to the Out of Hours Costs payable by the Tenant will be the proportion of the total of all Out of Hours Costs incurred by the Landlord by tenants in the Complex which the Floor Area of the Premises bears to the Floor Area of those premises in the Complex occupied by tenants who trade outside the Core Trading Hours.
- 5.2.5 Any business practice by the Tenant which may harm the business or reputation of the Landlord or reflect unfavourably on the Complex the Landlord or other tenants in the Complex or which may mislead or deceive the public will immediately be discontinued by the Tenant at the Landlord's request.

5.3 Lighting

- 5.3.1 The Tenant will keep the display windows in the Premises clean and dressed at all times
- 5.3.2 If the exterior signs (if any) and shop front lighting are not connected to the lighting circuits of the Common Areas the Tenant will keep such lighting well and continuously illuminated at such times as the Landlord requires even though the Premises may then be closed for business.

5.4 Storage Areas

The Tenant will store on the Premises only those goods to be offered for retail sale or hire or goods necessary to provide services to its customers from the Premises.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 17 of 52

Title Reference 51224397

5.5 Legal Requirements

- 5.5.1 The Tenant will comply with and observe all Statutes and all orders ordinances regulations requirements notices and by-laws made by any public body or authority relating to the Premises or to the Tenant's use or occupation of the Premises.
- 5.5.2 The Tenant will not do or omit to do any act or thing whereby the Landlord may become liable to pay any penalty or the whole or part of any expenses incurred under any Statute ordinance regulation by-law order requirement or notice.
- 5.5.3 The Tenant is not required by this clause to make any structural improvements or structural alterations unless they are required or necessary by reason of any neglect or default by the Tenant or any person claiming under the Tenant or by reason of the business carried on in the Premises or the number or sex of the employees or persons at the Premises.

5.6 Use Obligations

The Tenant will:

- 5.6.1 keep the Premises clean and free of rubbish by regular daily cleaning and rubbish removal:
- 5.6.2 keep the Premises free of vermin;
- 5.6.3 observe the maximum floor loading weights nominated by the Landlord. The Tenant will only install any heavy equipment in accordance with the Landlord's written direction;
- 5.6.4 notify the proper authorities if any infectious disease occurs on the Premises and fumigate and disinfect the Premises as reasonably appropriate;
- 5.6.5 comply at all times with the requirements of the Insurance Council of Australia and The Queensland Fire and Rescue Service:
- 5.6.6 co-operate with the Landlord in carrying out fire drills and observe all necessary and proper emergency evacuation procedures;
- 5.6.7 ensure all exterior doors and windows in the Premises are locked securely at all times when the Premises are not being used;
- 5.6.8 pay the costs of cleaning all blockages in pipes that originate in the Premises which shall be cleared by licensed tradesmen employed by the Landlord.

5.7 Use Restrictions

The Tenant will not:

- 5.7.1 carry on in the Premises any annoying noxious offensive or illegal act or do anything or use any plant or machinery which through noise odours vibrations or otherwise may be or grow to the annoyance nuisance grievance damage or disturbance of any other tenant of the Complex or of the Landlord or of the occupiers of adjoining premises;
- 5.7.2 place any noise transmitting apparatus on or in the Premises or the Complex;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 18 of 52

Title Reference 51224397

- 5.7.3 use the Appurtenances for any purposes other than those for which they were constructed and will not place in them any deleterious substances;
- 5.7.4 interfere with any Appurtenances gas electrical plumbing or other services contained in or about the Premises or the Air Conditioning Equipment or the Fire Equipment without first obtaining the consent in writing of the Landlord;
- 5.7.5 cause any sign advertisement or hoarding to be placed on or in the Premises which is visible from outside the Premises without the prior consent of the Landlord such consent not to be unreasonably withheld if such sign advertisement or hoarding:
 - 5.7.5.1 is incidental to the Tenant's class of business;
 - 5.7.5.2 strictly complies with the by-laws of the local or other authorities; and
 - 5.7.5.3 conforms with the corporate or common identity for the Complex in accordance with the Landlord's specification;
- 5.7.6 erect any blinds or awnings visible from outside the Premises;
- 5.7.7 make holes in mark or damage the Premises;
- 5.7.8 use any flammable chemicals;
- 5.7.9 do anything or keep anything in the Premises that may make void or voidable or conflict any insurance policy applicable to the Premises or whereby the amount of premium payable for any insurance policy may be increased. Without prejudice to any other rights under this Lease the Tenant will pay to the Landlord on demand any increase of premium which may be occasioned by a breach of this clause:
- 5.7.10 hold or permit to be held any auction sale in the Premises;
- 5.7.11 overload the electrical services.

5.8 Security & Keys

- 5.8.1 The Landlord's representatives are authorised to enter the Premises for the purpose of locking any doors or windows left unlocked or checking the general security of the Building and the Premises.
- 5.8.2 The Tenant must provide the Complex Manager with keys to the Premises and must not change the locks of the Premises without notifying the Complex Manager and providing the Complex Manager with new keys. The Landlord must not authorise the Complex Manager to use the Tenant's keys other than in emergencies or in accordance with the Landlord's rights under this Lease or at law.

6 Maintenance and Repair

6.1 Notice of Damage

The Tenant will promptly notify the Landlord of any damage to the Premises or the defective operation of any of the Appurtenances.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 19 of 52

Title Reference 51224397

6.2 Maintenance of Premises

The Tenant will repair the Premises (including any grease trap accessed by the Tenant) and keep them in good and substantial repair except damage caused by:

- 6.2.1 fair wear and tear; or
- 6.2.2 an Insured Risk other than where the insurance money is irrecoverable because of any act or default of the Tenant or anyone at the Premises expressly or by implication with the Tenant's consent.

Where the insurance policy for the Insured Risks requires payment of excess or deductible by the Landlord the Tenant will pay the excess or deductible (or where the damage is to the Premises and other parts of the Building a fair proportion of the excess or deductible) to the Landlord on demand.

6.3 Inspection by Landlord & Right of Entry

- 6.3.1 The Landlord may at all reasonable times on reasonable notice (except in the case of emergency) enter upon and view the condition of the Premises and the Tenant will immediately upon notice being given by the Landlord execute all repairs which the Tenant is obliged to carry out under this Lease.
- 6.3.2 The Tenant will also permit the Landlord at all reasonable times on reasonable notice (except in the case of emergency) to enter upon the Premises to effect any alterations or repairs which the Landlord may wish to carry out. In exercising its powers under this clause the Landlord will endeavour to cause as little inconvenience to the Tenant as is reasonably practicable in the circumstances.

6.4 Landlord's Right to Repair

If at any time the Tenant is in breach of any express or implied obligations in this Lease relating to repair of the Premises the Landlord may (but without prejudice to the Landlord's right of reentry) enter upon the Premises and repair them at the Tenant's expense.

6.5 Tenant to Redecorate

The Tenant will during the last 3 Months of the Lease Term, Redecorate the Premises to the satisfaction of the Landlord acting reasonably. If the Tenant fails to Redecorate the Premises the Landlord may Redecorate them at the Tenant's expenses.

6.6 **Glass**

The Tenant will replace all glass in the Premises or forming part of the boundary walls of the Premises that is broken during the Lease Term.

6.7 Air Conditioning Maintenance – Deleted Intentionally

7 Alterations

7.1 Prohibition against Alterations

Subject to clauses 7.2 and 7.3, the Tenant will not make any alterations or additions to the Premises without first obtaining the Landlord's written consent and complying in all respects

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 20 of 52

Title Reference 51224397

with the requirements of the Tenant's Fitout Guide and with the following conditions:

- 7.1.1 the Tenant will submit to the Landlord full detailed drawings and other specifications of the proposed works including particulars of the materials to be used;
- 7.1.2 the proposed works must be approved by the Landlord's architect;
- 7.1.3 the Tenant will obtain the approval of the local and any other relevant authorities to the proposed works where required and shall immediately provide a copy of such approval to the Landlord;
- 7.1.4 the works will be carried out by contractors who have current public liability insurance for an amount nominated by the Landlord;
- 7.1.5 the Landlord may require the Tenant to use a nominated contractor if any warranty or other similar benefit enjoyed by the Landlord may be detrimentally affected if the works are not carried out by the nominated contractor:
- 7.1.6 the works shall be carried out in a proper and workmanlike manner to the satisfaction of the Landlord's architect and if the Landlord so requires under the supervision of the Landlord's architect;
- 7.1.7 the Tenant shall pay to the Landlord on demand the reasonable costs and expenses of the Landlord's architect and any other Landlord's consultants relating to the Landlord's consent (whether or not any consent is granted) and the supervision of the works;
- 7.1.8 the Tenant indemnifies the Landlord against all Claims which the Landlord may suffer or incur in connection with the works:
- 7.1.9 the Tenant will observe and perform any other terms and conditions reasonably imposed by the Landlord when granting its consent.

7.2 Alterations Required for Tenant's Business

If any alterations are required by any Statute ordinance regulation by-law order requirement or notice of a public or other authority the Landlord's consent under clause 7.1 will not be unreasonably withheld.

7.3 Internal Partitions

The Tenant will not install alter or remove any internal partitions in the Premises without the prior written consent of the Landlord which consent will not be unreasonably withheld. If such consent is given the conditions referred to in clauses 7.1.1 to 7.1.9 will apply. Any partitions erected by the Tenant remain the property of the Tenant who is responsible for their maintenance and insurance.

7.4 Tenant's Fixtures

- 7.4.1 Any fixtures installed by the Tenant may at the end of this Lease be taken down and removed if the removal can be carried out without affecting the structure of the Complex. The Tenant must fix to the satisfaction of the Landlord acting reasonably any damage done to the Complex by the installation or removal of these fixtures.
- 7.4.2 Any fixtures not removed by the Tenant at the end of this Lease and all other goods of

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 21 of 52

Title Reference 51224397

the Tenant left on the Premises will be considered abandoned by the Tenant and become the property of the Landlord. The Landlord may in its discretion sell or otherwise dispose of abandoned fixtures and goods in any manner the Landlord thinks fit

8 Insurance & Risk

8.1 Tenant's Insurances

- 8.1.1 The Tenant will during the Lease Term at its expense take out in the name of the Tenant noting the interests of the Landlord and any mortgagees of the Premises the following insurances:
 - 8.1.1.1 Property: Insurance upon all property situated in the Premises owned by the Tenant or for which the Tenant is legally liable including fixtures and improvements installed in the Premises by the Tenant, the policies to be for an amount not less than the full replacement cost with coverage against at least fire with standard extended coverage.
 - 8.1.1.2 Public Risk Insurance: Applying to all operations of the Tenant and including bodily injury liability and property damage liability personal injury liability products liability contractual liability contingent liability and tenant's legal liability with respect to the occupancy by the Tenant of the Premises. The policy will be written on a comprehensive basis with limits of not less than \$20,000,000 per occurrence or such higher limits as the Landlord or its mortgagee reasonably requires from time to time.
 - 8.1.1.3 Plate Glass Insurance: All plate glass in the Premises or forming part of the boundary walls of the Premises for reinstatement following breakage or damage from any cause.
 - 8.1.1.4 Business Interruption Insurance: For an amount sufficient to reimburse the Tenant for direct or indirect loss of earnings attributable to perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises.
 - 8.1.1.5 Workers Compensation Insurance: In respect of any employees of the Tenants as required under the *Workers Compensation and Rehabilitation Act (Qld) 2003.*
 - 8.1.1.6 General: Any other form of insurance as the Tenant or the Landlord's mortgagee reasonably requires from time to time in amounts and for perils against which a prudent Tenant would protect itself in similar circumstances.
- 8.1.2 Certificates of insurance or (if required by the Landlord or its Mortgagee) certified copies of each insurance policy will be delivered to the Landlord as soon as practicable after they are taken out.
- 8.1.3 If the Tenant fails to comply with its obligations to take out any insurance under this clause the Landlord may effect the insurance at the cost of the Tenant.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 22 of 52

Title Reference 51224397

8.1.4 Landlord's Insurance

The Landlord will insure the Building against fire lightning impact by aircraft earthquake explosion impact by vehicles and animals malicious damage (other than by persons in or about the Building with the actual or implied consent of the Tenant any subtenant or licensee) rainwater storm and/or tempest in broad cover form with repair and replacement terms on terms and conditions reasonable in the market at the time the insurance is effected. The obligation to insure against any risk is conditional upon insurance for that risk being available from reputable insurers at reasonable rates.

8.2 **Risk**

- 8.2.1 The Tenant uses the Premises at its own risk. The Landlord is not responsible for any loss or damage of the Tenant's property on the Premises for any reason. The Landlord is not legally responsible for any loss of profits resulting from any damage even if the damage occurs because of any defect in the construction of the Building or of any of its services or any act or omission by any contractor of the Landlord or any other tenant of the Building or their respective employees or any member of the public.
- 8.2.2 The Landlord is not legally responsible to the Tenant for any Claim arising from the malfunction or interruption of the water gas or electricity services the Air Conditioning Equipment the Fire Equipment the lifts escalators and travelators (if any) and/or the Appurtenances contained in the Premises or the Complex from any cause.
- 8.2.3 Despite anything in this Lease or implied by law to the contrary the Landlord is not legally responsible for any Claim the Tenant may assert because the Landlord does or does not do something in respect of the Premises or the Complex unless the Tenant gives to the Landlord notice in writing and the Landlord unreasonably fails within a reasonable time to take proper steps to rectify it.

9 Indemnities

Except to the extent caused or contributed to by the Landlord, the Tenant indemnifies the Landlord against all Claims which the Landlord may become legally responsible during the Lease Term in respect of or arising from:

- 9.1 Loss damage or injury from any cause to property or person inside or outside the Building occasioned or contributed to by the neglect or default of the Tenant.
- 9.2 The negligent use by the Tenant of any water gas or electricity or other services to the Complex.
- 9.3 The overflow leakage or escape of water fire gas electricity or any other harmful agent in or from the Premises caused or contributed to by any act or omission by the Tenant.
- 9.4 The Tenant's failure to notify the Landlord of any defect in any of the Air Conditioning Equipment the Fire Equipment or Appurtenances in the Premises of which the Tenant is aware or ought to be aware.
- 9.5 Loss damage or injury from any cause to property or person caused or contributed to by the use of the Premises by the Tenant and arising out of the Tenant's neglect or default.
- 9.6 The improper or faulty erection or construction of facilities trade fixtures or equipment installed in the Premises by the Tenant.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 23 of 52

Title Reference 51224397

9.7 Any personal injury sustained by any person in or about the Premises other than by the wilful or negligent act of the Landlord its servants or agents.

The indemnities in this clause extend to the acts and omissions of the Tenant and any employee agent licensee invitee subtenant or other person claiming through or under the Tenant.

10 Assignment Sub-letting & Other Dealings

10.1 General Prohibition Against Assignment or Subletting

The Tenant will not assign the whole of the Premises or sublet grant any license over share or part with the possession of the whole or part of the Premises without first obtaining the written consent of the Landlord which shall not be unreasonably withheld or delayed if the following conditions are satisfied:

- 10.1.1 the Tenant gives to the Landlord reasonable prior written notice of the Tenant's desire to deal with the Lease details of the nature of the proposed dealing and the name of the Incoming Tenant;
- 10.1.2 the Tenant gives to the Landlord upon demand such further information financial reports or other material as the Landlord may reasonably require in respect of the proposed dealing and/or the Incoming Tenant;
- 10.1.3 the Incoming Tenant is a respectable and financially responsible person who has trading experience at least equal to that of the Tenant and has the ability to meet the Tenant's obligations contained in this Lease;
- 10.1.4 the Tenant is not in breach of the Lease;
- 10.1.5 in the case of a proposed subletting the conditions set out in clause 10.2 are satisfied;
- 10.1.6 the Incoming Tenant enters into a covenant with the Landlord that the Incoming Tenant will observe and perform all obligations conditions and restrictions contained in this Lease on the part of the Tenant to be observed and performed;
- 10.1.7 the Tenant pays the Landlord's reasonable legal and other costs incurred in connection with considering the proposed dealing (whether or not the Landlord's consent is granted) including the cost of enquiries made by or on behalf of the Landlord regarding the solvency fitness and suitability of the Incoming Tenant;
- 10.1.8 if the Incoming Tenant is a limited liability company, 1 or more directors or shareholders of the Incoming Tenant as may be reasonably required by the Landlord will provide personal guarantees to the effect that:
 - 10.1.8.1 the Incoming Tenant will pay the Rent and observe and perform all obligations conditions and restrictions contained in this Lease on the part of the Tenant to be observed and performed;
 - 10.1.8.2 they will indemnify the Landlord against all loss damages costs and expenses arising by reason of any default by the Incoming Tenant;
 - 10.1.8.3 any neglect or forbearance of the Landlord will not release the guarantees provided; and

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 24 of 52

Title Reference 51224397

10.1.8.4 the guarantors will upon disclaimer of these presents by the Incoming Tenant or on dissolution of the Incoming Tenant accept a new lease of the Premises for the residue then unexpired of the Lease Term and at the Rent payable under this Lease and subject to the same terms and conditions.

10.2 Subleases

Every permitted sublease of the Premises must be granted at a rent equal to the then current market rental value of the underlet premises and will contain covenants:

- 10.2.1 for the review of the rent reserved on the same basis as the Base Rent is to be reviewed in this Lease;
- 10.2.2 prohibiting the subtenant from doing or allowing any act or thing inconsistent with or in breach of this Lease; and
- 10.2.3 not to assign or sublet the underlet premises except in accordance with this Lease.

10.3 Absolute Prohibition Against Assignment of Part

The Tenant will not assign part only of the Premises without first obtaining the written consent of the Landlord which may be granted or refused in the absolute discretion of the Landlord.

10.4 No Release

Except to the extent that section 50A of the *Retail Shop Leases Act 1994* applies, the Tenant's liability under the obligations and conditions contained in the Lease will not be reduced or discharged by reason of any time or other indulgence now or at any time granted by the Landlord to any Incoming Tenant and the liability of the Tenant to assure the performance of the Lease will not be affected by any further assignments or subletting of the Lease.

10.5 Prohibition Against Mortgage or Other Dealings

The Tenant will not mortgage charge or otherwise deal with the Tenant's interest in this Lease (including part of such interest) without the prior written consent of the Landlord such consent not to be unreasonably withheld or delayed.

10.6 Concessions & Franchises

Without limiting the generality of clauses 10.1 to 10.3 the Tenant will not permit any business to be operated from the Premises by any concessionaire franchisee licensee or others without the written consent of the Landlord which consent may be arbitrarily withheld. If the Landlord consents to any concession franchise or licence each concession franchise or licence will be subject to the following conditions:

- 10.6.1 the concession franchise or licence will be subject to the terms and conditions in this Lease;
- 10.6.2 the aggregate area of all concessions franchises or licences will not at any one time exceed such percentage of the area of the Premises as the Landlord in its sole discretion considers advisable;
- 10.6.3 each concessionaire franchisee or licensee will carry on business under the trade name and style of the Tenant and in a manner so such business will appear as an

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 25 of 52

Title Reference 51224397

integral part of the Tenant's business;

- 10.6.4 the Tenant will provide the Landlord with an executed copy of each concession franchise and licence agreement and the Landlord will have the right to approve the terms of the agreement or to request changes to the agreement which the Tenant will make or have made prior to its grant; and
- 10.6.5 the Tenant and any concessionaire franchisee or licensee will execute any document or instrument which the Landlord requires including without limitation a sublease of the Premises substantially in the form of this Lease.

10.7 Deemed Assignment Where Corporate Tenant

- 10.7.1 This clause only applies where the Tenant is a corporation that is not a listed public company or a wholly-owned subsidiary of a listed public company.
- 10.7.2 If there is a proposed assignment or disposal of:
 - 10.7.2.1 a shareholding of 50% or more of the issued share capital of the Tenant or its holding company; or
 - 10.7.2.2 a shareholding in the Tenant or its holding company which would entitle the person acquiring such shareholding to 50% or more of the voting power of all shares represented at any meeting of members of the Tenant,

such assignment or disposal will be deemed an assignment of this Lease requiring the prior written consent of the Landlord under clause 10.1.

10.8 Assignment by Landlord

If the Landlord sells an interest in the Complex or in this Lease the Landlord will not be legal responsible under any clause in this Lease to the extent that the buyer is responsible for compliance with those clauses.

10.9 Retail Shop Leases Act 1994

Section 45 of the Retail Shop Leases Act 1994 does not apply to this Lease.

11 Costs

11.1 Costs to be Paid by Tenant

The Tenant will pay:

- 11.1.1 the reasonable surveyor's fees for the preparation of the necessary lease plan;
- 11.1.2 the Landlord's reasonable expenses in obtaining any necessary consent to this Lease from the local authority:
- 11.1.3 all stamp duty and registration fees payable in respect of this Lease;
- 11.1.4 all costs and expenses (including legal costs and fees payable to a surveyor or architect) incurred by the Landlord incidental to the preparation and service of any notice under section 127 or section 124 of the *Property Law Act 1974*;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 26 of 52

Title Reference 51224397

- 11.1.5 the Landlord's reasonable expenses relating to any surrender or termination of this Lease except through its expiry;
- 11.1.6 the Landlord's reasonable expenses in granting or refusing any consent required under this Lease; and
- 11.1.7 all amounts the Landlord may expend because of any default by the Tenant in the performance and observance of any term of this Lease.

12 Mortgagee of Freehold

- 12.1 The Landlord and the Tenant must enter into a deed containing the reasonable terms and conditions of consent if required by the Mortgagee.
- 12.2 The Landlord will pay the Tenant's reasonable costs in relation to entering into a deed as required under Clause 12.1.
- 12.3 In consideration of the Landlord granting this lease to the Tenant the Tenant agrees that the Mortgagee's consent to this Lease is subject to the following conditions:
 - 12.3.1 the mortgage remains in full force as if the Mortgagee's consent to this Lease had not been given but so long as the Tenant pays the Rent strictly in accordance with this Lease and otherwise observes and performs the terms of the Lease the Mortgagee will exercise any power of sale or other power or remedy if the Landlord defaults subject to the subsisting rights of the Tenant;
 - 12.3.2 that so long as the Mortgagee is registered as mortgagee of the Complex the Tenant will obtain the consent of the Mortgagee whenever the Landlord's consent is required;
 - 12.3.3 if the Mortgagee gives notice to the Tenant demanding receipt of rents and profits then the Tenant's obligations and the Landlord's rights under this Lease are treated as obligations to and rights of the Mortgagee until the notice is withdrawn or the relevant mortgage is discharged;

13 Landlord's Covenants

13.1 Quiet Enjoyment

If the Tenant observes and performs all its obligations in this Lease the Tenant may peaceably hold and enjoy the Premises during the Lease Term without any interruption by the Landlord or any persons lawfully claiming under or in trust for the Landlord.

13.2 Landlord to Pay Rates

The Landlord must pay all rates and land tax payable in respect of the Complex except any rates and taxes which the Tenant has agreed to pay.

13.3 Tenant to Have Access

The Landlord will permit the Tenant its servants agents licensees and invitees at all times during the Lease Term (except in the case of emergency) to have access (in common with the Landlord and all other persons to whom the Landlord grants the like right) to and from the Premises through the various entrances and exits of the Building as may be necessary or convenient for the purposes of the Tenant's business but not for any other purpose.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 27 of 52

Title Reference 51224397

13.4 Tenant to Have Access to Toilets

The Tenant its servants agents licensees and invitees may (in common with all other persons to whom the Landlord grants the like right) use the toilet facilities in the Building.

13.5 Air Conditioning

- 13.5.1 Subject to clause 8.2.3, the Landlord must take reasonable steps to keep and maintain the Air Conditioning Equipment the Fire Equipment the lifts escalators and travelators (if any) and the Appurtenances in the Premises or the Complex in proper operating order.
- 13.5.2 The Tenant is not entitled to claim any damages abatement of rent or any matter in connection with the operation of the Air Conditioning Equipment including any breakdown or failure to maintain the Air Conditioning Equipment by the Landlord.

14 Default

14.1 Default by Tenant

The Tenant is in default if:

- 14.1.1 the Rent or any part thereof is unpaid for 7 days after it has become due whether any formal demand is made for it or not; or
- 14.1.2 any money payable by the Tenant to the Landlord upon demand is unpaid for 14 days after the making of any demand; or
- 14.1.3 the Tenant does not observe or perform any of the Essential Terms (as defined in clause 14.3) of this Lease on the part of the Tenant to be performed or observed; or
- 14.1.4 the Tenant does not comply with any notice within a reasonable time requiring the Tenant to perform or observe any obligations other than the Essential Terms (whether expressed or implied) in this Lease and on the part of the Tenant to be performed or observed (including of a negative character); or
- 14.1.5 the repairs required by any notice are not completed by the Tenant within the reasonable time specified in the notice; or
- 14.1.6 judgment for an amount exceeding \$20,000 is obtained or entered up against the Tenant in any court of competent jurisdiction and is not satisfied within 21 days; or
- 14.1.7 the Tenant does or suffers to be done any act whereby the estate or effects of the Tenant may become liable to be taken in execution; or
- 14.1.8 any form of external administration is instituted in respect of the Tenant including under the *Corporations Act 2001* (Cth) or otherwise, but does not include any administrator appointed under the Local Government Act 2009;
- 14.1.9 a receiver a manager and receiver or an official manager is appointed in respect of the Tenant or the Tenant's estate and interest in this Lease;
- 14.1.10 the Tenant being a corporation enters into provisional liquidation or liquidation whether voluntary or otherwise (except for the purpose of reconstruction or amalgamation) or

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 28 of 52

Title Reference 51224397

enters into an arrangement or composition with its creditors within the meaning of the Corporations Law;

- 14.1.11 the Tenant being a natural person commits an act of bankruptcy or enters into an arrangement assignment or composition under the *Bankruptcy Act 1966*;
- 14.1.12 the Tenant being a natural person dies or becomes of unsound mind or his estate is liable to be dealt with in any way under the laws relating to mental health;
- 14.1.13 the Tenant abandons or vacates the Premises or is dispossessed of the Premises by process of law.

14.2 Forfeiture of Lease

If the Tenant is in default as specified in clause 14.1, the Landlord may without prejudice to any other rights which the Landlord has or may have against the Tenant (including without limitation the right to recover damages) and subject to giving any prior demand or notice required by law:

- 14.2.1 re-enter and take possession of the Premises (by force if necessary) and eject the Tenant and all other persons. Upon such re-entry, this Lease will terminate;
- 14.2.2 by notice to the Tenant terminate this Lease from the date of giving the notice; and/or
- 14.2.3 by notice to the Tenant convert the unexpired portion of the Lease Term into a monthly tenancy and upon such notice being given this Lease will terminate and the Tenant will occupy the Premises as a tenant from month to month on the terms of the Lease so far as they can be applied.

14.3 Essential Terms

The Parties agree that the Essential Terms of this Lease are clause 3.1 (Payment of Base Rent) clause 3.6 (Goods and Services Tax), clause 4.1 (Payment of Outgoings), clause 5.1 (Use of Premises), clause 5.2 (To Carry on Business), clause 5.5 (Legal Requirements), clause 6.2 (Maintenance of Premises), clause 7.1 (Prohibition Against Alterations), clause 8.1 (Tenant's Insurance), clauses 10.1-10.7 (Prohibition Against Dealing), clause 21 (Relocation) and clause 22 (Redevelopment).

14.4 Damages

If the Landlord determines this Lease under clause 14.2 the Landlord may recover from the Tenant in addition to damages and amounts recoverable apart from this clause:

- 14.4.1 any Rent and Outgoings due but unpaid at the date of the determination;
- 14.4.2 the amount by which the Rent and Outgoings between the date of determination and the date of expiry of this Lease by effluxion of time exceeds the rent and outgoings received or likely to be received from any other tenant to whom the Premises are relet or may be relet during that period;
- 14.4.3 any other amount necessary to compensate the Landlord as a result directly or indirectly of the Tenant's default and the Landlord's determination of the Lease including:
 - 14.4.3.1 costs of maintaining the Premises;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 29 of 52

Title Reference 51224397

- 14.4.3.2 costs of recovering possession of the Premises;
- 14.4.3.3 expenses of reletting including necessary renovation or alteration of the Premises:
- 14.4.3.4 legal costs;
- 14.4.3.5 real estate commissions charges and fees.

For the purposes of this clause, the onus of proving that the Premises are likely to be relet and the amount of the rent likely to be received is upon the Tenant. For the purpose of calculating the Rent and Outgoings that would have been payable after the determination of this Lease and to the extent that the Rent and Outgoings that would have been payable cannot be established certainly, it will be assumed that the Rent and Outgoings would have increased annually by 5% on each anniversary of the Date of Commencement.

14.5 Repudiation

If:

- 14.5.1 the Tenant defaults under an Essential Term of this Lease; and
- 14.5.2 the Landlord accepts the Tenant's repudiation of this Lease,

the Tenant shall compensate the Landlord for any loss or damage suffered including without limitation damages for loss of bargain. The Tenant's obligation to compensate the Landlord is not affected or limited by:

- 14.5.3 the Tenant vacating the Premises:
- 14.5.4 the conduct of the Landlord and the Tenant constituting a surrender by operation of law; or
- 14.5.5 any other lawful conduct of the Landlord.

14.6 Landlord's Right when Tenant Abandons Premises

If the Tenant vacates the Premises or otherwise repudiates this Lease the Landlord may without being treated as accepting the surrender of this Lease or terminating it show the Premises to prospective tenants and/or renovate restore clean and secure the Premises. The Tenant is treated as having vacated if it ceases to carry on the Permitted Use of the Premises for 7 days in a row without the Landlord's approval.

14.7 Reservation of Rights

The rights and powers conferred on the Landlord by this clause are in addition to any other right or power which may be conferred upon the Landlord at law or in equity.

14.8 Non-Waiver

Any waiver of any breach or default under this Lease or any waiver of any term or condition of this Lease must be in writing and will be effective only to the extent set out in the written waiver. All remedies either under this Lease or by law or otherwise afforded to the Landlord are

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 30 of 52

Title Reference 51224397

cumulative and not alternative.

14.9 Accord and Satisfaction

The Landlord may accept a cheque or payment without prejudice to the Landlord's right to recover the balance of the Rent or pursue any other remedy.

14.10 Performance of Tenant's Covenants by Landlord

If the Tenant fails to make any payments or to carry out any terms in this Lease then the Landlord may do so. The Tenant will pay to the Landlord immediately upon demand all moneys which the Landlord expends on their behalf with interest calculated at the Stipulated Rate from the time of those moneys having been so expended to the date of payment.

14.11 Interest on Arrears

The Tenant will pay to the Landlord interest on any Rent or other moneys which are in arrears calculated at the Stipulated Rate from the time of the Rent or other moneys respectively falling due to the date of payment.

15 Damage Or Destruction

15.1 Substantially Unfit or Substantially Inaccessible

- 15.1.1 If the Premises or the Complex is damaged by an Insured Risk so that the Premises are substantially unfit for the occupation and use of the Tenant or (having regard to the nature and location of the Premises and the normal means of access) substantially inaccessible then:
 - 15.1.1.1 Base Rent and other moneys payable under this Lease (except Turnover Rent) are reduced in proportion to the nature and extent of the damage until the Premises have been restored or made accessible;
 - 15.1.1.2 within 14 days of damage occurring to the Premises the Tenant may serve on the Landlord a written Damage Notice notifying that the Premises are unfit or inaccessible. Within 31 days after being served with a Damage Notice, the Landlord may give the Tenant a Restoration Notice notifying that the Landlord will make the Premises fit for occupation and use or render them accessible to the Tenant. If the Landlord does not give a Restoration Notice the Tenant may terminate this Lease by notice in writing to the Landlord:
 - 15.1.1.3 if the Landlord gives a Restoration Notice to the Tenant but does not within a reasonable time substantially commence and diligently proceed to make the Premises fit for occupation and use or render them accessible to the Tenant the Tenant may give the Landlord notice of intention to terminate this Lease. If after receiving such notice the Landlord does not act with reasonable speed and effort to fix the Premises or access the Tenant may terminate this Lease by giving at least 1 Month's notice in writing to the Landlord and at the end of that period this Lease terminates;
 - 15.1.1.4 Clauses 15.1.1.1 to 15.1.1.3 will not apply if the Tenant or an employee agent licensee invitee customer visitor of the Tenant or of any subtenant licensee or other occupier claiming under the Tenant caused the damage

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 31 of 52

Title Reference 51224397

negligently or by a failure to act;

- 15.1.2 If in the Landlord's opinion the damage to the Premises or the Complex is such that it is impractical or undesirable to restore the Premises or if the damage to the Premises or the Complex occurs less than 2 years prior to the end of the Lease Term the Landlord may terminate this Lease by giving not less than 1 Month's notice in writing to the Tenant and at the end of that period this Lease terminates;
- 15.1.3 The Landlord is not legally responsible for the termination of this Lease pursuant to clause 15.1.1. Any termination is without prejudice to the rights of either party regarding a previous breach or non-observance of a term of this Lease.

15.2 Wholly Unfit or Totally Inaccessible

- 15.2.1 If the Complex or the Premises are taken for any public purpose or are so damaged that the Premises are rendered wholly unfit for the occupation and use of the Tenant or totally inaccessible:
 - 15.2.1.1 Base Rent and other moneys payable under this Lease will cease to be payable until the Premises have been restored or made accessible;
 - 15.2.1.2 the Landlord may notwithstanding anything contained or implied in this Lease terminate this Lease by giving at least 1 Month's notice in writing to the Tenant and at the expiration of that notice this Lease terminates and the Landlord is not legally responsible for the termination;
 - 15.2.1.3 the Tenant may terminate this Lease by giving not less than 1 Month's notice in writing to the Landlord and at the end of that period this Lease terminates:
 - 15.2.1.4 clauses 15.2.1.1 to 15.2.1.3 will not apply if the Tenant or an employee agent licensee invitee customer visitor of the Tenant or of any subtenant licensee or other occupier claiming under the Tenant caused the damage negligently or by a failure to act.
- 15.2.2 Any termination under clause 15.2.1 is without prejudice to the rights of either party in respect of any previous breach of a term of this Lease.

15.3 Resolution of Disputes

Any dispute arising under this clause 15 will be determined by a member of the Valuers' Institute or its successor appointed by the President for the time being of that Institute on the application of the Landlord or the Tenant. The appointed person will in making their determination act as an expert and not as an arbitrator and their decision will be final and binding on both Parties. The cost of the decision will be paid by either or both of the Parties (and if so in such proportion) as the person appointed decides.

15.4 Landlord Not Obliged to Reinstate

15.4.1 Nothing in this Lease obliges the Landlord to reinstate the Premises or the Complex or the means of access to them.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 32 of 52

Title Reference 51224397

15.4.2 When reinstating the Premises or the Complex the Landlord is entitled to make such changes to their design fabric character or dimensions as are necessary due to any legal or other requirement imposed by any relevant public authority.

15.5 Insurance Proceeds

If the Premises or the Complex are damaged or destroyed and the Lease is terminated under this clause 15 all proceeds from any insurance policy which the Landlord takes out under this Lease will remain the property of the Landlord.

16 Complex

16.1 Alterations or Additions to the Complex

- 16.1.1 The Landlord may alter add to or increase the height or elevation of the Complex or effect repairs to it or to any part of it (including the Premises) for any purpose in any manner the Landlord may think fit provided that the alterations additions or repairs are carried out in a reasonable manner.
- 16.1.2 The Landlord or any person authorised by the Landlord may at any time enter upon the Premises for the purpose of making such alterations additions or repair and to erect scaffolding.
- 16.1.3 Notwithstanding this clause the Landlord is not entitled to alter the Premises without the prior approval of the Tenant. The Landlord is also required to provide reasonable access to the Premises during any period in which alterations to the Complex are being carried out.

16.2 Signage

- 16.2.1 The Landlord has the sole and exclusive right at all times during the Lease Term to erect or affix any display sign or advertisement on or to the roof of the Building above fascia level and the external walls of the Building (save the shop fronts) and has the right of reasonable access over the Premises to and from any display sign or advertisement for the purpose of installing maintaining or removing it.
- 16.2.2 The Landlord has full control of the illuminated sign (if any) on the fascia of the Premises and may cause it to be illuminated at the cost of the Tenant during all hours the Landlord thinks fit.
- 16.2.3 The Tenant acknowledges and agrees that any signage that it requires will be subject the Landlord's Approval and compliance with all requirements of any statutes and other orders, ordinances, regulations, requirements, notices and by-laws made by any public body or authority relating to such signage.
- 16.2.4 The Tenant will also be responsible for all costs associated with its signage including but not limited to the sign and fabrication costs, maintenance and repair, insurance, annual fees for the signage (if any) and electricity costs (if any) associated with the Tenant's signage.
- 16.2.5 If the Complex has pylon signage the Tenant can make application to the Landlord for representation on such signage (such approval not to be unreasonably withheld).

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 33 of 52

Title Reference 51224397

16.2.6 For the avoidance of doubt, the Tenant will be required to make its own application, as its sole cost and expense to the relevant authority(s) for any Tenant's signage.

16.3 Use of Pipes

The Landlord is entitled to the uninterrupted passage of services from and to other parts of the Complex or any adjoining property through the pipes which now are or may during the Lease Term be in under or over the Premises and is entitled at reasonable times and upon reasonable notice (except in the case of emergency) to enter (or in the case of emergency to break and enter) the Premises to construct and to maintain in or under or over the Premises any pipes for the benefit of any other part of the Complex or any adjoining property.

16.4 Common Areas - Landlord's Rights

The Landlord may whenever it chooses:

- 16.4.1 remove or relocate any of the Common Areas and the Car Park;
- 16.4.2 erect additional buildings and structures on the Common Areas and the Car Park;
- 16.4.3 close all or any entrances to the Complex;
- 16.4.4 grant the exclusive use of structures in the Common Areas such as kiosks and displays;
- 16.4.5 use the Common Areas for functions and displays;
- 16.4.6 grant licences to use the Common Areas;
- 16.4.7 impose charges for parking in the Car Park;
- 16.4.8 grant easements and other property rights in respect of the Complex if they do not substantially and permanently diminish the Tenant's rights under this Lease;
- 16.4.9 prohibit persons whom the Landlord reasonably believes are undesirable from entering the Complex;
- 16.4.10 add buildings to the Complex and extend existing buildings;
- 16.4.11 install a public address system and a music system throughout the Complex and use them as it sees fit.

and subject to any compensation right of the Tenant under the *Retail Shop Leases Act 1994* the Tenant must not make and releases the Landlord from any claim for compensation or damage in connection with the exercise of any rights granted to the Landlord by this clause.

16.5 Common Areas - Tenant's Obligations

The Tenant will:

supply the Landlord with the make and registration number of any motor vehicles of the Tenant and its employees or agents employed at the Complex;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 34 of 52

Title Reference 51224397

- 16.5.2 prevent persons over whom it has control from obstructing the entrances exits and driveways in the Car Park;
- 16.5.3 prevent persons over whom it has control from obstructing the Common Areas;
- 16.5.4 ensure that persons over whom it has control observe the Regulations.

16.6 Regulations

The Tenant will comply with the Regulations. The Landlord may at any time alter the Regulations and make further Regulations provided that the rights of the Tenant expressed in this Lease are not substantially diminished. All amendments and additions will bind the Tenant when notice of them is given to the Tenant in writing by the Landlord. If there is any inconsistency between the provisions of this Lease and any Regulations the provisions of this Lease prevail. The Landlord will not be legally responsible for any loss or damage arising out of any non-enforcement of the Regulations.

17 Centre Management

17.1 Trading Name

If the name under which the Tenant conducts its business at the Premises includes words derived from the name of the Complex then at the end of this Lease the Tenant will if required by the Landlord change its name so as to exclude those words and execute a transfer of all rights in respect of the business name that includes those words (whether standing alone or in combination with any other words) in favour of the Landlord or any person nominated by it including the transfer of any registered business name or any rights under the *Trade Marks Act*. The Landlord is hereby irrevocably constituted the attorney of the Tenant for the purpose of executing those transfers.

17.2 Managing Agent

The Landlord may appoint a managing agent to manage the Complex and any managing agent so appointed will represent the Landlord in all matters relating to this Lease. Any communication from the Landlord to the Tenant will to the extent of any inconsistency override any communication from the managing agent.

17.3 Complex Manager

The Landlord may from time to time appoint a complex manager who will be given the rights of entry conferred upon or reserved by the Landlord and who will be responsible for the general day to day running of the Complex.

18 General

18.1 Entire Agreement

The terms and conditions set out in this Lease contain the entire agreement between the Parties. The Tenant acknowledges that it has not been induced to enter into this Lease by any representation verbal or otherwise made by or on behalf of the Landlord which is not set out in this Lease.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 35 of 52

Title Reference 51224397

18.2 Negativing of Moratorium

To the fullest possible extent the provisions of all statutes operating directly or indirectly to lessen or otherwise vary in favour of the Tenant the obligations of the Tenant or to prevent or prejudicially affect the exercise by the Landlord of all or any of the rights powers and remedies conferred on the Landlord by this Lease are expressly negatived and excluded from this Lease.

18.3 New Guarantor

The Tenant must give notice to the Landlord within 14 days after any of the following events during the Lease Term:

- 18.3.1 The death of any Guarantor;
- 18.3.2 The bankruptcy of any Guarantor;
- 18.3.3 The making or a receiving order against any Guarantor;
- 18.3.4 Any Guarantor becoming insane;
- 18.3.5 Any Guarantor becoming a company passing a resolution to wind up or entering into liquidation or having a receiver or a manager and receiver appointed.

If required by the Landlord the Tenant will within 28 days at its own expense procure some other acceptable to the Landlord to sign a guarantee in respect of the Tenant's obligations in this Lease in the same form as the Guarantor's covenants which are contained in this Lease or in any guarantee separate from this Lease.

18.4 Inspection by Purchaser or Tenant

The Tenant will:

- 18.4.1 allow the Landlord to exhibit on the Premises notices advertising the Complex or any part of it for sale; and
- 18.4.2 at all reasonable times upon prior reasonable notice permit the Landlord to show the Premises to prospective purchasers; and
- 18.4.3 within the 6 Month period immediately preceding the end of the Lease Term permit the Landlord to show the Premises to prospective tenants at all reasonable times and on prior reasonable notice and allow the Landlord to affix and exhibit on the Premises where the Landlord thinks fit the usual "For Sale" and/or "To Let" notices. In each case the notices may display the name and address of the Landlord and its agents. The Tenant will not remove any notice without the prior written consent of the Landlord.

18.5 Modification of Implied Covenants

The obligations and powers implied in leases by sections 105 and 107 of the *Property Law Act 1974* are negatived. All other covenants on the part of the Tenant implied by the *Property Law Act 1974* are not negatived but are modified to the extent of any inconsistency with the provisions of this Lease.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 36 of 52

Title Reference 51224397

18.6 Notices

- 18.6.1 Unless otherwise stated any notice given by the Landlord is deemed to be duly given and served on the Tenant if signed by the Landlord or the Landlord's Solicitors or (if the Landlord is a corporation) by any officer of the Landlord and delivered to the Tenant (or if more persons than one are Tenants under this Lease then to any one or more of them) personally or if the Tenant is a corporation then to any person at its registered office or principal place of business in this State or if left at the Premises or sent to the Tenant through the post in an envelope addressed to the Premises and in the latter case service is deemed to have been effected on the day following posting.
- 18.6.2 Any notice by the Tenant to the Landlord must be signed by the Tenant and served in the manner prescribed by section 347 of the *Property Law Act 1974*.

18.7 Severability

If it is held by a Court of competent jurisdiction that:

- 18.7.1 any part of this Lease is void voidable illegal or unenforceable; or
- 18.7.2 this Lease would be void voidable illegal or unenforceable unless any part of this Lease were severed.

that part will be severed from and will not affect the continued operation of the rest of this Lease.

18.8 **Disclosure Statement**

The Tenant acknowledges receipt of a disclosure statement complying in all respects with section 22(1) of the *Retail Shop Leases Act 1994*.

19 Covenant on Sale of Freehold

If, during the term the Landlord sells or transfers its interest in the Land of which the Premises forms part, and this Lease is not registered, the Landlord shall obtain from the purchaser or transferee a deed of covenant in favour of the Tenant agreeing to be bound by the terms of this Lease as if the purchaser or transferee were the Landlord as originally named in this Lease. Upon the Landlord delivering such deed of covenant to the Tenant, the Landlord shall be released from any further liability under this Lease.

20 Right to Strata Title

20.1 Landlord's Right To Sub Divide

The Landlord may at the Landlord's sole discretion at any time during the Lease Term make application to subdivide the whole or any part of the Land into units pursuant to the *Body Corporate and Community Management Act 1997* as amended from time to time (defined as **the Act** for the purposes of this clause) in such manner and on such terms as the Landlord shall in its absolute discretion determine subject to the following:

20.1.1 the Tenant at the Landlord's request shall execute a surrender of this Lease (the Surrender) as and from the date stipulated by the Landlord and deliver the same to the Landlord together with the Tenant's stamped copy of the lease. The Tenant shall do all such acts and sign all documents as shall be necessary to perfect the Surrender and (where necessary) to enable the Surrender to be registered;

127840:9708304 1

10310254v1

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 37 of 52

Title Reference 51224397

- 20.1.2 notwithstanding execution of the Surrender the Tenant shall continue to occupy the Premises up to and including the date of registration of the plan of subdivision to effect the subdivision of the Land as if the Surrender had not been executed;
- 20.1.3 in consideration of the Surrender the Landlord will grant to the Tenant a lease for the balance of the term under the surrendered lease then current and containing the same options (if any) then unexpired as the surrendered lease and otherwise on the same terms and conditions as the surrendered lease save that the premises under the new lease shall be that unit or units or part or parts created by the subdivision as shall correspond to the Premises and as determined by the surveyor who prepares the plan of subdivision. The determination of such surveyor will be final and binding on both Parties:
- 20.1.4 the Tenant will do all acts and sign all documents as shall be necessary to enable the new lease granted under this clause 20 to be stamped and registered;
- 20.1.5 the Landlord will pay the Tenant's proper and reasonable legal costs of and incidental to the preparation execution stamping and registration of the Surrender and the new lease:
- 20.1.6 the following terms conditions and stipulations shall also apply to the new lease:
 - 20.1.6.1 the date of commencement shall be the date of registration of the plan of subdivision referred to in clause 20.1.2 but for the purposes of rent reviewal the commencement date shall be deemed to be the commencement date of the surrendered lease;
 - 20.1.6.2 the Tenant shall at all times during the new lease term observe and cause all persons over whom it may have control to observe the by-laws of the Body Corporate in force at such times and whether relating to the premises or the common property or otherwise as if such by-laws were set forth in the new lease as covenants on the part of the tenant to be observed and performed;
 - 20.1.6.3 the Landlord hereby reserves absolutely all voting rights granted pursuant to the Act in respect of any unit or units comprising the premises provided the Landlord shall not exercise such rights in derogation of the Landlord's covenants or in a manner inconsistent with the rights of the Tenant;
 - the Landlord's title to the premises is under the Act and the premises enjoy the benefits and burdens of the covenants for support shelter and services implied by the Act. The Tenant's right to use and enjoyment of the premises is subject to the rights of entry upon the premises and interruption of the services conferred upon the Body Corporate by the Act and/or its bylaws and the estate or interest of the Tenant in the demised premises is accepted subject to such rights. The Tenant shall be responsible to pay any body corporate levies in respect of the Premises in addition to Outgoings and any other charges payable under this Lease;
 - 20.1.6.5 if this Lease is guaranteed by a guarantor, the same guarantor shall be required to guarantee the new lease and it shall be the obligation of the Tenant to procure the execution of the guarantee in the new lease by such guarantors.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 38 of 52

Title Reference 51224397

Notwithstanding this clause the Landlord shall use its best endeavours to prevent any by-laws of the Body Corporate which have not been bona fide introduced by the Body Corporate for the proper operation and management of the Body Corporate or which have the effect of limiting the rights granted to the Tenant pursuant to this lease.

21 Lessor's Right to Relocate

21.1 Relocation

If:

- 21.1.1 the Landlord proposes refurbishing, redeveloping or extending the Building in which the Premises is situated during the Term or any renewal of it; and
- 21.1.2 the works mentioned in clause 21.1.1 cannot be carried out practicably without vacant possession of the Premises,

the Landlord may require the Tenant to relocate in accordance with this clause 21.

21.2 Relocation Notice

The Landlord must give to the Tenant at least 3 Months' notice of relocation (**Relocation Notice**) and that notice must state:

- 21.2.1 sufficient details of the proposed refurbishment, redevelopment or extension to indicate a genuine proposal that:
 - 21.2.1.1 is to be carried out within a reasonably practicable time after relocation of the Tenant's Business; and
 - 21.2.1.2 cannot be carried out practicably without vacant possession of the Premises:
- 21.2.2 details of the reasonably comparable alternative premises to be made available to the Tenant within the Centre; and
- 21.2.3 the day by which the Tenant must vacate the Premises.

21.3 New lease

By giving the Relocation Notice the Landlord is taken to have offered to the Tenant a new lease of the alternative premises on the same terms and conditions as this lease except that:

- 21.3.1 the term of the new lease is to be for the remainder of the Term of this lease; and
- 21.3.2 the Base Rent for the alternative premises is to be the same as the Base Rent for the Premises, adjusted to take into account the difference in the commercial values of the Premises and the alternative premises at the time of relocation.

21.4 Termination by Tenant

If a Relocation Notice is given to the Tenant, the Tenant may terminate this lease, within 1 Month after the Relocation Notice is received by giving written notice of termination to the Landlord, in which case this lease is terminated 3 Months after the Relocation Notice was given

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 39 of 52

Title Reference 51224397

unless the parties agree that it is to terminate at some other time, and that date is the **Relocation Termination Date** for the purposes of this clause 21.

21.5 **Deemed acceptance**

If the Tenant does not give a notice of termination as referred to in clause 21.4 the Tenant is taken to have accepted the offer of a lease as referred to in clause 21.3 unless the parties have agreed to a lease on some other terms.

21.6 Termination of lease

Where the Landlord has given a valid Relocation Notice and the Tenant has not terminated this lease under clause 21.4, this lease terminates on the date of relocation specified in the Relocation Notice and that date is the Relocation Termination Date for the purposes of this clause 21.

21.7 Surrender and vacant possession

The Tenant must:

- 21.7.1 at the cost of the Landlord, execute and deliver a surrender of this lease (effective from the Relocation Termination Date) to the Landlord; and
- 21.7.2 vacate the Premises;
- 21.7.3 on or before the Relocation Termination Date.

21.8 New lease execution

Where the Tenant accepts or is deemed to accept the offer of a lease referred to in clause 21.3 the Tenant must execute (and ensure any Guarantor executes) the new lease within 14 days of the Landlord submitting the new lease to the Tenant.

21.9 Relocation costs

The Tenant is entitled to payment by the Landlord of the Tenant's reasonable costs of the relocation, being:

21.9.1 the costs of:

- 21.9.1.1 dismantling and reinstalling any fixtures and fittings; and
- 21.9.1.2 modifying or replacing any fixtures and fittings to the standard existing immediately before the relocation; and
- 21.9.1.3 the Tenant's legal costs.

21.10 Landlord's liability

Subject to clause 21.9, the Landlord is not liable for any loss or damage (including economic loss) suffered by the Tenant in relation to a relocation under this clause.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 40 of 52

Title Reference 51224397

21.11 Existing rights

The provisions of this clause 21 apply without prejudice to the rights of either party in respect of any prior breach.

22 **Demolition**

22.1 Termination of lease for demolition etc

If the Landlord wants to demolish a Building, or part of it, and as a result requires vacant possession of the Premises, the Landlord may terminate this lease by giving the Tenant at least 6 Months' notice of termination (**Termination Notice**) and that notice must state:

- 22.1.1 sufficient details of the proposed demolition to indicate a genuine proposal to demolish the Building (or part of it) within a reasonably practicable time after this lease is terminated; and
- 22.1.2 the day on which this lease terminates.

22.2 Termination by Tenant

After the Landlord has given a Termination Notice under clause 22.1 the Tenant may terminate this lease at any time within 6 Months before the termination date in the Termination Notice by giving the Landlord at least 7 days' notice of termination.

22.3 **Demolition compensation**

Where the Lease is terminated under this clause 22 the Landlord must pay to the Tenant reasonable compensation for the fitout of the Premises to the extent the fitout was not provided by the Landlord.

23 Funds

23.1 Promotion Fund

- 23.1.1 This clause will only apply if the Promotion Fund has been completed in the Particulars.
- 23.1.2 The Landlord will establish and maintain a promotion fund (**the Promotion Fund**). The Promotion Fund will be managed by the Landlord or by the Landlord's representative and used to promote and advertise the Complex.
- 23.1.3 The Landlord will on request provide to the Tenant details of all expenditure by the Promotion Fund for promotion and advertising.
- 23.1.4 The Tenant will contribute to the Promotion Fund by equal monthly instalments on the first day of every Month:
 - 23.1.4.1 for the first Lease Year the amount set out in the Particulars; and
 - 23.1.4.2 for the second and each subsequent Lease Year an amount calculated by increasing annually the contribution referred to in clause 23.1.4.1 by the same percentage that the Base Rent for the relevant Lease Year has increased over the Base Rent for the Lease last concluded.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 41 of 52

Title Reference 51224397

24 Trusts

24.1 Trusts

If the Tenant is at any time acting in the capacity of trustee of any trust (**the Trust**) then whether or not the Landlord may have notice of the Trust the Tenant covenants with the Landlord as follows:

- 24.1.1 this Lease extends to all rights of indemnity which the Tenant has against the Trust;
- 24.1.2 the Tenant has power and authority to enter into this Lease and the provisions of the Trust do not purport to exclude or take away the right of indemnity of the Tenant against the Trust and the Tenant will not release that right of indemnity or commit any breach of trust or be a party to any other action which might prejudice that right of indemnity:
- 24.1.3 the Tenant will be and at all times remain personally liable to the Landlord for the due performance fulfilment and observance of the obligations in this Lease;
- 24.1.4 the Tenant will not without the consent in writing of the Landlord allow any of the following events to happen:
 - 24.1.4.1 the removal replacement or retirement of the Tenant as sole trustee of the Trust:
 - 24.1.4.2 any alteration to or variation of the terms of the Trust;
 - 24.1.4.3 any advancement or distribution of capital of the Trust;
 - 24.1.4.4 any resettlement of the trust property.

It will be an event of default under this Lease if the Tenant is guilty of any breach of trust in respect of the Trust or ceases to be the sole trustee of the Trust.

25 First Option

25.1 Application

This clause will only apply if a First Option Term has been nominated in the Particulars.

25.2 Notice by Landlord

At least 2 Months, but no longer than 6 Months, before the expiry of the Option Exercise Period, the Landlord must give the Tenant written notice of the date by which the Tenant, if the Tenant intends to exercise the Option referred to in this clause, must exercise it.

25.3 Exercise of First Option

If the Tenant:

- 25.3.1 gives written notice to the Landlord that it wishes to renew this Lease during the Option Exercise Period as specified in the Particulars; and
- 25.3.2 there is no current breach of the Tenant's obligations under this Lease and there has

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 42 of 52

Title Reference 51224397

been no persistent breaches of an essential term through the Term then the Landlord will grant to the Tenant a further lease of the Premises on the following conditions:

- 25.3.2.1 the length of the renewal term will be the First Option Term as specified in the Particulars;
- 25.3.2.2 the rent for the first year of the First Option Term will be determined in accordance with clause 3.2 as if the date of commencement of the First Option Term were a Review Date and the method of review were as nominated for that First Option Review Date in the Particulars;
- 25.3.2.3 the terms and conditions will be the same as the terms and conditions of this Lease except for:
 - (a) this clause which will be deleted;
 - (b) the First Option Review Dates will apply for the purposes of clause 3.2; and
 - (c) such other changes as the Landlord may reasonably require.

25.4 New Guarantee

If at the date of exercise of the First Option Term the obligations of the Tenant under this Lease are the subject of a guarantee or indemnity the Tenant must:

- 25.4.1 procure from the persons who provided the guarantee or indemnity another guarantee or indemnity in respect of the lease for the First Option Term on the same terms apart from necessary changes; and
- 25.4.2 produce the properly executed valid and enforceable guarantee or indemnity to the Landlord within 30 days after the Landlord provides to the Tenant the documentation for the new guarantee or indemnity for the renewal term. This time limit is essential and if the Tenant fails to comply with such time limit the Landlord may terminate the new lease for the First Option Term by notice in writing to the Tenant.

26 Second Option

26.1 Application

This clause will only apply if a Second Option Term has been specified in the Particulars.

26.2 Notice by Landlord

At least 2 Months, but no longer than 6 Months, before the expiry of the Option Exercise Period, the Landlord must give the Tenant written notice of the date by which the Tenant, if the Tenant intends to exercise the Option referred to in this clause, must exercise it.

26.3 Exercise of Second Option

If the Tenant:

26.3.1 gives written notice to the Landlord that it wishes to renew this Lease during the Option Exercise Period as specified in the Particulars; and

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 43 of 52

Title Reference 51224397

- 26.3.2 has at all times up to the date of expiration of the Lease Term complied punctually with its obligations under this Lease then the Landlord will grant to the Tenant a further lease of the Premises on the following conditions:
 - 26.3.2.1 the length of the renewal term will be the Second Option Term as specified in the Particulars;
 - the rent for the first year of the Second Option Term will be determined in accordance with clause 3.2 as if the date of commencement of the Second Option Term were a Review Date and the method of review were as nominated for that Second Option Review Date in the Particulars;
 - 26.3.2.3 the terms and conditions will be the same as the terms and conditions of this Lease except for:
 - (a) this clause will be deleted;
 - (b) the Second Option Review Dates will apply for the purposes of clause 3.2; and
 - (c) such other changes as the Landlord may reasonably require.

26.4 New Guarantee

If at the date of exercise of the Second Option Term the obligations of the Tenant under this Lease are the subject of a guarantee or indemnity the Tenant must:

- 26.4.1 procure from the persons who provided the guarantee or indemnity another guarantee or indemnity in respect of the lease for the Second Option Term on the same terms apart from necessary changes; and
- 26.4.2 produce the properly executed valid and enforceable guarantee or indemnity to the Landlord within 30 days after the Landlord provides to the Tenant the documentation for the new guarantee or indemnity for the renewal term. This time limit is essential and if the Tenant fails to comply with such time limit the Landlord may terminate the new lease for the Second Option Term by notice in writing to the Tenant.

27 Power of Attorney

- 27.1 The Tenant irrevocably appoints the Landlord and (if the Landlord is a corporation) the directors the general manager and the secretary for the time being of the Landlord jointly and each of them separately to be the attorneys of the Tenant at any time after the Lease has ended to:
 - 27.1.1 sign a transfer or a surrender of this Lease;
 - 27.1.2 to procure the transfer or surrender to be registered;
 - 27.1.3 from time to time to appoint a substitute or substitutes and revoke those appointments;
 - 27.1.4 to do execute and perform any act deed matter or thing in accordance with this clause as fully and effectually as the Tenant could do.
- 27.2 The Tenant will ratify and confirm everything the attorneys or any substitute or substitutes lawfully do or cause to be done in accordance with this clause. A statutory declaration by an

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 44 of 52

Title Reference 51224397

attorney that the power of re-entry contained in this Lease has been exercised will be sufficient proof of that fact.

27.3 For the avoidance of doubt, this clause 27 has no application while the tenant is Ipswich City Council ABN 61 461 981 077.

28 End of Lease

28.1 Yield Up

The Tenant will at the end of this Lease yield up the Premises in the order and condition described in clause 6.

28.2 Remove Fittings

- 28.2.1 If the Tenant has not already done so under clause 7.4 the Tenant will if required by the Landlord remove from the Premises within 14 days after the end of this Lease all fixtures and other contents installed by the Tenant and make good any damage caused to the Complex by the removal and if required by the Landlord will re-alter any alterations made by the Tenant so that the Premises are converted back to their original layout.
- 28.2.2 The Tenant's obligations in clause 28.2.1 include:
 - 28.2.2.1 Removing all cables, conduits and wires, partitions and other structures put in place because of the requirements of the Tenant or any other person who held a tenancy;
 - 28.2.2.2 Any part of the Premises structure in which holes have been made by or on behalf of the Tenant being made good;
 - 28.2.2.3 Thorough cleaning, including removing all rubbish and other waste materials brought onto the Premises, the Building or the Land or caused by the Tenant or any other person who held a tenancy;
 - 28.2.2.4 Repairing or replacing as may be necessary ceiling support grids and ceiling tiles;
 - 28.2.2.5 Repainting with at least two (2) coats of premium quality paint and otherwise treat appropriately all the internal brickwork, masonry, timber, enamel, metal work and other surfaces of the Premises usually painted or treated;
 - 28.2.2.6 Replacing carpet or other floor coverings with carpet or floor coverings approved by the Landlord; and
 - 28.2.2.7 Make good any consequential damage caused.
- 28.2.3 The Tenant must comply with clause 7 in carrying out works under clauses 28.2.1 and 28.2.2.
- 28.2.4 The Landlord may at its option itself cause the fixtures and other contents to be removed and to be stored in a public warehouse or elsewhere at the risk of the Tenant and any damage to be made good and any alterations to be re-altered and may

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 45 of 52

Title Reference 51224397

recover the costs of removal storage making good and/or re-alterations from the Tenant as a liquidated debt payable on demand.

28.3 Abandoned Contents

Any contents not removed by the Tenant under clause 7.4 and clause 28.2 will be deemed abandoned by the Tenant and will become the property of the Landlord. The Tenant will remain legally responsible for the expense of any removal by the Landlord of contents not removed by the Tenant from the Premises and the expense of making good any damage to the Premises caused by that removal by the Landlord.

28.4 Removal of Signs

At the end of this Lease the Tenant will remove any sign advertisement or hoarding painted placed on or in the Premises and restore the Premises to the condition they were in immediately before the advertisement sign or hoarding was so placed.

29 Bank Guarantee

29.1 Application

This clause will apply if the Particulars nominate an amount of bank guarantee.

29.2 Provision of Guarantee & Review

The Tenant must:

- 29.2.1 on or before executing this Lease arrange for the issue of an unconditional bank guarantee, issued by an Australian Banking Institution in a form and on terms acceptable to the Landlord, in favour of the Landlord for the amount stated in the Particulars (Bank Guarantee) to secure performance by the Tenant of its obligations under this Lease:
- 29.2.2 whenever the Base Rent is reviewed under clause 3 provide a replacement or additional bank guarantee so that the total Bank Guarantee bears to the Base Rent payable from each Review Date the same proportion as the amount stated in the Particulars bears to the Base Rent at the Date of Commencement;
- 29.2.3 ensure that any Bank Guarantee is kept current and enforceable and must not contain an expiry date; and
- 29.2.4 if the Landlord is paid an amount under the Bank Guarantee following a demand provide the Landlord with a replacement or additional bank guarantee for the amount paid out;
- 29.2.5 if the Landlord's interest in the Premises is assigned or transferred, the Tenant must, within 30 days of the Landlord requesting it, provide to the Landlord a replacement Bank Guarantee in favour of the transferee or assignee, failing which the Landlord may call upon the Bank Guarantee and pay the proceeds, less all sums appropriated by the Landlord in accordance with this clause, to the transferee or assignee, on the condition that such sum is held as a deposit on the same terms and conditions as the Bank Guarantee is held. Upon payment or transfer, the Landlord will be discharged from all liability to the Tenant or to any other person in respect of the Bank Guarantee.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 46 of 52

Title Reference 51224397

29.3 Recourse to Bank Guarantee

If the Tenant does not comply with any of its obligations under this Lease the Landlord may call on the Bank Guarantee to the extent of the Tenant's default.

30 Security Bond

30.1 Application

This clause applies if the Particulars nominate an amount of security bond.

30.2 Amount

The Tenant must on or before executing this Lease pay a security bond to the Landlord for the amount stated in the Particulars (**Security Bond**) to be held by the Landlord as security for the performance of the Tenant's obligations under this Lease.

30.3 Holding of the Security Bond

The Security Bond will be held by the Landlord's managing agent in its trust account and invested in an interest bearing account with any interest to be paid to the Tenant. The Tenant shall be deemed to be presently entitled to any interest accrued for the purposes of the *Income Tax Assessment Act 1936* and the *Income Tax Assessment Act 1997*.

30.4 Charging of the Security Bond

The Tenant:

- 30.4.1 charges the Security Bond in favour of the Landlord for the Lease Term and any further terms with the performance by the Tenant of all its obligations under this Lease;
- 30.4.2 authorises the Landlord to make withdrawals from the Security Bond; and
- 30.4.3 must sign any documents that the Landlord requires to enable the Landlord to be paid any part of the Security Bond.

30.5 Application of the Security Bond

The Landlord may apply the Security Bond towards the payment of any money payable by the Tenant to the Landlord under this Lease.

30.6 Maintenance of Security Bond

If the Landlord applies the Security Bond under clause 30.5, the Tenant must within 14 days of being so requested pay any deficiency so that the Security Bond is reinstated to its full amount.

30.7 Not to Prejudice Other Rights

The application of the Security Bond by the Landlord does not prejudice the Landlord's other rights under this Lease or by law. The Landlord's failure to apply the Security Bond does not constitute a waiver.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 47 of 52

Title Reference 51224397

30.8 Adjustment

Whenever the Base Rent is reviewed under clause 3 the Tenant will pay an additional amount to form part of the Security Bond so that the total Security Bond bears to the Base Rent payable from each Review Date the same proportion as the amount stated in the Particulars bears to the Base Rent at the Date of Commencement.

30.9 Bank Fees

The Landlord is not legally responsible for any bank fees or charges GST or other tax on the interest bearing account in which the Security Bond is deposited. Any bank fees or charges GST or other taxes will be deducted from the Security Bond. If requested by the Landlord, the Tenant will provide its tax file number for disclosure to the relevant bank.

30.10 Payment of Security Bond

The Landlord must pay the balance of the Security Bond to the Tenant (including any interest) within 28 days after the Lease ends.

30.11 Assignment of Security Bond

If the Landlord sells the land on which the Premises are situated it may pay the Security Bond or assign its interest in it to the buyer of such land and on doing so, the Landlord will be discharged from any legal responsibility to the Tenant or any other person in relation to the Security Bond.

31 Landlord's Limitation of Liability

- 31.1 In this clause 31 the following terms have the following meanings:
 - 31.1.1 "Assets" mean all real or personal assets, property or rights of the Trust;
 - 31.1.2 "**Obligations**" means all obligations and liabilities undertaken or incurred by the Lessor under or in respect of this Lease; and
 - 31.1.3 "Trust" means the CVS Lane Karalee Retail Trust.
- 31.2 Despite any other clause in this Lease, but subject always to clause 31.8, the Lessor enters into this Lease as trustee of the Trust and in no other capacity.
- 31.3 Subject to clause 31.8, the Lessor will not be liable to pay or satisfy any Obligations except to the extent to which it is indemnified out of the Assets.
- 31.4 Subject to clause 31.8, if the Assets of the Trust are not sufficient to satisfy a liability to the Lessee, the Lessee may not seek to:
 - 31.4.1 bring proceedings against the Lessor in its personal capacity; or
 - 31.4.2 apply to have the Lessor wound up or proving in the winding up of the Lessor.
- 31.5 Subject to clause 31.8, the parties release the Lessor from any personal liability in respect of loss or damage which they may suffer as a result of any:
 - 31.5.1 Breach by the Lessor of any of its Obligations; or

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 48 of 52

Title Reference 51224397

- 31.5.2 Non-performance by the Lessor of the Obligations; and
- 31.5.3 Which cannot be paid or satisfied from the indemnity set out above in paragraph 31.8 in respect of any liability incurred by it.
- 31.6 Subject to clause 31.7, the Lessor is only required to satisfy an Obligation to the extent that Obligation can be met from the Assets.
- 31.7 The Lessor will be liable both in its capacity as trustee and in its personal capacity for (and the limitations on, or releases of, the liability of the Lessor will not apply in respect of) any fraud, gross negligence, breach of trust, breach of the trust deed for the Trust or breach of duty by the Lessor (*Excluded Circumstances*). The Lessor's liability for the Excluded Circumstances will be unaffected if:
 - 31.7.1 that this Lease is terminated for any reason;
 - 31.7.2 the Lessor ceases to be the trustee for the Trust for any reason;
 - 31.7.3 the relevant Excluded Circumstances limits, voids or otherwise adversely affects the Lessor's right of indemnification out of the Assets.
- 31.8 Where there is an inconsistency between this clause 31 and any other clause or term of this Lease, this clause 31 will prevail.

32 Guarantee and Indemnity

32.1 Application

This clause applies if the Particulars nominate any guarantors.

32.2 Guarantee & Indemnity

In consideration of the Landlord at the request of the Guarantor entering into this Lease with the Tenant the Guarantor covenants and agrees with the Landlord that:

- 32.2.1 it will be legally responsible jointly and separately with the Tenant for the payment of Rent and the due performance by the Tenant of all the obligations terms and conditions of this Lease on the part of the Tenant to be performed;
- 32.2.2 the Guarantor indemnifies the Landlord against all losses damages costs and expenses which the Landlord may incur form any breach or non-observance of this Lease by the Tenant;
- 32.2.3 the legal responsibility of the Guarantor is not affected by:
 - 32.2.3.1 the Landlord exercising any rights under this Lease;
 - 32.2.3.2 the Landlord terminating this Lease;
 - 32.2.3.3 the Tenant that is a corporation being wound up or dissolved;
 - 32.2.3.4 the Tenant who is a natural person being declared bankrupt;
 - 32.2.3.5 a transfer of the Tenant's interest in this Lease;

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000

SCHEDULE

FORM 20 Version 2 Page 49 of 52

Title Reference 51224397

- 32.2.3.6 a variation of this Lease;
- 32.2.3.7 the completion of this Lease by the Landlord under the terms of any agreement for lease;
- 32.2.3.8 any failure by the Landlord to exercise its rights or any delay in doing so;
- 32.2.4 the Guarantor is treated as a primary debtor and contractor together and separately with the Tenant;
- 32.2.5 this guarantee and indemnity does not depend upon the enforceability of the obligations and agreements of any other person and remains binding even if another person does not sign this Lease or this guarantee and indemnity;
- 32.2.6 if the Tenant enters into liquidation (or being a natural person enters into bankruptcy) and the liquidator or trustee in bankruptcy disclaims this Lease the Guarantor must accept from the Landlord a lease of the Premises for a period equal to the remaining unexpired period of this Lease, the new lease to contain the same condition as are in this Lease;
- 32.2.7 if the Tenant or its successors or assigns exercises an option to renew this Lease this guarantee and indemnity will be treated as extending to the further lease and will be read and understood as if the further lease were this Lease and the tenant holding under it were the Tenant referred to in this Lease;
- 32.2.8 notices to be given to the Guarantor may be signed by the solicitors for the Landlord or any officer of the Landlord and may be given by post at the Guarantor's last known address:
- 32.2.9 if any part of this guarantee and indemnity is unenforceable that will not affect the enforceability of any other part of this guarantee and indemnity;
- 32.2.10 if the Guarantor is more than one person the liabilities of each of those persons are joint and separate;
- 32.2.11 this guarantee and indemnity takes effect immediately upon its signing and continues to be of full effect whether or not the Lease is later registered in the Department of Lands. References to **this Lease** include any equitable lease agreement for lease or periodic tenancy arising upon signing or acceptance by the Tenant of the document to which this guarantee and indemnity is attached;
- 32.2.12 if the Landlord transfers the Land or otherwise transfers the Landlord's rights under this Lease the Landlord's rights under this guarantee and indemnity will be treated as transferred to any future owner of the Land or other transferee.

Signed Sealed and Delivered by Guarantor in the presence of:	as)))	
A Justice of the Peace/Solicitor		(full name to be printed)

FORM 20 Version 2

Page 50 of 52

QUEENSLAND TITLES REGISTRY
Land Title Act 1994, Land Act 1994 and Water Act 2000

Annexure A

Title Reference 51224397

1. Do not obstruct the entrance halls passages and stairways of the Complex. Use them only to enter and leave the Premises.

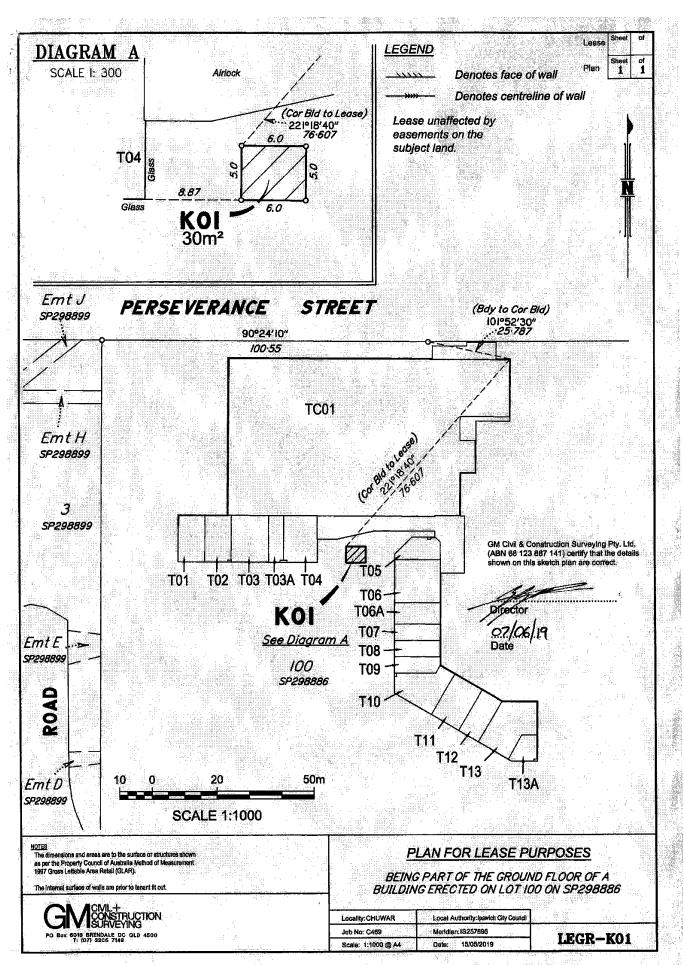
Regulations

- 2. Obtain the written approval of the Landlord before moving safes furniture office furniture machinery or plant in or out of the Complex.
- 3. Give the Landlord prompt notice in writing of any breakages or defect in the water pipes air-conditioning ducts electric lights or other fittings.
- 4. Do not hang clothing towels or other similar articles out of the windows or upon the roof of the Complex.
- 5. Give the Landlord your private address and telephone number for contact out of hours.
- 6. Prevent leakages of conditioned air and excess infiltration of air into the Premises.
- 7. Keep all garbage and refuse in tightly secured containers. Remove garbage and refuse through the loading area at permitted times. Keep rubbish containers inside the Premises.
- 8. Receive and deliver goods through the loading area at permitted times.
- 9. Do not leave things in the Common Areas.
- 10. Do not give toilet keys to members of the public.
- 11. Do not park in the loading bay area except when loading or unloading. You and your employees must observe the directions of the Complex Manager in respect of the loading bay area.
- 12. Keep clean any parts of the Common Areas or any public footpaths adjoining the Premises.
- 13. You and your employees may park your cars only in those parking spaces designated by the Landlord.
- 14. Do not use any radio or television aerial loud speaker screen amplifier public address system or similar device to the extent it may be heard or seen from outside the Premises.

QUEENSLAND TITLES REGISTRY Land Title Act 1994, Land Act 1994 and Water Act 2000	SCHEDULE	FORM 20 Version 2 Page 51 of 52
Γ	Title Reference 51224397	٦
	Annexure B Lease Plan	

127840:9708304_1

10310254v1





 Telephone
 (07) 3810 6666

 Fax
 (07) 3810 6731

 Email
 council@ipswich.qld.gov.au

 Web
 www.ipswich.qld.gov.au

 Business Hours
 8:00am - 4:30pm (Mon - Fri)

39 Junction Road, Karalee



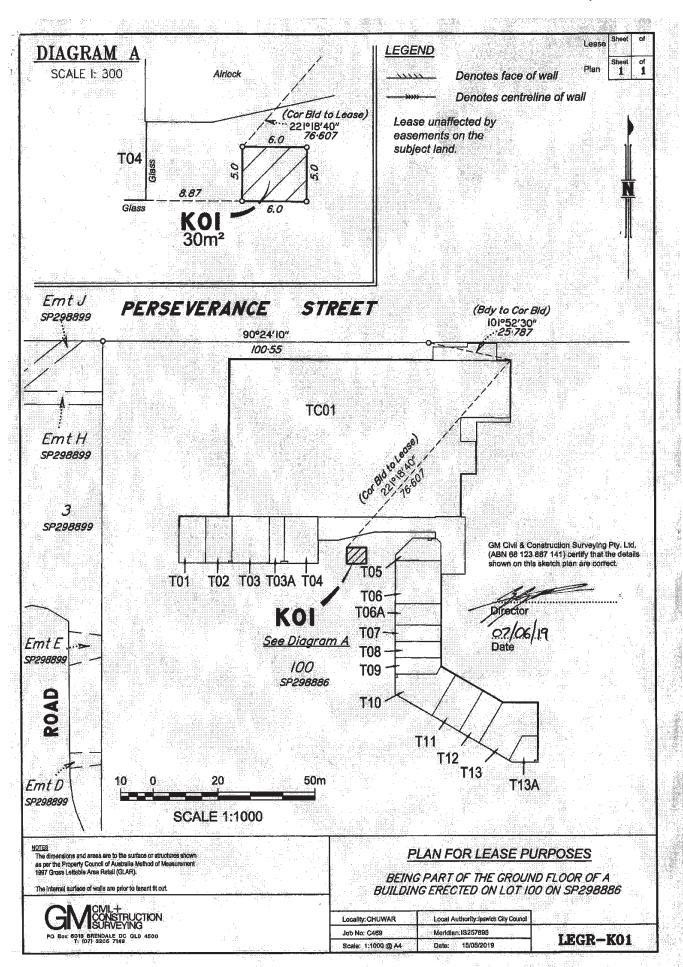
Printed Date: 4 Feb 2022

150

100

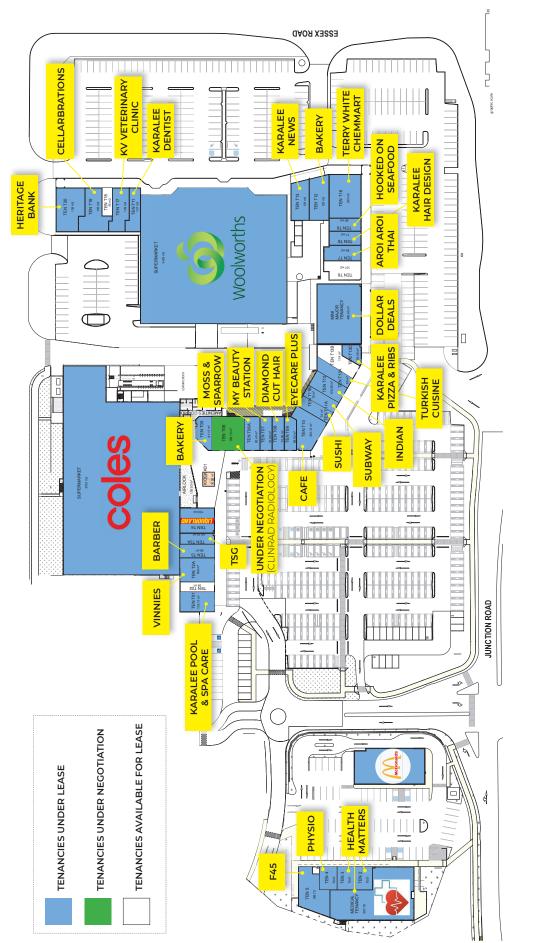
Metres

50





KARALEE SHOPPING VILLAGE LEASING PLAN



Doc ID No: A8037485

ITEM: 10

SUBJECT: IVOLVE PROJECT QUARTERLY STATUS UPDATE

AUTHOR: PROJECT OFFICER

DATE: 3 MAY 2022

EXECUTIVE SUMMARY

This report provides a status update on the iVolve Program to the Governance and Transparency Committee from both the Program Director and Strategic Advisor regarding Stage 3 project controls and milestones.

The Project has progressed the following key outcomes and objectives during this reporting period:

- Completion of functional and non-functional requirements gathering workshops.
- Completion of the draft Application Solution Architecture and Integration Overview.
- Progression on the preparation of procurement documentation.
- Produced Assurance Gate Report.

It is noted that the ICT Branch have presented an Oracle Risk Report to ELT during this reporting period which highlights the risks and issues in the current Oracle solution and options for mitigating these risks.

These risks and the options are detailed in Attachment 2 – Strategic Advisor Report by Strategic Directors.

At the 12 May meeting, ELT endorsed recommendations regarding planned remediation activities, and resetting the iVolve schedule as a dependency of these activities, this work is currently in progress.

RECOMMENDATION

That the report be received and the contents noted.

RELATED PARTIES

- iVolve Stage 3 PCG Members
- Executive Leadership Team
- Strategic Advisor

There were no declarations of conflicts of interest.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

The purpose of these reports is to provide an update on the iVolve Stage 3 Program project controls and milestones and to provide an opportunity for the Committee to ask clarification questions. These updates focus on project controls as general project activity updates are included in the ICT Steering Committee minutes and papers including additional Strategic Advisor reports relating to these activities.

	Overall Dashboard	Budget	Milestones	Risk	Issues
Overall Program	Red	Red	Red	Amber	Amber

PMO Reporting Tolerances			
Key Indicator	Green (G)	Amber (A)	Red (R)
Overall Project Health * derived from a combination of the results for the below indicators	· All indicators G · 50% G + 50% A	 All indicators A 25% A + 25% R + 50% G 50% A + 25% R + 25% G > 50% A 50% R + 50% G 	All indicators R50% R + 50% A>50% R
Budget	<5% variance of YTD budget	5-10% variance of YTD budget	>10% variance of YTD budget
Milestones	<5% slippage from approved schedule	>5 but <10% slippage from approved schedule	10% or more slippage from original schedule
Risks	O risks with High or Extreme mitigated severity	1-3 risks with High or Extreme mitigated severity	4+ risks with High or Extreme mitigated severity Or 1+ risks with no mitigation identified
Issues	0 issues with Major or Catastrophic actioned impact	1-3 issues with Major or Catastrophic actioned impact	4+ issues with Major or Catastrophic actioned impact Or 1+ issues with no action identified

Overall Status is **RED**

- Stage 3 is currently eleven (11) weeks behind schedule.
- Currently reporting RED status based on Council reporting tolerances.
- Budget is **RED** due to an underspend reduced requirement for workshops, reduced consultancy time.
- Final Business Case is now forecast for 6 October 2022 based on the original schedule.
- Key deliverable / milestones have all slipped primarily due to:
 - Flood event of February and the follow-on recovery activities caused limited ICC SME resource availability for functional workshops as council resources were focused on community needs.
 - This resulted in the rescheduling of workshops aligned to business resource capacity – ALL workshops now complete.
 - Resulted in delayed endorsement of workshop output by SMEs and Branch Managers.
 - Resulted in delayed approval of workshop output by General Managers.
 - Assurance Gate Report completed.
 - Reviewed Oracle solution risks and issues, and possible remediation activities.
 - An Assurance Gate Report was tabled for ELT consideration.
 - A report and recommendation regarding the Assurance Report from the Strategic Advisor was tabled for ELT consideration.
 - Consideration of assurance outcomes and Oracle risks and issues resulted in a delay on decisions about the procurement market approach and assessment panel, also causing further slippage on dependent milestones.
 - Governance.
 - ELT Status reporting is fortnightly (this has recently changed to the ELT Strategic cycle which is monthly)
 - Project Control Group reporting is weekly.
 - ICT Steering Committee reporting is monthly.
 - Council project controls reporting is quarterly.

Key Milestones/Deliverables completed and planned for iVolve Stage 3:

Milestone/Deliverable	Status	Baseline Date	Forecast Date	Updates
Functional Requirements	Awaiting Approval	15/03/2022	10/06/2022	Awaiting GM endorsement.
Solution Requirements	Awaiting Approval	15/03/2022	10/06/2022	Awaiting GM endorsement.
Future State Business Process Drafts	Awaiting Approval	15/03/2022	10/06/2022	Awaiting GM endorsement.
Business Process Changes	In Progress	15/03/2022	TBA	Awaiting GM endorsement.
Assurance Gate Report – Options Analysis	Completed	15/03/2022	15/03/2022	
Organisation Change and Communications Strategy	Draft under review	15/03/2022	ТВА	Drafted, this function now has an internal lead agency, with recruitment of a Change Manager in progress.
Procurement Strategy & Options	Awaiting Approval	17/03/2022	17/06/2022	Complete as far as it can go within the Stage 3 parameters. Dependency on evaluation criteria and go to market strategy approach.
Request For Tender (RFT) Issued (new EOI approach endorsed by ELT)	Not Started	21/03/2022	04/07/2022	EOI approach has internal Council lead. Project artefacts will be utilised in this approach.
Evaluation Criteria and Methodology	Draft under Review	21/03/2022	24/06/2022	Complete as far as it can go with dependency for procurement activities which are in progress.
Overall Solution Architecture & Integration	Awaiting Approval	15/03/2022	10/06/2022	First pass review complete, second pass in progress. Expected signoff from Architecture Design Authority 10/06/2022.
Benefits Plan	Not Started	30/06/2022	ТВА	Could still be done and then updated post EOI/Tender decision points.
Evaluation and Decision Report	Not Started	3/06/2022	ТВА	Complete as far as it can go with dependency for procurement activities which are in progress.
Final Business Case	Not Started	30/06/2022	TBA	Cannot be completed until ROI costing or EOI/RTF.

LEGAL/POLICY BASIS

These reports and their recommendations are consistent with the following legislative provisions: Local Government Act 2009

RISK MANAGEMENT IMPLICATIONS

The iVolve Stage 3 Project is considered to be high risk and the Committee should be aware that success of the Project will largely depend on appropriate senior stakeholder support and active participation with an understanding and commitment that this Project will involve deep cultural change and business transformation.

The Project Control Group routinely reviews the project registers as part of the project governance controls.

At a 12 May meeting ELT approved the resetting of the iVolve program baseline and remediation activities, this work is currently in progress and includes a revised communication plan.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS

RECEIVE AND NOTE REPORT

The Recommendation stated that this report be received and the contents noted. The decision to receive and note the report does not limit human rights. Therefore, the decision is compatible with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

The Stage 3 Delivery Approach was approved in December 2021. The current financial year's budget allocation for the delivery of Stage 3 is \$1.5 million, the budget status is currently RED due to an underspend, as reported in the Project Controls Report, Attachment 1.

COMMUNITY AND OTHER CONSULTATION

iVolve Stage 3 Project Control Group ICT Steering Committee Executive Leadership Team Strategic Advisor

CONCLUSION

This Program continues to be considered high risk and the Committee should be aware that the success of the Program will continue to largely depend on appropriate senior stakeholder support with an understanding and commitment that this overall Program will

involve significant cultural change and business transformation and the support and participation of key staff across Council.

The effectiveness of the controls applied to this Program will continue to be reported on a quarterly basis to the Audit and Risk Management Committee and the Governance and Transparency Committee.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1. iVolve - Stage 3 - Project Controls Report 🗓 🖺

Craig Whitehall

PROJECT OFFICER

I concur with the recommendations contained in this report.

Sylvia Swalling

CHIEF INFORMATION OFFICER

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

iVolve Stage 3 - KEY PROJECT CONTROLS REPORT

· Nosceri								
PROGRAM DIRECTOR:	Russel Withers							
REPORTING PERIOD:	01/02/22 - 30/04/22	31/02/22 - 30/04/22						
PROJECT STAGE:	Stage 3 - Final Business Case							
CURRENT PROJECT HEALTH:	Monitor Closely							
PROJECT HEALTH COMMENTS:	commitment that this project will involve of	deep cultural change		nd on appropriate senior stakeholder support and authority with an understanding and hnology project. Appropriately skilled and experienced resources, together with active				
KEY OUTCOMES AND OBJECTIVES								
Key Outcomes and Objectives Progressed this Reporting Period Confidence that Objective has Objective ha								
Delivery of Stage 3 Project Plan Undertake relevant project tasks to progr consistent and effective manner in line wig uddelines. - Functional and non-Functional Requir - Solution Architecture and Integration - Preparation of Procurement documer - Produced Assurance Gate report	th best practice and good governance ements Gathering Workshops completed Overview Plan completed	Reasonably Effective	-Ensure the revised Stage 3 resourcing model is fully understood and supported by key stakeholders in order to engage the necessary resources to successfully and effectively deliver required Stage 3 Outcomes. -Ensure scopes of work for Program Director and other roles are clearly defined with respect to required outcomes when engaging successful respondents. -Ensure decision making is undertaken in an open and transparent forum and all stakeholders understand and support any proposed approaches and associated requirements for successfully resourcing and delivering the project. -Be prepared to pause the project to ensure factors influencing effective and accurate decision making can influencing effective and accurate decision making can	1.Delivery of Stage 3 Project Plan Undertake releant project tasks to progress the Stage 3 Delivery Plan in a timely, consistent and effective manner in line with best practice and good governance guidelines.				

MAJOR FOCUS AREAS, KEY CONCERNS	AND OPPORTUNITIES				
Major Focus Areas (as per QAO report - Delivering Successful Technology Protects)	Key Project Controls	Control Effectiveness	Trend from Last Report	Key Concerns	Opportunities
Projects)	Engagement with ICTSC at key decision points	Reasonably Effective	>	ICTSC understands the significance of this project as an organisational transformation, not just an ICT project	Promote a greater understanding of the extent of business transformation and the associated implications across organisational leadership
	Establishment of Project Control Group to identify business considerations	Effective	>	Business engagement is maintained at appropriate levels. The business engagement model needs to be reconsidered as part of the Change Management Strategy.	Re-engage with middle managers and associated business areas with clearly articulated engagement and change strategy plans to gain buy-in and support. Onegoing role of the Project Control Group and membership will be reviewed as part of Stage 3 planning activities to ensure the project continues to be supported as required moving florward.
Leadership and Stakeholder Engagement	3. Development of Preliminary/Final Business Case to articulate the case for change	Reasonably Effective	>	Ensuring that the required outcomes, outlined in the approved PBC as part of the case for change, remain relevant and achievable as the Final Business Case is developed. Given the need for significant organisational change and transformation, realistic achievement of stated benefits may prove difficult.	Focus heavily on understanding the organisational readiness to transform and the imperative to change in order to identify an achievable and realistic solution recommendation in the Final Business Case.
	Encourage visible and active change sponsorship	Reasonably Effective	>	Ensure the extent of change management, associated organisational impacts of this project and the roles and responsibilities of key stakeholders in change management are understood and supported in order to deliver successful and effective outcomes	Utilise specialist knowledge and experience to firmly embed the importance of effective change management and the roles and responsibilities of key stakeholders across all levels of the organisation to ensure successful outcomes. Establishment of ke change management activities is a key focus of Stage 3 with continual reinforcement, management and monitoring to be ongoing through the life of the project.
	Due Diligence review points to confirm continued understanding of issues and required actions and outcomes	Effective	>	Implications of decisions made during each stage of the project need to be fully transparent and articulated so they are clearly understood by key stakeholders and the relevant support is provided to ensure the project can be successfully and effectively delivered and/or significant risks are adequately mitigated.	- Assurance Gates have been established at key points in Stage 3 to ensure decisions are clearly articulated and stakeholders have appropriate information - Facilitate greater understanding by ICTSC of extent business transformation and associated resourcing implications for project success - Continue to leverage knowledge from other councils to ensure a greater understanding of risks and opportunities - Utilise specialist knowledge and experience to identify key area of concern and reinforce extent of, and commitment to, required change for delivery of successful outcomes
Alignment with Clearly Articulated & Understood Outcomes	2. Regular Status reporting to inform stakeholders	Effective	>	None at this stage	- The program is reporting weekly to the Project Control Group and fortnightly to ELT, along with other governance forums acro- council. - To expand engagement across appropriate levels, the Program publishing to the Volve Wire Page aaa appropriate information and in addition has been conducting a Roadshow across ELT members and Branch Managers. The program will continue to undertake further emngagement as outlined in the Communications Plan. - Additional quarterly reporting to the Governance and Transparency Committee established to ensure continual engagement with elected representatives.
	3. Establishment of Project Control Group to identify business considerations	Control Group Effective > need to be monitored to ensure greater focus and attention on appropriately and effectively engaging with husiness areas.		- Identify barriers preventing buy-in and engagement of key stakeholders and develop mitigation strategies to influence the success of organisational change. - Ongoing role of Project Advisory Group and membership will be reviewed as part of Stage 3 planning activities to ensure the project continues to be supported as required moving forward.	
	Project and Resourcing Plan in place for each project stage	Reasonably Effective	٧	Project plans, resources and schedules for Stage 3 were established to meet deadlines for Council. The impacts of Covid-19 and February 2022 have materially impacted Stage 3 activity and deliverables. The availability of council Subject Matter Experts has required rescheduling of requirements workshops and has led to considerable additional time been taken to sign-off, endorse and approve requirements. The project timeframes have subsequently been extended.	Focus on identifying the right mix of skills and capability as a foundation element for success of Stage 4 and communicate the associated costs/benefits and risks in producing the Final Busines Case in Stage 3. Forecasting the resource requirements will be key in gaining management support for the executive support
Appropriate Resourcing in Place (Skills, Experience & Capability)	2. Continual identification of skill and capability gaps	Reasonably Effective	>	Identified resource needs are not fully supported particularly in relation to the need for specialist skills including change management and data governance. Change Management is fundamental to Yout transformation and Data Governance underpins the IVolve program. There is limited capacity and capability within Council to support IVolve.	- Focus on identifying the right mix of skills and capability as a foundation element for success and communicate the associated costs/benefits and risks to build a case for supporting recommendations. - Leverage specialist knowledge, skills and expertise to identify and address capability gaps within the agreed engagement scope - develop internal resources across the life of Nolve to transition capability and capacity to Council
	Accessing the right people and ensuring availability as and when needed	Reasonably Effective	>	Identified resource needs are not fully supported particularly in cleation to the need for specialist skills including change management. Short term budget constraints should be weighed against the longer term need to ensure the project is successfully delivered in line with good governance guidelines and lessons learned.	 Focus on identifying the right mix of skills and capability as a foundation element for success and communicate the associated costs/benefits and risks to build a case for supporting recommendations. Leverage specialist knowledge, skills and expertise to identify and address potential resourcing gaps within the agreed engagement scope.
	Agreeing clear scopes of work with external parties	Effective	>	None at this stage	Ongoing focus on ensuring any external specialists deliver required outcomes and meet expectations within required timeframes according to the agreed Statement of Work
Working Collaboratively to Ensure Success	Clearly articulating roles, responsibilities, time frames, and deliverables for all parties at each project stage.	Reasonably Effective	v	Clarity of Roles and Accountabilities is creating issues with decision making within Stage 3. There are issues covering governance roles and responsibility for delivery of work packages between externally engaged resources and Council units.	Review and approval of the Program and Work Package/Deliverable RACI matrix across remaining Stage 3 and future Stage 4 shases will provide carrity to internal and external resources on requirements and timeframes. Planning activities in advance of Stage 4 to identify potential Risks that may adversely affect deliverables and timelines will inform program status reporting.
	Clearly articulated Terms of Reference for Project Advisory and Working Groups		>	The current ToR for the Project Control Group (PCG) provides for decision delgation and accountability for delivery of the Nolve program. Currently decisions are happening at ELT along with reporting. The ToR for PCG needs to be revised to ensure it fits their role.	The review of the PCG ToR and membership, clear accountabilities and roles within the governance of the IVolve, is key in establishing the ongoing success of the program through Stage 4.
	Clearly identified Stage Go/No Go Gates within the agreed governance process	Effective	>	None at this stage	Assurance Gates have been established through Stage 3 to provide opportunities to re-evaluate and where necessary make adjustments and revisions may lead to better project outcomes i terms of delivery times and reduced costs.
Issues and Risks are Managed Effectively	Continual assessment of effectiveness of mitigation of identified risks and take actions to correct the course of the project as necessary	Reasonably Effective	v	The tight timeframes of the Stage 3 schedule to meet a 30 June 2022 deadline and associated risks presented by availability of resources has required continual assessment of and action to hold to deadlines. The continued issue of availability of Council SMEs has extended the Stage 3 timeframes.	The planning fro Stage 4 will need to ensure treatment of risks is built into the schdeule and work packages.
	3. Document and report on key lessons learned in stage closure reports to inform the management of latter project stages	Reasonably Effective	>	Documented lessons learned are not fully valued or understood by key stakeholders	Developing a best practice methodology focused on good governance and management of identified risks and issues will contribute to successful outcomes and an iterative knowledge resource for future projects

CURRENT PROJECT FOCUS	
Primary Project Focus:	The primary focus of the project at this point is get to ensure completion and approval of functional and non-functional requirements and processes, to enable the Stage 3 Market approach to commence. The replanning of future activities is also a key focus once the former is completed.
Why:	Stage 3 is critical to identifying and sourcing the most appropriate, fit for purpose, vendor solution/(s) to meet Council's needs now and into the future, supported by an endorsed Final Business Case.
How:	The revised Stage 3 plan is enabling the project to move forward and build on the Preliminary Business Case by establishing a clear solution specification to be taken to the market and supported by change and culture management plans and strong vendor and contract negotiation expertise to arrive at a recommended vendor solution/(s).
Potential Risks/Impacts:	Appropriate Council SME availability to complete sign-off and endorsement is impacting approval of functional and non-functional requirements and therefore impacting current schedule timeframes. Further risks to the Stage 3 schedule will occur during evaluation of solutions if SMEs are not available as forecast.
Opportunities:	Utilisation of the specialist expertise currently engaged for Stage 3 will assist in mitigating known skill and capability gap risks threough evaluation and delivery of the Final Business Case. The Final Business Case identifies a fit for purpose vendor solution/(s) for Council.

Doc ID No: A7994452

ITEM: 11

SUBJECT: 2020-2021 ANNUAL FINANCIAL STATEMENTS FOR CONTROLLED ENTITIES

AUTHOR: ACTING TREASURY ACCOUNTING MANAGER

DATE: 24 MAY 2022

EXECUTIVE SUMMARY

This is a report concerning the 2020-2021 Annual Financial Statements for the following controlled entities of Ipswich City Council (Council):

- Ipswich City Properties Pty Ltd;
- Ipswich City Enterprises Pty Ltd; and
- Ipswich City Enterprises Investments Pty Ltd.

RECOMMENDATION/S

That the report be received and the contents noted.

RELATED PARTIES

The members of the Governance and Transparency Committee should consider the following controlled entities for the purposes of related party disclosures.

- Ipswich City Properties Pty Ltd;
- Ipswich City Enterprises Pty Ltd; and
- Ipswich City Enterprises Investments Pty Ltd.

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

The Financial Statements (including the Directors' Reports) for the following controlled entities are presented for noting by the Governance and Transparency Committee.

- Ipswich City Properties Pty Ltd;
- Ipswich City Enterprises Pty Ltd; and
- Ipswich City Enterprises Investments Pty Ltd.

Matters that may have otherwise been included in a separate Closing Report for each of these entities, have been included in the Closing Report for Council. No matters were raised in relation to these controlled entities.

The Financial Statements (including the Directors' Reports) for each of the controlled entities have been prepared and developed with the support and supervision of Council's Finance Branch. These Financial Statements (including the Directors' Reports) are presented to Council's Governance and Transparency Committee, for the completeness of Council's 2020-2021 Financial Statements as well as for the information of Council.

The Financial Statements included with this report were audited by the Queensland Audit Office (**QAO**) for the 2020-2021 financial year.

The Auditor's Independence Declaration is included in the attached Financial Statements.

Following a Declaration of Solvency, dated 24 March 2020 and a resolution of its Board, dated 26 March 2020, Ipswich City Properties Pty Ltd commenced a Members Voluntary Liquidation (**MVL**) for the purpose of wind up and deregistration. The Liquidators were appointed on 26 March 2020. The MVL process was completed, and the Company was deregistered on 28 May 2021.

Ipswich City Enterprises Pty Ltd and Ipswich City Enterprises Investments Pty Ltd are dormant and will commence a MVL process during the first quarter of the 2022-2023 financial year.

The sole director of Ipswich City Enterprises Pty Ltd and Ipswich City Enterprises Investments Pty Ltd has signed the Financial Statements. Ipswich City Properties Pty Ltd has been wound-up and no longer has a director, as such the Financial Statements are not required to be signed.

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

There are no risk implication related to this report and the attached financial statements are provided for information only.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS

RECEIVE AND NOTE REPORT

Recommendation **That the report be received and the contents noted** states that the report be received and the contents noted. The decision to receive and note the

report does not limit human rights. Therefore, the decision is compatible with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There is no financial or resource implications related to this report.

COMMUNITY AND OTHER CONSULTATION

Community consultation has not been undertaken in relation to this report. Whilst its content is will be of interest to the community, it is matter of statutory financial reporting for each of the respective controlled entities.

CONCLUSION

The Financial Statements and associated documents for each of the controlled entities be noted.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

- 1. 2021 Ipswich City Enterprises Pty Ltd Audited Financial Statements and Director's Report J. 🖺
- 2. 2021 Ipswich City Enterprises Investments Pty Ltd Audited Financial Statements and Director's Report J.
- 3. 2021 Ipswich City Properties Pty Ltd Unaudited Financial Statements 🗓 🖺

Travis Pitman

ACTING TREASURY ACCOUNTING MANAGER

I concur with the recommendations contained in this report.

Paul Mollenhauer

ACTING CHIEF FINANCIAL OFFICER

I concur with the recommendations contained in this report.

Jeffrey Keech

ACTING GENERAL MANAGER (CORPORATE SERVICES)

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

IPSWICH CITY ENTERPRISES PTY LTD

ABN 88 095 487 086

DIRECTOR'S REPORT
AND
CONSOLIDATED FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

TABLE OF CONTENTS

	Page No.
Director's Report	2
Auditor's Independence Declaration	4
Financial Report	5
Statements of Comprehensive Income	5
Statements of Financial Position	6
Statements of Changes in Equity	7
Statements of Cash Flows	8
Notes to the Financial Statements	9
Director's Declaration	14
Independent Auditor's Report	15



Ipswich City Enterprises Pty Ltd Director's Report 2020-2021

The Director presents the report on Ipswich City Enterprises Pty Ltd (the Company) for the financial year ended 30 June 2021.

Directors

The names of the Directors in office at any time during or since the end of the financial year were:

Mr D Farmer (resigned on 8 April 2021)

Ms S Cooper (appointed as sole Director on 8 April 2021)

During the 2019 financial year, the constitution of the Company was amended to allow the Company to operate with a sole Director.

Net Results

The consolidated net result of the Company for the financial year ended 30 June 2021 was a surplus of \$1,202.

Review of Operations

The Company is 100% owned by Ipswich City Council (Council) and is governed by a Board with a sole Director. Ipswich City Enterprises Investments Pty Ltd is a wholly owned subsidiary of the Company.

The Company was established to provide a business vehicle to support the commercial objectives of Council. The company provided funds and managed the Ipswich innovation hub (Fire Station 101) supporting the start-up, developer, tech, designer, maker, marketer, inventor and investor community.

The objective of Ipswich City Enterprises Investments Pty Ltd was to provide sound governance of the Services Queensland Partnership as a commercial enterprise. The Services Queensland Partnership ceased trading on 6 November 2017 and the Partnership Agreement expired on 7 November 2017.

The Company has not actively traded during the 2021 financial year. It is expected that the Company's trading will remain inactive in the 2022 financial year.

Dividends

No dividends have been paid or declared during the 2021 financial year and no dividends have been recommended or provided for by the Director of the Company.

Indemnification of Directors and Officers

During the financial year, there was an insurance policy in place for the benefit of Directors, secretaries and executive officers of the Company. The insurance policy grants indemnification in respect of certain liabilities for which the *Corporations Act 2001* allows indemnification. The insurance policy does not permit the disclosure of the nature of the liabilities insured nor the amount of the premium. No insurance cover has been provided for the benefit of the auditors of the Company.

Director's Strategic Intent

The principal activities of the Company have now ceased. Subject to the finalisation of arrangements related to the Licence Agreement between Ipswich City Enterprises Investments Pty Ltd and QPG Shared Services Support Centre, it is the Board's expectation that the Company will be placed into Members Voluntary Liquidation in the 2022 financial year.

The costs associated with the intended Members Voluntary Liquidation and subsequent deregistration are expected to be less than \$20,000. Apart from these costs, the winding-up of the Company does not impose any additional costs or liabilities on Council.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 forms part of this report and a copy of this declaration is attached.

This report is made in accordance with a resolution of the Board of the Company and is signed by:

Ms. Sonia Cooper

Director and Company Secretary

Dated 8/12/2021

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Ipswich City Enterprises Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Ipswich City Enterprises Pty Ltd for the financial year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

Lisa Fraser

as delegate of the Auditor-General

8 December 2021

Queensland Audit Office Brisbane

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Notes Consolidated		Company	
		2021 \$	2020 \$	2021 \$	2020 \$
Income					
Interest		1,748	3,124	210	397
Total Income		1,748	3,124	210	397
Expenses					
General Costs	5	546	774	273	347
Total Expenses		546	774	273	347
Operating Surplus (Deficit) for the Year	_	1,202	2,350	(63)	50
TOTAL COMPREHENSIVE INCOME	_	1,202	2,350	(63)	50

The accompanying notes form part of these financial statements $\mbox{Page 5}$

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Notes	Consolid	ated	Company		
		2021	2020	2021	2020	
Assets		\$	\$	\$	\$	
Current Assets						
Cash and Cash Equivalents	6	263,842	262,640	31,611	31,674	
Total Current Assets	_	263,842	262,640	31,611	31,674	
Non-Current Assets						
Investment in Subsidiary		-	-	1	1	
Total Non-Current Assets	_	-	-	1	1	
TOTAL ASSETS	_	263,842	262,640	31,612	31,675	
Liabilities						
TOTAL LIABILITIES	_	-	-	-	-	
NET ASSETS (LIABILITIES)	_ =	263,842	262,640	31,612	31,675	
Equity						
Contributed Equity	7	1	1	1	1	
Retained Earnings		263,841	262,639	31,611	31,674	
TOTAL EQUITY	_	263,842	262,640	31,612	31,675	

The accompanying notes form part of these financial statements $\mbox{Page 6}$

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Consolidated	Notes	Contributed Equity \$	Retained Earnings \$	Total \$
Balance as at 01 July 2019		1	260,289	260,290
Operating Surplus (Deficit) Attributable to the Parent Entity for the Year		-	2,350	2,350
Balance as at 30 June 2020		1	262,639	262,640
Operating Surplus (Deficit) Attributable to the Parent Entity for the Year		-	1,202	1,202
Balance as at 30 June 2021		1	263,841	263,842

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Company	Contributed Equity \$	Retained Earnings \$	Total \$
Balance as at 01 July 2019	1	31,624	31,625
Operating Surplus (Deficit) for the Year	-	50	50
Balance as at 30 June 2020	1	31,674	31,675
Operating Surplus (Deficit) for the Year	-	(63)	(63)
Balance as at 30 June 2021	1	31,611	31,612

The accompanying notes form part of these financial statements $\mbox{Page 7}$

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Consolida	ated	Compa	ny
Cash Flows from Operating Activities		2021 \$	2020 \$	2021 \$	2020 \$
. •					
Payments to Suppliers		(546)	(13,774)	(273)	(347)
Interest Received		1,748	3,124	210	397
Net Cash Provided (Used) by Operating Activities	es	1,202	(10,650)	(63)	50
Cash Flows from Investing Activities					
Net Cash Provided (Used) by Investing Activities	s <u> </u>	-	-	-	
Net Increase (Decrease) in Cash and Cash Equivalents Held	_	1,202	(10,650)	(63)	50
Cash and Cash Equivalents at the Beginning of the Financial Year		262,640	273,290	31,674	31,624
Cash and Cash Equivalents at the End of the Financial Year	6	263,842	262,640	31,611	31,674

The accompanying notes form part of these financial statements $\mbox{Page 8}$

Ipswich City Enterprises Pty Ltd
Consolidated Financial Report for the year ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Objectives and Principal Activities of the Company

The objective of Ipswich City Enterprises Pty Ltd (the Company) is to provide a business vehicle to support the commercial activities of Ipswich City Council to generate revenue additional to rates and charges revenue.

The principal activities of the Company included all necessary activities related to the objectives including:

- monitoring the performance of Ipswich City Enterprises Investments Pty Ltd;
- investigating opportunities for commercial activities.

The Company was incorporated on 29 December 2000 by Ipswich City Council (Council) which has 100% ownership of the Company's one share for a consideration of \$1.

Ipswich City Council resolved on 23 April 2018 to endorse the winding up of the Company. Additional information is presented in Note 11.

Note 1 Statement of Significant Accounting Policies

(a) Basis of Preparation

Reporting Basis and Conventions

These financial statements are general purpose financial statements prepared under the accrual basis of accounting in accordance with the requirements of the *Corporations Act 2001* and the Australian Accounting Standards – Reduced Disclosure Requirements and Australian Accounting Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Company has applied those requirements applicable to for-profit entities, as the Company is a for-profit public sector entity. Except where otherwise stated the financial statements have been prepared in accordance with the historical cost basis. All amounts throughout the financial statements are in Australian dollars.

It is the intention of the Director to wind up the Company once all its contractual arrangements are settled or transferred. Consequently the Company is not a going concern. These financial statements, however, have been prepared on a basis consistent with a going concern basis of accounting. Refer Note 11 for further details.

(b) Principles of Consolidation

Ipswich City Enterprises Investments Pty Ltd is a wholly owned subsidiary which the company acquired on 5 October 2007.

The consolidated figures reflect 100% of the Ipswich City Enterprises Investments Pty Ltd figures, less any interentity eliminated transactions, which is consistent with the treatment required under AASB 10 – Consolidated Financial Statements.

(c) Comparative Figures

No changes have been made to comparative figures.

Ipswich City Enterprises Pty Ltd
Consolidated Financial Report for the year ended 30 June 2021

Note 1 Statement of Significant Accounting Policies (continued)

(d) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions to the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Payables held at amortised cost
- Investment in subsidiary cost

The carrying amounts of payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Company does not enter into, or trade with, instruments for speculative purposes, nor for hedging.

(e) Cash and Cash Equivalents

Cash and cash equivalents include deposits held at call with banks.

(f) Trade and Other Receivables

The receivables balances at the end of 2019-2020 and 2020-2021 financial years are nil.

(g) Investments

The Company holds an equity instrument in its wholly owned subsidiary Ipswich City Enterprises Investments Pty Ltd which entitles it to an annual dividend if dividends were to be declared. This investment is unquoted and an active market does not exist. As a result the fair value of this investment cannot be reliably measured therefore it is measured at cost.

(h) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Taxation

(i) GST

Revenues, expenses and assets are recognised net of the amount of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing activities which are disclosed as operating activities.

(ii) Income Tax

Ipswich City Enterprises Pty Ltd is exempt from income tax under Section 24AK as it is an STB under Section 24AO of the *Income Tax Assessment Act 1936*.

Ipswich City Enterprises Pty Ltd
Consolidated Financial Report for the year ended 30 June 2021

Note 1 Statement of Significant Accounting Policies (continued)

(j) Adoption of Tier 2 Format for Financial Statement

AASB 1053 Application of Tiers of Australian Accounting Standards applies in this financial report. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements - Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as "tier 2"). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

(k) Adoption of New and Revised Accounting Standards

The Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective and have not been adopted by the Company for the period ended 30 June that could be applicable to the Company, are outlined below. These amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report and have future commencement dates will not have a material impact on the financial statements as the Company is being wound up.

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities and Current or Non-Current and associated standards

AASB 2020-1 will impact how the Company classifies liabilities based on whether the entity has a substantive right to defer settlement of the liability for at least twelve months after the reporting period. It will have no impact to the Company as the Company does not have any material liabilities.

(I) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of services is recognised upon the delivery of the service to the customer. All revenue is stated net of the amount of goods and services tax (GST).

(m) Issuance of Financial Statements

The financial statements are authorised for issue by the Director at the date of signing the Director's Declaration.

(n) Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

No significant accounting estimates or judgements have been made during this reporting period.

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

Note 2 Dividends Receivable

During the 2019-2020 and 2020-2021 financial years, no dividends were declared or paid by ICEI to ICE.

Note 3 Dividends Paid

During the 2019-2020 and 2020-2021 financial years, no dividends were declared or paid by ICE to the Council.

Note 4 Audit Fees

Audit fees of \$2,700 for the Company and \$2,500 for Ipswich City Enterprises Investments Pty Ltd by Queensland Audit Office relating to the 2019-2020 financial statements were paid by Ipswich City Council. The estimated 2020-2021 audit fees are \$2,750 for the Company and \$2,550 for Ipswich City Enterprises Investments Pty Ltd. These audit fees will be paid by Ipswich City Council.

Note 5	General Costs				
	Other Costs	546	774	273	347
		546	774	273	347
Note 6	Cash and Cash Equivalents				
	Cash at Bank	263,842	262,640	31,611	31,674
		263,842	262,640	31,611	31,674
Note 7	Issued and Paid Up Capital 1 Ordinary Share at \$1 each	1	1	1	1
		1	1	1	1

Note 8 Company Details

The registered office and principal place of business of the Company is:

C/- Ipswich City Council

From 1 July 2020 to 27 June 2021: 45 Roderick Street

IPSWICH QLD 4305 From 28 June 2021: 1 Nicholas Street IPSWICH QLD 4305

ACN: 095 487 086 ABN: 88 095 487 086

Note 9 Related Parties

(a) The following persons were appointed by Ipswich City Council. They held office as Directors of Ipswich City Enterprises Pty Ltd (ICE) during the current and the previous financial years and up to the balance date unless ceased before balance date as stated below:

	Note	Appointment Date	Cease Date
Mr G Chemello		27/11/2018	10/01/2020
Mr D Farmer		10/01/2020	08/04/2021
Ms S Cooper		08/04/2021	

- (b) No fees were paid to the Directors of the Company.
- (c) There are no related parties transactions for the 2019-2020 and 2020-2021 financial years.

Ipswich City Enterprises Pty Ltd Consolidated Financial Report for the year ended 30 June 2021

Note 10 Contingent Liabilities

There are no past events that have given rise to a potential measurable or non-measurable obligation; therefore, no contingent liabilities have been recognised.

Note 11 Going Concern

Ipswich City Council resolved on 23 April 2018 to endorse the winding up of the Company. Following a resolution of the Board of the Company, dated 20 August 2018 the Company has recommended to undertake a Members Voluntary Liquidation and deregistration to finalise the remaining assets and liabilities of the Company. However as at the date of this report, the subsequent Members Resolution has not yet been prepared.

The Director of the Company intends to transfer the Company's operations to the parent entity and to deregister the Company. As part of this process, as far as is practical, the Company will dispose of its assets to Ipswich City Council and settle outstanding liabilities prior to commencing a Members Voluntary Liquidation.

The Company is no longer considered to be a going concern. While acknowledging the potential Members Voluntary Liquidation process, it is the Company's intention to settle any remaining liabilities and realise any assets through a Members Voluntary Liquidation process prior to being deregistered and ultimately winding up. The Company's remaining assets and liabilities have not been adjusted and are stated at the amounts expected to be realised/ settled before the Company is deregistered. Consequently, this financial report has been prepared on a basis consistent with a going concern basis.

Ipswich City Enterprises Pty Ltd
Consolidated Financial Report for the year ended 30 June 2021

DIRECTOR'S DECLARATION

The Director of the Company declares that:

- 1 the attached financial statements and notes thereto, including the matters disclosed in Note 11 Going Concern, are in accordance with the *Corporations Act 2001*, including compliance with the Australia Accounting Standards Reduced Disclosure Requirements and giving a true and fair view of the financial position of the Company and the consolidated entity as at 30 June 2021 and of their performance for the financial year ended on that date; and
- 2 in the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of the Company.

Ms. Sonia Cooper

Director and Company Secretary

Dated 8/12/2021



INDEPENDENT AUDITOR'S REPORT

To the Members of Ipswich City Enterprises Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Ipswich City Enterprises Pty Ltd (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the group's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards Reduced Disclosure Requirements.

The financial report comprises the statements of financial position as at 30 June 2021, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the director's declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*. I am also independent of the parent and group in accordance with the auditor independence requirements of the *Corporations Act 2001*, and confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the director of the company, would be in the same terms if given to the director as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – Director's intend to transfer operations to parent entity and deregister group

I draw attention to Note 11 of the financial report, which describes that the Board resolved on 20 August 2018 to recommend to the members that the group undertake a Members Voluntary Liquidation and deregistration to finalise the remaining assets and liabilities. The note also describes that the Director intends to transfer the group's operations to the parent entity, including disposing of its assets to the parent entity and settling outstanding liabilities prior to commencing a Members Voluntary Liquidation. As a result, the financial report has



Better public services

been prepared on a basis consistent with the going concern basis. My opinion is not modified in respect of this matter.

Other information

Other information comprises the information included in the group's director's report for the year ended 30 June 2021, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the company for the financial report

The company's director is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the company's director determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's director is also responsible for assessing the parent's and group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the parent or group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether
due to fraud or error, design and perform audit procedures responsive to those risks,
and obtain audit evidence that is sufficient and appropriate to provide a basis for my
opinion. The risk of not detecting a material misstatement resulting from fraud is higher
than for one resulting from error, as fraud may involve collusion, forgery, intentional
omissions, misrepresentations, or the override of internal control.

QueenslandAudit Office

Better public services

- Obtain an understanding of internal control relevant to the audit in order to design audit
 procedures that are appropriate in the circumstances, but not for expressing an opinion
 on the effectiveness of the parent's and group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the
 entities or business activities within the group to express an opinion on the financial
 report. I am responsible for the direction, supervision and performance of the audit of
 the group. I remain solely responsible for my audit opinion.

I communicate with the company's director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

8 December 2021

Lisa Fraser as delegate of the Auditor-General

Queensland Audit Office Brisbane

IPSWICH CITY ENTERPRISES INVESTMENTS PTY LTD

ABN 42 127 862 515

DIRECTOR'S REPORT
AND
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

TABLE OF CONTENTS

	r age No.
Director's Report	2
Auditor's Independence Declaration	4
Financial Report	5
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Director's Declaration	14
Independent Auditor's Report	15



Ipswich City Enterprises Investments Pty Ltd Director's Report 2020-2021

The Director presents the report on Ipswich City Enterprises Investments Pty Ltd (the Company) for the financial year ended 30 June 2021.

Directors

The names of the Directors in office at any time during or since the end of the financial year were:

Ms S Cooper (appointed as sole director on 8 April 2021) Mr D Farmer (resigned on 8 April 2021)

Net Results

The net result of the Company for the financial year ended 30 June 2021 was a surplus of \$1,265.

Review of Operations

The Company is a wholly owned subsidiary of Ipswich City Enterprises Pty Ltd (ICE). The Company was established to provide sound governance of the Services Queensland Partnership as a commercial enterprise.

The Services Queensland Partnership ceased trading on 6 November 2017 and the Partnership Agreement expired on 7 November 2017.

The Company has not actively traded during the 2021 financial year. It is expected that the Company's trading will remain inactive in the 2022 financial year.

Dividends

No dividends have been paid or declared during the 2021 financial year and no dividends have been recommended or provided for by the Director of the Company.

Indemnification of Directors and Officers

During the financial year, there was an insurance policy in place for the benefit of Directors, secretaries and executive officers of the Company. The insurance policy grants indemnification in respect of certain liabilities for which the *Corporations Act 2001* allows indemnification. The insurance policy does not permit the disclosure of the nature of the liabilities insured nor the amount of the premium. No insurance cover has been provided for the benefit of the auditors of the Company.

Director's Strategic Intent

On 23 April 2018 Council resolved to endorse the winding up of the Company's parent entity, ICE.

The principal activities of the Company have now ceased. Subject to the finalisation of arrangements related to the Licence Agreement with QPG Shared Services Support Centre, it is the Board's expectation that the Company will be placed into Members Voluntary Liquidation in the 2022 financial year.

The costs associated with the intended Members Voluntary Liquidation and subsequent deregistration are expected to be less than \$20,000. Apart from these costs, the winding-up of the Company does not impose any additional costs or liabilities on Council.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 forms part of this report and a copy of this declaration is attached.

This report is made in accordance with a resolution of the Board of the Company and is signed by:

Ms. Sonia Cooper

Director and Company Secretary

Dated 8/12/2021

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Ipswich City Enterprises Investments Pty Ltd

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence declaration

As lead auditor for the audit of Ipswich City Enterprises Investments Pty Ltd for the financial year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

Lisa Fraser

as delegate of the Auditor-General

8 December 2021

Queensland Audit Office Brisbane

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Note	Compa	iny
		2021 \$	2020 \$
Income			
Interest		1,538	2,727
Total Income	_	1,538	2,727
Expense			
General Costs	3	273	427
Total Expense	_	273	427
Operating Surplus (Deficit) for the Year	<u>-</u>	1,265	2,300
TOTAL COMPREHENSIVE INCOME	_	1,265	2,300

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Notes	Compa	ny
		2021	2020
Assets		\$	\$
Current Assets			
Cash and Cash Equivalents	4	232,231	230,966
Total Current Assets	_	232,231	230,966
TOTAL ASSETS	_	232,231	230,966
Liabilities			
TOTAL LIABILITIES	_		
NET ASSETS (LIABILITIES)	_	232,231	230,966
Equity			
Contributed Equity	5	1	1
Retained Earnings		232,230	230,965
TOTAL EQUITY	_	232,231	230,966

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Company	Note	Contributed Equity \$	Retained Earnings \$	Total \$
Balance as at 1 July 2019		1	228,665	228,666
Operating Surplus (Deficit) for the Year		-	2,300	2,300
Balance as at 30 June 2020		1	230,965	230,966
Operating Surplus (Deficit) for the Year		-	1,265	1,265
Balance as at 30 June 2021		1	232,230	232,231

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	Compar	ıy
		2021 \$	2020 \$
Cash Flows from Operating Activities			
Payments to Suppliers		(273)	(13,427)
Interest Received		1,538	2,727
Net Cash Provided (Used) by Operating Activities	_	1,265	(10,700)
Net Increase (Decrease) in Cash and Cash Equivalents Held	_	1,265	(10,700)
Net mercuse (Decreuse) in easif and easif Equivalents field	_		(10,700)
Cash and Cash Equivalents at the Beginning of the Financial Year		230,966	241,666
Cash and Cash Equivalents at the End of the Financial Year	4 —	232,231	230,966

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Objectives and Principal Activities of the Company

The objective of Ipswich City Enterprises Investments Pty Ltd (the Company) was to provide sound governance of the former Services Queensland Partnership as a commercial enterprise.

The principal activities of the Company included all necessary activities related to the objectives including:

- regular review of the Services Queensland Partnership performance;
- investigate opportunities to expand the Services Queensland Partnership business.

The Company was incorporated on 5 October 2007 and Ipswich City Enterprises Pty Ltd acquired 100% ownership via purchase of the Company's one share for a consideration of \$1. Ipswich City Council is the ultimate parent entity and has control over Ipswich City Enterprises Pty Ltd.

Ipswich City Council resolved on 23 April 2018 to endorse the winding up of the Company's parent, Ipswich City Enterprises Pty Ltd. Additional information is presented in Note 10.

Note 1 Statement of Significant Accounting Policies

(a) Basis of Preparation

Reporting Basis and Conventions

These financial statements are general purpose financial statements prepared under the accrual basis of accounting in accordance with the requirements of the *Corporations Act 2001* and the Australian Accounting Standards – Reduced Disclosure Requirements and Australian Accounting Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Company has applied those requirements applicable to for-profit entities, as the Company is a for-profit public sector entity. Except where otherwise stated the financial statements have been prepared in accordance with the historical cost basis. All amounts throughout the financial statements are in Australian dollars.

It is the intention of the Director to wind up the Company once all its contractual arrangements are settled or transferred. Consequently the Company is not a going concern. These financial statements, however, have been prepared on a basis consistent with a going concern basis of accounting. Refer Note 10 for further details.

(b) Interest in Other Entities

During 2007-2008 Ipswich City Council (Council) entered into an agreement whereby its customer services would be delivered via a shared services arrangement. Council managed its investment in this initiative via wholly owned subsidiaries, Ipswich City Enterprises Pty Ltd (ICE) and Ipswich City Enterprises Investments Pty Ltd (ICEI). ICEI is a wholly owned subsidiary of ICE. Services Queensland Partnership partners, Ipswich City Enterprises Investments Pty Ltd (50%), Partnerships Australia Pty Ltd (16.67%) and Prevwood Pty Ltd (33.33%), entered into an agreement to establish a partnership and appoint Local Partnership Services Pty Ltd as the manager of the partnership.

The Services Queensland Partnership ceased trading on 6 November 2017 and the Partnership Agreement expired on 7 November 2017.

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

Note 1 Statement of Significant Accounting Policies (continued)

(c) Comparative Figures

No changes have been made to comparative figures.

(d) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions to the financial instrument.

Classification

Financial instruments are classified and measured as follows:

Payables – held at amortised cost

The carrying amounts of payables approximate their fair value.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Company does not enter into, or trade with, instruments for speculative purposes, nor for hedging.

(e) Cash and Cash Equivalents

Cash and cash equivalents include deposits held at call with banks.

(f) Trade and Other Receivables

The receivables balances at the end of 2019-2020 and 2020-2021 financial years are nil.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Taxation

(i) GST

Revenues, expenses and assets are recognised net of the amount of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis.

(ii) Income Tax

Ipswich City Enterprises Investments Pty Ltd is exempt from income tax under Section 24AK as it is an STB under 24AO of the *Income Tax Assessment Act 1936*.

(i) Adoption of Tier 2 Format for Financial Statement

AASB 1053 Application of Tiers of Australian Accounting Standards applies in this financial report. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements - Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as "tier 2"). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

Note 1 Statement of Significant Accounting Policies (continued)

(j) Adoption of New and Revised Accounting Standards

The Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective and have not been adopted by the Company for the period ended 30 June that could be applicable to the Company, are outlined below. These amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report and have future commencement dates will not have a material impact on the financial statements as the Company is being wound up.

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities and Current or Non-Current and associated standards

AASB 2020-1 will impact how the Company classifies liabilities based on whether the entity has a substantive right to defer settlement of the liability for at least twelve months after the reporting period. It will have no impact to the Company as the Company does not have any material liabilities.

(k) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of services is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax (GST).

(I) Issuance of Financial Statements

The financial statements are authorised for issue by the Director at the date of signing the Director's Declaration.

(m) Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

No significant accounting estimates or judgements have been made during this reporting period.

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

		2021	2020
	Note	\$	\$
it Fees			

Note 2 Audit Fees

Audit fees of \$2,500 by Queensland Audit Office relating to the 2019-2020 financial statements were paid by Ipswich City Council. The estimated 2020-2021 audit fees of \$2,550 will be paid by Ipswich City Council.

Note 3	General Costs		
	Other Costs	273	427
		273	427
Note 4	Cash and Cash Equivalents		
11010 4	Cash at Bank	232,231	220.066
	Casii at Dalik	232,231	230,966
		232,231	230,966
Note 5	Contributed Equity		
	Issued and Paid Up Capital	1	1
	(1 Ordinary Share at \$1 each)		
			1

Note 6 Dividends

During the 2019-2020 and the 2020-2021 financial years, no dividends were declared or paid.

Note 7 Company Details

The registered office and principal place of business of the Company is:

C/- Ipswich City Council

From 1 July 2020 to 27 June 2021:

45 Roderick Street

IPSWICH QLD 4305

From 28 June 2021:

1 Nicholas Street IPSWICH QLD 4305

ACN: 127 862 515 ABN: 42 127 862 515

Note 8 Related Parties

(a) The following persons were appointed by Ipswich City Council. They held office as Directors of Ipswich City Enterprises Investments Pty Ltd (ICEI) during the current and the previous financial years and up to the balance date unless ceased before balance date as stated below:

	Appointment	Cease Date
	Date	
Mr G Chemello	27/11/2018	10/01/2020
Mr D Farmer	10/01/2020	08/04/2021
Mrs S Cooper	08/04/2021	

(b) No fees were paid to the Directors of the Company.

Ipswich City Enterprises Investments Pty Ltd
Financial Report for the year ended 30 June 2021
(c) There are no related parties transactions for the 2019-2020 and 2020-2021 financial years.

Note 9 Contingent Liabilities

There are no past events that have given rise to a potential measurable or non-measurable obligation; therefore, no contingent liabilities have been recognised.

Note 10 Going Concern

Ipswich City Council resolved on 23 April 2018 to endorse the winding up of the Company's parent, Ipswich City Enterprises Pty Ltd. Following a resolution of the Board of the Company, dated 20 August 2018, the Company has recommended to undertake a Members Voluntary Liquidation and deregistration to finalise the remaining assets and liabilities of the Company. However as at the date of this report, the subsequent Members Resolution has not yet been prepared.

The Director of the Company intends to transfer the Company's operations to the parent entity and to deregister the Company. As part of this process, as far as is practical, the Company will dispose of its assets to the parent and settle outstanding liabilities prior to commencing a Members Voluntary Liquidation.

The Company is no longer considered to be a going concern. While acknowledging the potential Members Voluntary Liquidation process, it is the Company's intention to settle any remaining liabilities and realise any assets through a Members Voluntary Liquidation process prior to being deregistered and ultimately winding up. The Company's remaining assets and liabilities have not been adjusted and are stated at the amounts expected to be realised/ settled before the Company is deregistered. Consequently, this financial report has been prepared on a basis consistent with a going concern basis.

Ipswich City Enterprises Investments Pty Ltd Financial Report for the year ended 30 June 2021

DIRECTOR'S DECLARATION

The Director of the Company declares that:

- 1 the attached financial statements and notes thereto, including the matters disclosed in Note 10 Going Concern, are in accordance with the *Corporations Act 2001*, including compliance with the Australian Accounting Standards Reduced Disclosure Requirements and giving a true and fair view of the financial position as at 30 June 2021 and of the performance of the Company for the financial year ended on that date; and
- 2 in the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of the Company.

Ms. Sonia Cooper

Director and Company Secretary

Dated 8/12/2021



INDEPENDENT AUDITOR'S REPORT

To the Members of Ipswich City Enterprises Investments Pty Ltd

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Ipswich City Enterprises Investments Pty Ltd.

In my opinion, the financial report:

- a) gives a true and fair view of the company's financial position as at 30 June 2021, and its financial performance and cash flows for the year then ended
- b) complies with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards Reduced Disclosure Requirements.

The financial report comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the director's declaration.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the Auditor-General Auditing Standards. I am also independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001, and confirm that the independence declaration required by the Corporations Act 2001, which has been given to the director of the company, would be in the same terms if given to the director as at the time of this auditor's report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – Director's intend to deregister company

I draw attention to Note 10 of the financial report, which describes that the Board resolved on 20 August 2018 to recommend to the members that the company undertake a Members Voluntary Liquidation and deregistration to finalise the remaining assets and liabilities. The note also describes that the Director intends to transfer the company's operations to the parent entity, including disposing of its assets to the parent entity and settling outstanding liabilities prior to commencing a Members Voluntary Liquidation. As a result, the financial report has been prepared on a basis consistent with the going concern basis. My opinion is not modified in respect of this matter.



Other information

Other information comprises the information included in the company's director's financial report for the year ended 30 June 2021, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the company for the financial report

The company's director is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Corporations Act 2001*, the Corporations Regulations 2001 and Australian Accounting Standards – Reduced Disclosure Requirements, and for such internal control as the company's director determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The company's director is also responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the financial report, whether
due to fraud or error, design and perform audit procedures responsive to those risks,
and obtain audit evidence that is sufficient and appropriate to provide a basis for my
opinion. The risk of not detecting a material misstatement resulting from fraud is higher
than for one resulting from error, as fraud may involve collusion, forgery, intentional
omissions, misrepresentations, or the override of internal control.

QueenslandAudit Office

Better public services

- Obtain an understanding of internal control relevant to the audit in order to design audit
 procedures that are appropriate in the circumstances, but not for expressing an opinion
 on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the company.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the company's director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

8 December 2021

Lisa Fraser as delegate of the Auditor-General

Queensland Audit Office Brisbane

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

IPSWICH CITY PROPERTIES PTY LTD

ABN 88 135 760 637

UNAUDITED FINAL FINANCIAL REPORT FOR THE PERIOD ENDED 28 MAY 2021

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

TABLE OF CONTENTS

	Page No.
Financial Report	2
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Statement Following Deregistration	12

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 28 MAY 2021

	Note	2021 \$	2020 \$
Income			
Interest		2	2,325
Other Revenue		-	31,773
Total Income	_	2	34,099
Expense			
Materials and Services	2	-	1,831
Other Expenses	3	19,890	16,863
Total Expense	_	19,890	18,694
Operating Surplus (Deficit) for the Period	_	(19,888)	15,405
Total Comprehensive Income	_	(19,888)	15,405

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

STATEMENT OF FINANCIAL POSITION AS AT 28 MAY 2021

Assets	Note	2021 \$	2020 \$
Current Assets			
Cash and Cash Equivalents	4	-	194,090
Trade and Other Receivables	5	-	16,612
Total Current Assets			210,702
TOTAL ASSETS		-	210,702
Liabilities			
TOTAL LIABILITIES			
NET ASSETS (LIABILITIES)			210,702
Equity			
Retained Earnings		-	210,701
Contributed Equity	6	-	1
TOTAL EQUITY		_	210,702

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 28 MAY 2021

		Contributed Equity \$	Retained Earnings \$	Total \$
	Note			
Balance as at 1 July 2019		1	195,296	195,297
Operating Surplus (Deficit) for the Period		-	15,405	15,405
Balance as at 30 June 2020		1	210,701	210,702
Operating Surplus (Deficit) for the Period		-	(19,888)	(19,888)
Distribution		(1)	(190,813)	(190,814)
Balance as at 28 May 2021		<u> </u>		0

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 28 MAY 2021

Note	2021 \$	2020
	ş	\$
Cash flows from Operating Activities		
Distribution Paid 7	(190,814)	-
Receipts of Rental Income and Distributions	18,566	63,472
Payments to Suppliers	(21,845)	(194,807)
Interest Received	2	2,325
Net Cash Provided (Used) by Operating Activities	(194,090)	(129,010)
Cash Flows from Investing Activities		
Net Cash Provided (Used) by Investing Activities		
Cash Flows from Financing Activities		
Net Cash Provided (Used) by Financing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents Held	(194,090)	(129,010)
Cash and Cash Equivalents at the Beginning of the Financial Period	194,090	323,100
Cash and Cash Equivalents at the End of the Financial Period		194,090

Ipswich City Properties Pty Ltd
Financial Report for the period ended 28 May 2021

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 MAY 2021

Objectives and Principal Activities of the Company

The objectives of Ipswich City Properties Pty Ltd (the Company) are the acquisition, re-development, management and sale of the property known as Ipswich City Square, located at 163 Brisbane Street, Ipswich (the Project).

The principal activities of the Company included all necessary activities related to the Project and may include:

- acquiring land and structures for the Project;
- analysing and evaluating the market which is relevant to the Company;
- developing and formulating business cases;
- tendering and appointing a developer or developers;
- identifying and obtaining all necessary approvals;
- giving guarantees, mortgages over the assets of the Company, or any other form of security to help facilitate the development of the Project;
- selling or otherwise transferring the land and structures of the Project;
- negotiating any commercial arrangements relevant to the Project;
- taking any other steps which are consistent with the undertaking of the Project.

The Company was deregistered on 28 May 2021. Refer to note 10.

Note 1: Statement of Significant Accounting Policies

(a) Basis of Preparation

These financial statements are general purpose financial statements prepared under the accrual basis of accounting in accordance with the requirements of the *Corporations Act 2001* and the Australian Accounting Standards – Reduced Disclosure Requirements and Australian Accounting Interpretations.

With respect to compliance with the Australian Accounting Standards and Interpretations, the Company has applied those requirements applicable to for-profit entities, as the Company is a for-profit public sector entity. Except where otherwise stated, the financial statements have been prepared in accordance with the historical cost basis. All amounts throughout the financial statements are in Australian dollars.

(b) The Reporting Entity

The Company does not control other entities. The financial statements include the value of all revenue, expenses, assets, liabilities and equity for the Company as an individual entity.

(c) Comparative Figures

No changes have been made to comparative figures.

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

Note 1: Statement of Significant Accounting Policies (continued)

(d) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions to the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Receivables held at amortised cost
- Payables held at amortised cost
- Loans held at amortised cost

The carrying amounts of trade receivables and payables approximate their fair values.

No financial assets and financial liabilities have been offset and presented on a net basis in the Statement of Financial Position.

The Company does not enter into, or trade with, instruments for speculative purposes, nor for hedging.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks.

(f) Trade and Other Receivables

Debtors are recognised at the amounts due at the time of sale or service delivery, i.e. the agreed purchase / contract price, with settlement on debtors being generally required within 30 days from the invoice date.

The collectability of receivables is assessed periodically for impairment. If an amount is recovered in a subsequent period it is recognised as revenue. All known bad debts were written off at 28 May.

(g) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(h) Taxation

(i) GST

Revenues, expenses and assets are recognised net of the amount of GST.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing activities which are disclosed as operating activities.

(ii) Income Tax

Ipswich City Properties Pty Ltd is exempt from income tax under Section 24AK as it is an STB under Section 24AO of the *Income Tax Assessment Act 1936*.

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

Note 1: Statement of Significant Accounting Policies (continued)

(i) Adoption of Tier 2 Format for Financial Statements

AASB 1053 Application of Tiers of Australian Accounting Standards applies from reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements - Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as "tier 2"). Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1.

(j) Adoption of New and Revised Accounting Standards

Australian Accounting Standards and Interpretations that have recently been issued or amended, but are not yet effective and have not been adopted by the Company for the period ended 30 June that could be applicable to the Company are outlined below along with an assessment of the impact.

AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities and Current or Non-Current and associated standards

AASB 2020-1 will impact how the Company classifies liabilities based on whether the entity has a substantive right to defer settlement of the liability for at least twelve months after the reporting period. It will have no impact to the Company as the Company does not have any material liabilities.

(I) Revenue

Rental Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

All revenue is stated net of the amount of GST.

(m) Construction Work In Progress-Development Agreement

The Company has entered into a Development Agreement with Ipswich City Council to construct several key components of the Ipswich CBD Transformation Project. The Company transferred the full balance of the Construction Work in Progress-Development Agreement to Ipswich City Council on 27 June 2019. The year end balances for 2020 and 2021 financial years are nil.

(n) Property, Plant and Equipment

Property, Plant and Equipment is carried at fair value less, where applicable, any accumulated depreciation and impairment losses. Items of Property, Plant and Equipment with a cost in excess of \$1 are recognised for financial reporting purposes in the year of acquisition.

(i) Acquisition of Assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration such as cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

(ii) Capital and Operating Expenditure

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are included in the Statement of Comprehensive Income during the financial period in which they are incurred.

(iii) Fair Value Measurement

AASB 13 sets out the definition of 'fair value' as well as principles to be applied when determining the fair value of assets and liabilities. The requirements apply to all of the company's assets and liabilities (excluding leases) that are measured and/or disclosed at fair value.

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

Note 1: Statement of Significant Accounting Policies (continued)

(iv) Valuation

Land, buildings, plant and equipment are measured at fair value in accordance with AASB 116 Property, Plant and Equipment and AASB 13 Fair Value Measurement. Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each asset at least once every 5 years. In the intervening years, the Director conducts a Director's valuation to ensure the land, buildings, plant and equipment's carrying amount is not materially different to the fair value.

Increases in the carrying amount arising on revaluation are credited to an asset revaluation surplus in shareholder's equity. Decreases that offset previous increases of the same asset are charged against the asset revaluation surplus directly in equity; all other decreases are charged to the Statement of Comprehensive Income. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The Company transferred the full balance of Furniture and Fittings to Ipswich City Council on 27 June 2019. Property, plant and equipment has nil balances at the end of the 2020 and 2021 financial years.

(o) Impairment

Assets are assessed for indicators of impairment annually. If an indicator of possible impairment exists, the company determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised as an expense in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

(p) Lease

Investment Properties including Tenancies

The Company leased components of Ipswich City Square to predominately retail tenants. Ipswich City Square has been earmarked for redevelopment for the past few years, resulting in an increasing number of vacant premises during the financial year. A number of the remaining tenancies were leased on a month by month basis.

All investment properties were transferred to Ipswich City Council on 27 June 2019.

Lessor

On behalf of Ipswich City Council, the Company leased office accommodation in 143 Brisbane Street to a number of tenants from September 2017 to November 2018. These offices were leased on a month by month basis.

(g) Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods as relevant. Significant accounting estimates and judgements have been applied to the revaluation of Investment Properties. These assets were transferred to Ipswich City Council on 27 June 2019.

(r) Issuance of Financial Statements

The financial statements are authorised for issue by the Director at the date of signing the Director's Declaration.

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

		2021	2020
Note 2	Materials and Services	\$	\$
Note 2			(4.200)
	Rates and Other Utilities Charges	-	(1,300)
	Cleaning	-	270
	Other Materials and Services		2,861
			1,831
Note 3	Other Expenses		
	Debt Impairment	-	15,549
	Fees and Permits	-	347
	General Expenses	19,890	967
		19,890	16,863
	The audit fees for the 2020 financial year was \$5,000 for the Cor	npany. It was paid by	the Council.
Note 4	Cash and Cash Equivalents		
	Cash Held by Liquidator		194,090
			194,090
Note 5	Trade and Other Receivables		
	Trade Receivables	15,549	32,146
	Trade and Other Receivables - Impaired	(15,549)	(15,549)
	GST Receivable	-	14
			16,612

Note 6 Company Details

The former registered office and principal place of business of the company was:

C/- Ipswich City Council 45 Roderick Street IPSWICH QLD 4305 ACN: 135 760 637 ABN: 88 135 760 637

Following a resolution of Ipswich City Council, the Company was incorporated on 9 March 2009. Ipswich City Council was the parent entity and had control over the Company.

The Company had issued and paid up capital of 1 ordinary share at \$1.00 each. Total Contributed Equity was \$1.00 for the 2021 financial period.

Note 7 The Liquidators resolved that a distribution of the available assets be made to the company's shareholder Ipswich City Council. The total available assets \$190,814 comprising of cash was distributed on 10 February 2021.

Note 8 No dividends were paid or declared by the Company during both 2020 and 2021 financial periods.

Ipswich City Properties Pty Ltd Financial Report for the period ended 28 May 2021

Note 9 Related Parties

(a) The following persons were appointed by Ipswich City Council and held office as Directors of the Company during the current and previous financial periods unless ceased before the balance dates as stated below:

	Appointment		Cease Date
	Note	Date	
Mr D Farmer		10/01/2020	28/05/2021
Mr G Chemello		14/09/2018	10/01/2020

Ipswich City Council resolved on 14 September 2018 to exercise its right as sole shareholder and member to modify the constitution of the Company to allow it to operate with a sole Director.

- (b) No fees were paid to the former Directors of the Company during the 2021 financial period.
- (c) No related parties transactions for the companies in the 2020 and 2021 financial periods.

Note 10 Deregistration

In a resolution of the Members dated 16 October 2018, the Company commenced a Members Voluntary Liquidation for the purpose of wind up and deregistration. The Liquidators were appointed effective 26 March 2020 and finalised the remaining assets and liabilities of the Company concluding 10 February 2021. The Company was deregistered on 28 May 2021. Accordingly, this financial report has not been prepared on a going concern basis. This is the final financial report prepared for the Company. On the basis of the Company being deregistered, this financial statement remains unaudited and unsigned.

Ipswich City Properties Pty Ltd
Financial Report for the period ended 28 May 2021

STATEMENT FOLLOWING DEREGISTRATION

This statement is provided by the Chief Executive Officer of Ipswich City Council on behalf of Ipswich City Council as the former shareholder of the Company.

Ipswich City Council resolved on 16 October 2018 to endorse the winding up and deregistration of the Company and integration of the assets and operations of the Company into Ipswich City Council. Prior to commencing the deregistration process, the Company transferred most of its assets to Ipswich City Council on 27 June 2019. The Company settled the full balance of the Ioan with Ipswich City Council on 27 June 2019.

Following a Declaration of Solvency, dated 24 March 2020 and a resolution of the Board, dated 26 March 2020, the Company commenced a Members Voluntary Liquidation for the purpose of wind up and deregistration. The Liquidators were appointed on 26 March 2020. The Members Voluntary Liquidation process was finished and the Company was deregistered on 28 May 2021.

Doc ID No: A8041304

ITEM: 12

SUBJECT: REVISED ALCOHOL CONSUMPTION AND SALE IN PUBLIC PLACES POLICY

AUTHOR: BUSINESS IMPROVEMENT OFFICER

DATE: 5 MAY 2022

EXECUTIVE SUMMARY

This is a report seeking Governance and Transparency Committee approval to repeal the existing "Alcohol Consumption and Sale in Public Places Policy" and adopt the revised "Alcohol Consumption and Sale in Public Places Policy", managed by Community and Cultural Services Branch within the Community, Cultural and Economic Development Department.

RECOMMENDATION/S

- A. That the policy titled, "Alcohol Consumption and Sale in Public Places Policy" (current) as detailed in Attachment 1 be repealed.
- B. That the Policy titled, "Alcohol Consumption and Sale in Public Places Policy" (revised) as detailed in Attachment 2 be adopted.

RELATED PARTIES

There was no declaration of conflicts of interest.

IFUTURE THEME

Safe, Inclusive and Creative

PURPOSE OF REPORT/BACKGROUND

The "Alcohol Consumption and Sale in Public Places Policy" provides direction to Council staff and the community as to the criteria Council will consider when granting an approval or designating a public place for the consumption and sale of alcohol in Council owned or managed land.

Sport and Recreation organisations utilising Council owned facilities and who wish to make alcohol available for sale and consumption on these premises require Council's consent in order to apply for a community liquor licence.

The policy was transferred from the Infrastructure and Environment Department to Community, Cultural and Economic Development as the Community and Cultural Services

Branch process the seasonal permit applications. A review of the current policy was conducted, and the following minor changes were made:

- transfer the existing Alcohol Consumption and Sale in Public Places Policy content to the updated corporate template in line with the Policy and Procedure Management Framework;
- under Purpose and Principles, Willowbank was inadvertently overlooked on the previous policy and has been added accordingly;
- the inclusion of Form 7 is done so as it is a requirement under OLGR Licensing that such forms must be completed by the community groups and endorsed by Council;
- included alignment with the iFuture 2021-2026 Corporate Plan; and
- Monitoring and Evaluation and Definitions.

LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions: *Queensland Liquor Act 1992*

RISK MANAGEMENT IMPLICATIONS

The review of this policy has been undertaken in accordance with Council's adopted Policy and Procedure Management Framework. Any delay in approving the recommendation may potentially have adopted policies inconsistent with the Council Framework.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS		
OTHER DECISION		
(a) What is the Act/Decision being made?	The recommendation states that the Governance and Transparency Committee approve the Alcohol Consumption and Sale in Public Places Policy for adoption.	
(b) What human rights are affected?	Only Not-For-Profit and Incorporated by Association organisations will be seeking approval for consent to apply for a liquor permit to sell or consume alcohol on Council owned and managed land, therefore it does not affect human rights as it does not concern or impact individuals. The Office of Liquor and Gambling Regulation (OLGR) issue the actual permit.	
(c) How are the human rights limited?		
(d) Is there a good reason for limiting	Not applicable	

the relevant rights?	
Is the limitation fair	
and reasonable?	
(e) Conclusion	The decision is consistent with human rights.

FINANCIAL/RESOURCE IMPLICATIONS

There are no financial/resource implications associated with this report.

COMMUNITY AND OTHER CONSULTATION

Changes to the policy were only administrative however consultation was undertaken within the Community and Cultural Services Branch and all agreed and supported the changes to the policy.

CONCLUSION

It is recommended that the Governance and Transparency Committee endorse the Alcohol Consumption and Sale in Public Places Policy which has transitioned to Council's approved policy template to meet the requirements of the Policy and Procedure Framework.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Alcohol Consumption and Sale in Public Places Policy (Current) 🗓 🖺
2.	Alcohol Consumption and Sale in Public Places Policy (Revised) 🗓 🖺

Anne Eves

BUSINESS IMPROVEMENT OFFICER

I concur with the recommendations contained in this report.

Ben Pole

GENERAL MANAGER, COMMUNITY, CULTURAL AND ECONOMIC DEVELOPMENT

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



Alcohol Consumption and Sale in Public Places Policy

Document Number: A3755737

Policy Author:

Community, Cultural and Economic Development

Objectives:

The objective of this policy is to provide direction to Council staff and the community on the criteria Council will consider when granting an approval or designating a public place for the consumption and sale of alcohol in public places (as defined in the *Queensland Liquor Act 1992*).

Regulatory Authorities:

Queensland Liquor Act 1992

Scope:

The core matters addressed by this policy are determining which public places may be designated permanent public places under the Queensland *Liquor Act* 1992 (also known as 'wet areas'), and which public places will be considered for designation upon request.

Policy Statement:

1. The following table highlights the public places Council will consider approving where alcohol can be consumed, sold and where permanent designated public place (wet areas) may exist:

	Can alcohol be consumed but not sold in these areas?	Can alcohol be sold in these areas?	
Cemeteries	Upon Request	No	
Conservation Estates	Upon Request	No	
District Parks	Upon Request	Yes*	
Halls	Upon Request	Yes*	
Local Parks	Upon Request	Yes*	
Rosewood Showgrounds	Upon Request	Yes*	
Local Sport Parks	Upon Request	Yes*	
Citywide Sport Parks	Upon Request	Yes*	
Strategic Parks	Upon Request	Yes*	
Hardings Paddock	Permanent designated	Upon Request	
Campground	public place (wet area)		
Rosewood Showgrounds	Permanent designated	No	
Camping Area	public place (wet area)		
*Council permit required			

- 2. The following policy exists for public places (i.e. Hardings Paddock Campground and Rosewood Showgrounds Camping Area) that may have *permanent designated public places (wet areas)*:
 - Only those with a valid permit issued by Council to camp at the camping grounds are allowed to consume alcohol during the fixed arrival and departure times.
 - b. Alcohol can only be consumed within the allowable area/s (this information may be further detailed in a Council procedure or available on Council's website).
 - c. The national guidelines for the consumption of alcohol called "Australian guidelines to reduce health risks from drinking alcohol(available on www.alcohol.gov.au)" will apply.
 - d. State and local laws are not constrained by this policy and will be in force for the control of any nuisance/public behaviour issues etc as a result of alcohol consumption and sale.
- 3. The following policy exists for public places that allow the *consumption* of alcohol on an *Upon Request* basis:
 - a. Upon request, Council may designate a public place for the purpose of consuming alcohol. When considering to approve the request, Council will take into consideration:
 - i. The hours/days the grant of approval will cover.
 - ii. The specific area that the grant of approval will cover.
 - iii. The potential impact the grant of approval may have on the surrounding environment including social impacts such as the enjoyment of the surrounding area by other members of the public not involved with the subject of the request.
 - iv. Options for monitoring, managing and/or mitigating the proposed request. (For example, requirements for the applicant to use plastic cups etc and not glass)

Date of Council Resolution: 17 September 2013

Date of Review: 29 November 2016

Committee Reference and Date: Policy and Administration Board No. 2013(12) of 16 September 2013 - City Management and Finance Committee No. 2013(09) of 10

September 2013

No. of Resolution: 1

Date to be Reviewed: 29 November 2018



Alcohol Consumption and Sale in Public Places Policy









2		Leadership
---	--	------------

Version Control and Objective ID	Version No:	Objective ID:
Adopted at Council Ordinary Meeting on		
Date of Review		

1. Statement

This policy is to provide direction to Council staff and the community on the criteria Council will consider when granting an approval or designating a public place for the consumption and sale of alcohol in public places (as defined in the *Queensland Liquor Act 1992*).

2. Purpose and Principles

The following table highlights the public places Council will consider approving where alcohol can be consumed, sold and where permanent designated public place (wet areas) may exist:

	Can alcohol be consumed but not sold in these areas?	Can alcohol be sold in these areas?
Cemeteries	Upon Request	No
Conservation Estates	Upon Request	No
District Parks	Upon Request	Yes*
Halls	Upon Request	Yes*
Local Parks	Upon Request	Yes*
Rosewood Showgrounds	Upon Request	Yes*
Local Sports Parks	Upon request	Yes*
Citywide Sport Parks	Upon Request	Yes*
Strategic Parks	Upon Request	Yes*
Hardings Paddock Campground	Permanent designated public place (wet area)	Upon request
Rosewood Showgrounds Camping Area	Permanent designated public place (wet area)	No
Willowbank	Permanent designated public place (wet area)	Upon request
*Council permit required		

IPSWICH CITY COUNCIL | Alcohol Consumption and Sale in Public Places Policy

The following policy exists for public places (i.e. Hardings Paddock Campground and Rosewood Showgrounds Camping Area) that may have *permanent designated public places* (wet areas):

- a. Only those with a valid permit issued by Council to camp at the camping grounds are allowed to consume alcohol during the fixed arrival and departure times.
- b. Alcohol can only be consumed within the defined area/s (this information may be further detailed in a Council procedure or available on Council's website).
- c. The national guidelines for the consumption of alcohol called "Australian guidelines to reduce health risks from drinking alcohol (available on www.alcohol.gov.au)" will apply.
- d. State and local laws are not constrained by this policy and will be in force for the control of any nuisance/anti-social behavioural issues etc as a result of alcohol consumption and sale.

The following policy exists for public places that allow the consumption of alcohol on an *Upon Request* basis:

- a. Upon request, Council may designate a public place for the purpose of consuming alcohol. When considering approving the request, Council will take into consideration:
 - I. The hours/days the grant of approval will cover.
 - II. The specific area that the grant of approval will cover.
 - III. The potential impact the grant of approval may have on the surrounding environment including social impacts such as the enjoyment of the surrounding area by other members of the public not involved with the subject of the request.
 - IV. Options for monitoring, managing and/or mitigating the proposed request. (For example, requirements for the applicant to use plastic cups, cans etc and not glass.

Members of the community and organisations who wish to consume, supply or sell alcohol in public places must submit an Application (Form 7 'Application for a Community Liquor permit)' at least 14 days prior to the event date.

3. Strategic Plan Links

This policy aligns with the following iFuture 2021-2026 Corporate Plan theme/s:

• Safe, Inclusive and Creative

4. Regulatory Authority

Queensland Liquor Act 1992

5. Human Rights Commitment

Ipswich City Council (Council) has considered the human rights protected under the *Human Rights Act 2019 (Qld)* (the Act) when adopting and/or amending this policy. When applying this policy, Council will act and make decisions in a way that is compatible with human rights and give proper consideration to a human right relevant to the decision in accordance with the Act.

IPSWICH CITY COUNCIL | Alcohol Consumption and Sale in Public Places Policy

6. Scope

The core matters addressed by this policy are determining which public places may be designated permanent public places under the *Queensland Liquor Act 1992* (also known as 'wet areas'), and which public places will be considered for designation upon request.

7. Roles and Responsibilities

The position of Manager, Community and Cultural Services is the delegated authorise for the approval of the Liquor Permit Application on behalf of Council.

8. Key Stakeholders

Community, Cultural and Economic Development

9. Monitoring and Evaluation

The effectiveness of this policy will be measured by the following:

- Broad staff participation in training that builds understanding and adoption of policy
- Reduction in complaints about access to council facilities, open space, programs and services
- Increased funding for accessible infrastructure and/or inclusion initiatives
- Number or reported anti-social incidents in association/linked with the granting of liquor permits to community organisations
- Number of breaches of conditions of liquor permits identified by compliance officers and or local policing bodies during the permitted times and dates.

10. Definitions

The Queensland Liquor Act 1992 defines **sell** to include:

- a) barter or exchange; and
- b) offer, agree or attempt to sell; and
- c) expose, send, forward or deliver for sale; and
- d) cause or permit to be sold or offered for sale; and
- e) supply or offer, agree or attempt to supply -
 - I. In circumstances in which the supplier derives, or would be likely to derive, a direct or indirect pecuniary benefit; or
 - II. Gratuitously, but to gain or keep custom or other commercial advantage.

The *Queensland Liquor Act 1992* defines **Liquor** as a spirituous or fermented fluid or another substance:

- a) in which the level of ethyl alcohol (ethanol) is more than 0.5% by volume at 20°C; and
- b) that is intended for human consumption.

Examples of spirituous or fermented fluids— alcoholic cocktails, beers, liqueurs, premixed alcoholic drinks, spirits and wines.

Liquor also includes any other substance containing ethyl alcohol (ethanol) that is prescribed by regulation as liquor.

IPSWICH CITY COUNCIL | Alcohol Consumption and Sale in Public Places Policy

11. Policy Owner

The General Manager (Community, Cultural and Economic Development Department) is the policy owner and the Manager (Community and Cultural Services) is responsible for authoring and reviewing this policy.