

FINANCE AND GOVERNANCE COMMITTEE SUPPLEMENTARY REPORTS

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** Item includes confidential papers

FINANCE AND GOVERNANCE COMMITTEE NO. 5

10 JUNE 2025

SUPPLEMENTARY REPORTS

13. **MONTHLY FINANCIAL PERFORMANCE REPORT - MAY 2025**

This is a report concerning Ipswich City Council's (**Council**) financial performance for the period ending 31 May 2025, submitted in accordance with section 204 of the *Local Government Regulation 2012*.

RECOMMENDATION

That the report on Council's financial performance for the period ending 31 May 2025, submitted in accordance with section 204 of the *Local Government Regulation 2012*, be considered and noted by Council.

14. **REPORT - REGULATION ADVISORY COMMITTEE NO. 2025(02) OF 5 JUNE 2025**

This is the report of the Regulation Advisory Committee No. 2025(02) of 5 June 2025.

RECOMMENDATION

That Council adopt the recommendations of the Regulation Advisory Committee No. 2025(02) of 5 June 2025.

Doc ID No: A11666545

This matter has been determined to be of a significant nature and approval has been given to refer this report to the Finance and Governance Committee as a supplementary item.

ITEM: 13

SUBJECT: MONTHLY FINANCIAL PERFORMANCE REPORT - MAY 2025

AUTHOR: FINANCIAL ACCOUNTING MANAGER

DATE: 5 JUNE 2025

EXECUTIVE SUMMARY

This is a report concerning Ipswich City Council's (**Council**) financial performance for the period ending 31 May 2025, submitted in accordance with section 204 of the *Local Government Regulation 2012*.

RECOMMENDATION/S

That the report on Council's financial performance for the period ending 31 May 2025, submitted in accordance with section 204 of the *Local Government Regulation 2012*, be considered and noted by Council.

RELATED PARTIES

Not applicable

IFUTURE THEME

A Trusted and Leading Organisation

PURPOSE OF REPORT/BACKGROUND

This report outlines the financial results for Council as at 31 May 2025. The financial results are reported against the amended budget.

The total net result (including capital revenue) for Council as of 31 May 2025 is a surplus of \$173.7 million compared to the year to date (YTD) budget surplus of \$135.9 million.

Council's YTD operating deficit (excluding capital revenue) is \$5.2 million compared to the budgeted YTD deficit of \$5.7 million. The explanations are outlined further in the report.

Overall, capital expenditure including the Nicholas Street Redevelopment YTD but excluding Asset donations, the Voluntary Home Buy Back and Disaster Recovery is \$15.7 million below budget YTD. Asset donations as of 31 May 2025 are \$38.6 million above the YTD budget.

Revenue

Operating revenue is \$7.8 million above the YTD budget which is mainly due to fees and charges for animal management, waste services, planning and development and facilities hire, as well as programming and box office sales and additional Urban Utilities tax revenue.

Rates revenue continues to be below budget by \$3.3 million due to one-off valuation adjustments and lower growth than budgeted. This will continue to be monitored and reported on in the next financial year.

Capital Cash Contributions are currently above budget by \$3.2 million and are likely to increase as developers work to finalise transactions in the lead up to the end of financial year.

Expenses

Overall operating expenses are approximately \$7.3 million above the YTD budget.

Employee expenses (including labour contracts) are over budget by \$7.0 million. A significant contributor to the variance in May was the accounting adjustments which are mentioned further below. The month of May saw a continuing trend of greater than budgeted labour contracts as well as less labour charging to capital projects than budgeted. Overtime has trended above budget since January 2025 which is due to extra resourcing required to cover the ex-tropical cyclone Alfred weather event.

Materials and services (excluding labour contracts) are under budget by \$6.6 million. This is mainly due to the timing of expenditure and is partially offset by the accounting adjustments which are mentioned below. Whilst this variance has reduced since April 2025, it is expected that materials and services will remain under budget at year end. Fuel costs, fleet maintenance, waste disposal costs and consultants are lower than budget, and there have been delays in the delivery of condition assessments and environment and sustainability works.

During May the finance team processed accounting adjustments which resulted in \$2.6 million of capital expenditure being transferred to operating expenditure. The accounting adjustments related to information and communication technology projects, as well as soft landscaping projects. These accounting adjustments have resulted in an increased to employee expenses of \$1.8 million and an increase to materials and services of \$800k.

Depreciation is over budget by \$2.9 million due to significant capital works projects reaching practical completion as well as more assets being donated to council from developers. During the month of May council received \$16 million of donated assets, bringing the year-to-date total to \$103 million. Depreciation will continue to be monitored during the financial year as capital works are undertaken and construction projects are capitalised.

Capital

The total YTD capital expenditure (including the Nicholas Street Redevelopment and excluding Asset donations, the Voluntary Home Buy Back and Disaster Recovery) is \$122.1 million compared to the YTD budget of \$137.8 million.

The Nicholas Street Precinct Redevelopment is tracking under budget by approximately \$7.1 million.

Asset and Infrastructure Services Infrastructure Program YTD capital expenditure (excluding Voluntary Home Buy Back and Disaster Recovery) is \$85 million compared to budget of \$87.4 million. This is under budget primarily due to delays in the asset rehabilitation program and parks, sports and environment program.

The full year capital expenditure for the Asset and Infrastructure Department and Environment and Sustainability Department is forecast to be \$6.9 million under budget.

Cash Balances

Council's cash and cash equivalents balance as at 31 May 2025 was \$171.6 million and above forecasts.

LEGAL IMPLICATIONS

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

POLICY IMPLICATIONS

Council's financial position is managed in accordance with the Financial Management Policy.

RISK MANAGEMENT IMPLICATIONS

The favourable operating result of a \$5.2 million deficit against a budgeted deficit of \$5.7 million is mainly driven by higher operating revenues and lower materials and services expenditure. Whilst some underspends in materials and services will be resolved in June, it is likely this will remain significantly less than budget at year end.

The higher than budgeted spending on employee expenses in the current financial year represents an ongoing risk for the 2025-2026 financial year. Employee expenses will continue to be monitored and reported on.

Rateable property growth is presently below forecast and the impacts for the coming years has been considered in the 2025-2026 budget discussions.

During the month of May, the Finance Branch processed accounting adjustments which resulted in transfers from capex to opex. As the 2024-2025 financial statements are prepared, additional accounting adjustments may be required to be processed and will be noted in future reports.

FINANCIAL/RESOURCE IMPLICATIONS

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

COMMUNITY AND OTHER CONSULTATION

The contents of this report did not require any community consultation. Analysis and explanations of the variances are undertaken in conjunction with the various departments.



CONCLUSION

Regular reporting and monitoring of Council's financial position will continue during the financial year as part of Council's regular governance and reporting process.

HUMAN RIGHTS IMPLICATIONS

HUMAN RIGHTS IMPACTS
RECEIVE AND NOTE REPORT
The Recommendation 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.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Monthly Financial Performance Report - May 2025  
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Barbara Watson

FINANCIAL ACCOUNTING MANAGER

I concur with the recommendations contained in this report.

Christina Binoya

CHIEF FINANCIAL OFFICER

I concur with the recommendations contained in this report.

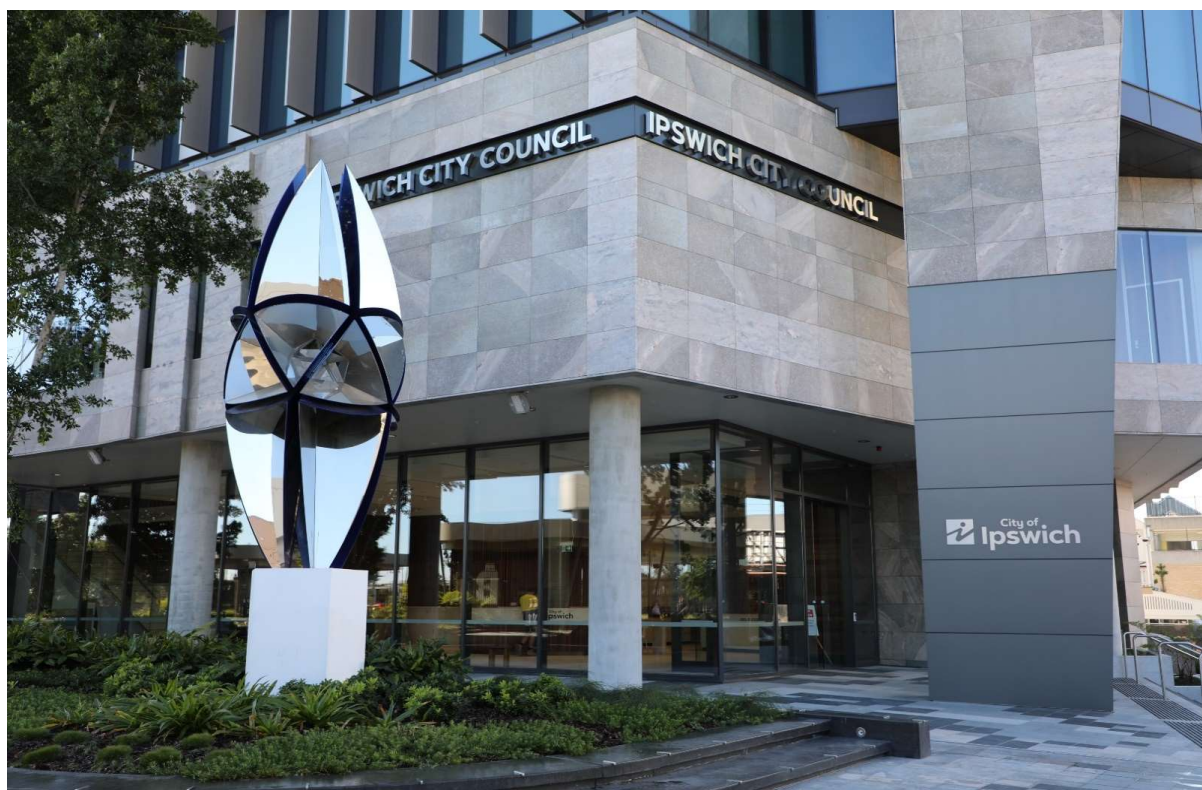
Matt Smith

GENERAL MANAGER (CORPORATE SERVICES)

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

Ipswich City Council

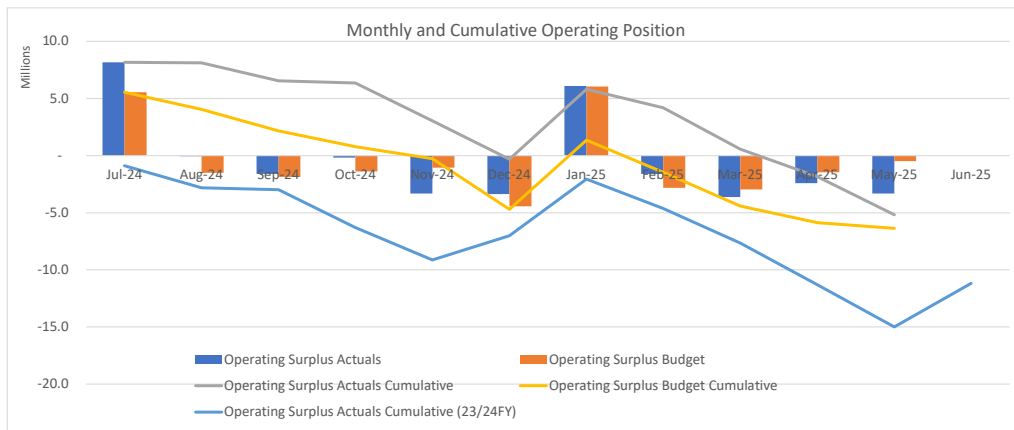
Monthly Financial Performance Report May 2025



Operational Summary

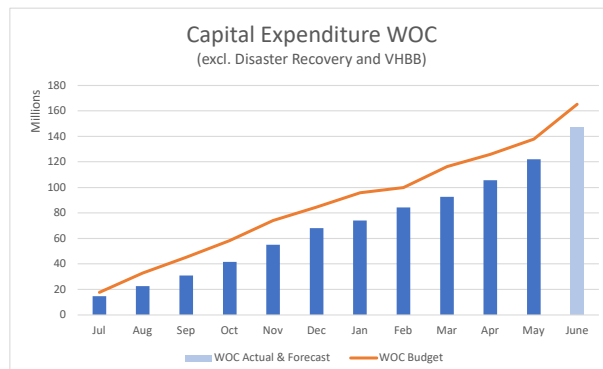
Operational Expenditure

MTD					YTD				Annual Budget \$'000s
Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %		Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %	
37,092	33,853	3,239	9.6%	Operating Revenue	391,164	383,354	7,810	2.0%	428,757
40,405	34,339	(6,066)	(17.7%)	Operating Expense	396,326	389,064	(7,262)	(1.9%)	427,989
(3,313)	(486)	(2,827)	581.7%	Operating Surplus/(Deficit)	(5,162)	(5,710)	548	(9.6%)	768
18,726	8,748	9,978	114.1%	Capital Revenue	181,747	141,568	40,179	28.4%	161,635
2	0	2	0.0%	Other Capital Income (Asset disposals)	193	0	193	0.0%	0
133	0	(133)	0.0%	Capital Loss (Asset write-off)	3,044	0	(3,044)	0.0%	0
15,282	8,262	7,020	85.0%	Net Result	173,734	135,858	37,876	27.9%	162,403
Forecast Operating Ratio					0.30%				0.18%



Capital Summary

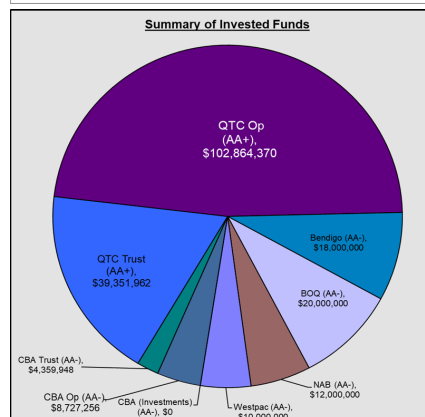
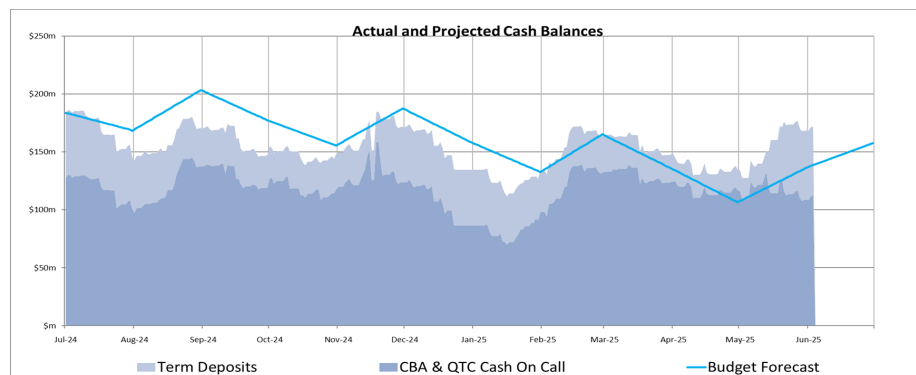
MTD				Program	YTD				Annual Budget \$'000s
Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %		Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %	
10,578	9,318	(1,260)	(13.5%)	Asset and Infrastructure Services	84,986	87,397	2,411	2.8%	100,233
288	145	(143)	(99.0%)	Community, Cultural and Economic Development	1,758	3,043	1,285	42.2%	4,199
1,046	641	(405)	(63.2%)	Corporate Services	7,267	7,287	20	0.3%	10,219
184	754	570	75.6%	Environment and Sustainability	2,678	6,121	3,443	56.3%	7,919
1,443	456	(987)	(216.6%)	Resource Recovery	3,045	3,764	719	19.1%	4,281
0	0	0	0.0%	Executive	5,828	5,828	1	0.0%	6,828
2,525	684	(1,841)	(269.1%)	Nicholas Street Precinct	13,623	20,764	7,141	34.4%	27,477
362	0	(362)	0.0%	Planning and Regulatory Services	2,906	3,592	686	19.1%	4,052
403	3,369	2,965	88.0%	Disaster Recovery and Voluntary Home Buy Back	26,806	39,672	12,866	32.4%	45,231
16,830	15,367	(1,463)	(9.5%)	Total Capital Expenditure	148,897	177,468	28,571	16.1%	210,439
16,475	6,293	(10,182)	(161.8%)	Donated Assets	107,857	69,218	(38,639)	(55.8%)	75,510
33,305	21,659	(11,646)	(53.8%)	Total Capital Expenditure including donated assets	256,754	246,685	(10,068)	(4.1%)	285,949



Item 13 / Attachment 1.

Balance Sheet

	JUN-24 \$'000s	MAY-25 \$'000s	YTD Change \$'000s	YTD Change %
Assets				
<i>Current assests</i>				
Cash & cash investments	182,826	169,503	(13,323)	(7.3%)
Receivables	24,168	34,656	10,489	43.4%
Other current assets	13,703	17,004	3,301	24.1%
Total current assets	220,697	221,163	467	0.2%
<i>Non-current assets</i>				
Investment in UU & Greenovate	472,406	488,742	16,335	3.5%
Property, plant & equipment & other	3,809,339	3,947,649	138,310	3.6%
Investment property	45,150	51,221	6,071	13.4%
Total non-current assets	4,326,895	4,487,611	160,716	3.7%
Total assets	4,547,592	4,708,775	161,183	3.5%
Liabilities				
<i>Current liabilities</i>				
Payables	61,466	39,043	(22,423)	(36.5%)
Borrowings	46,686	12,264	(34,422)	(73.7%)
Annual & long service leave	28,826	28,801	(26)	(0.1%)
Other liabilities	24,994	63,016	38,021	152.1%
Total current liabilities	161,972	143,123	(18,849)	(11.6%)
<i>Non-current liabilities</i>				
Borrowings	355,990	355,990	0	0.0%
Annual & long service leave	2,545	4,012	1,467	57.6%
Other liabilities	18,098	21,055	2,956	16.3%
Total non-current liabilities	376,633	381,056	4,423	1.2%
Total liabilities	538,605	524,179	(14,425)	(2.7%)
Net community assets	4,008,987	4,184,595	175,608	4.4%
Community equity				
Asset revaluation surplus	997,664	999,233	1,569	0.2%
Retained surplus	3,011,323	3,185,362	174,039	5.8%
Total community equity	4,008,987	4,184,595	175,608	4.4%



Investments and Earnings Summary	Margin	% Return	\$
CBA Operating Account	0.007	4.35%	\$8,727,256
Term Deposit Investments	0.009	4.63%	\$60,000,000
QTC Trust Fund Account	0.010	4.73%	\$39,351,962
QTC Operating Account - CBD	0.010	4.73%	
QTC Operating Account - General	0.010	4.73%	\$102,864,370
QTC Operating Account - Total	0.010	4.73%	\$102,864,370
Total Invested funds (W.Avg return)	0.010	4.69%	\$210,943,589
Total Operating Funds (Ex Trust)	0.010	4.68%	\$171,591,627

Cashflow

Council's cash and cash equivalents balance as at 31 May 2025 was \$171.6 million. Council's investments are made in accordance with Council's Investment Policy (adopted as part of the annual budget) with an average return percentage of 4.68%.

Detailed Operational Expenditure

MTD				YTD				Annual Budget \$'000s	
Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %	Actuals \$'000s	Budget \$'000s	Variance \$'000s	Variance %		
Operating Revenue									
22,881	22,980	(99)	(0.4%)	Net rates and utilities charges	255,369	258,403	(3,034)	(1.2%)	281,914
4,547	3,835	712	18.6%	Fees and charges	41,632	38,419	3,213	8.4%	43,822
1,084	1,530	(446)	(29.2%)	Government grants and subsidies	15,503	14,893	610	4.1%	17,867
3,428	2,994	434	14.5%	Internal revenue	34,209	32,780	1,429	4.4%	35,816
5,147	2,510	2,637	105.1%	Other revenue	44,400	38,820	5,580	14.4%	49,296
5	4	1	25.0%	Donations and contributions	51	39	12	30.8%	42
37,092	33,853	3,239	9.6%	Total Revenue	391,164	383,354	7,810	2.0%	428,757
Operating Expenses									
13,273	11,086	(2,187)	(19.7%)	Employee expenses	133,870	129,241	(4,629)	(3.6%)	143,359
1,112	198	(914)	(461.6%)	Labour contracts	4,981	2,606	(2,375)	(91.1%)	2,804
11,476	10,046	(1,430)	(14.2%)	Materials and services	106,482	113,065	6,583	5.8%	124,896
3,346	2,782	(564)	(20.3%)	Internal expenses	33,105	30,482	(2,623)	(8.6%)	33,331
2,273	2,083	(190)	(9.1%)	Other expenses	25,691	24,396	(1,295)	(5.3%)	26,338
8,925	8,144	(781)	(9.6%)	Depreciation & amortisation	92,197	89,274	(2,923)	(3.3%)	97,261
40,405	34,339	(6,066)	(17.7%)	Total Expenses	396,326	389,064	(7,262)	(1.9%)	427,989
(3,313)	(486)	(2,827)	581.7%	Net operating position	(5,162)	(5,710)	548	(9.6%)	768
Capital Revenue									
17,621	8,680	8,941	103.0%	Donations and contributions	132,491	95,477	37,014	38.8%	104,150
1,105	68	1,037	1525.0%	Government grants and subsidies	49,256	46,091	3,165	6.9%	57,485
2	0	2	0.0%	Other revenue	193	0	193	0.0%	0
Capital Expenses									
133	0	(133)	0.0%	Other expenses	3,044	0	(3,044)	0.0%	0
15,282	8,262	7,020	85.0%	Net Result	173,734	135,858	37,876	27.9%	162,403

Capital Summary

	MTD			YTD			Full Year Budget \$'000s	Apr-25 YTD Forecast \$'000s
	Actual \$'000s	Budget \$'000s	Variance \$'000s	Actual \$'000s	Budget \$'000s	Variance \$'000s		
Whole of Council								
Construction Program & Asset Purchase (excl. VHBB & Disaster Recovery)	16,427	11,998	(4,429)	122,091	137,796	15,705	165,208	147,588
VHBB and Disaster Recovery	403	3,369	2,965	26,806	39,672	12,866	45,231	32,186
Total Capital Expenditure	16,830	15,367	- 1,463	148,897	177,468	28,571	210,439	179,774
Total Donated Assets	16,475	6,293	(10,182)	107,857	69,218	(38,639)	75,510	75,510
Executive								
Construction Program and Asset Purchase	0	0	0	5,828	5,828	1	6,828	6,828
Nicholas Street Precinct	2,525	684	(1,841)	13,623	20,764	7,141	27,477	18,742
Total Capital Expenditure	2,525	684	(1,841)	19,451	26,592	7,142	34,305	25,570
Corporate Services								
Construction Program and Asset Purchase	687	348	(339)	4,171	4,661	490	4,935	4,419
iVolve (Capex & Opex)	359	292	(66)	3,081	2,620	(461)	4,284	4,284
Facility Upgrades	0	0	0	15	5	(10)	1,000	35
Total Capital Expenditure	1,046	641	- 405	7,267	7,287	20	10,219	8,738
Community, Cultural and Economic Development								
Construction Program and Asset Purchase	288	145	(143)	1,758	3,043	1,285	4,199	3,797
Total Capital Expenditure	288	145	(143)	1,758	3,043	1,285	4,199	3,797
Assets and Infrastructure Services								
Infrastructure Program (Other)	37	620	583	1,982	2,655	673	2,833	1,800
Asset Rehabilitation	5,112	3,428	(1,684)	33,366	36,039	2,673	40,428	34,504
Transport and Traffic	3,148	2,677	(471)	36,283	31,301	(4,982)	35,872	40,095
Parks Sport and Environment	85	1,859	1,774	7,639	10,033	2,395	10,659	9,714
Emergent Works	0	238	238	0	535	535	857	321
Equipment	2	0	(2)	127	0	(127)	0	126
Ipswich Central Revitalisation	0	0	(0)	97	0	(97)	0	98
Fleet	2,194	497	(1,697)	5,492	6,833	1,341	9,583	9,638
Disaster Recovery	303	2,976	2,673	17,799	28,954	11,155	34,121	23,279
Voluntary Home Buy Back Scheme	101	393	292	9,007	10,718	1,710	11,110	8,907
Total Capital Expenditure	10,981	12,687	1,706	111,792	127,068	15,277	145,464	128,482
Environment and Sustainability								
Infrastructure Program	184	754	570	2,678	6,121	3,443	7,919	5,763
Waste	1,443	456	(987)	3,045	3,764	719	4,281	3,995
Total Capital Expenditure	1,627	1,210	- 417	5,723	9,885	4,162	12,200	9,758
Planning and Regulatory Services								
Construction Program and Asset Purchase	362	0	(362)	2,906	3,592	686	4,052	3,429
Total Capital Expenditure	362	- -	362	2,906	3,592	686	4,052	3,429

Item 13 / Attachment 1.

	MTD			YTD			Full Year Budget \$'000s	Apr-25 YTD Forecast \$'000s
	Actual \$'000s	Budget \$'000s	Variance \$'000s	Actual \$'000s	Budget \$'000s	Variance \$'000s		
Donated Assets								
Community, Cultural and Economic Developme	0	3	3	157	29	(128)	32	32
Corporate Services	0	0	0	0	0	0	0	0
Asset and Infrastructure Services	16,475	6,290	(10,185)	107,699	69,188	(38,511)	75,478	75,478
Environment and Sustainability	0	0	0	0	0	0	0	0
Executive	0	0	0	0	0	0	0	0
Planning and Regulatory Services	0	0	0	0	0	0	0	0
Total Donated Assets	16,475	6,293	(10,182)	107,857	69,218	(38,639)	75,510	75,510

Doc ID No: A11671961

This matter has been determined to be of a significant nature and approval has been given to refer this report to the Finance and Governance Committee as a supplementary item.

ITEM: 14

SUBJECT: REPORT - REGULATION ADVISORY COMMITTEE NO. 2025(02) OF 5 JUNE 2025

AUTHOR: MEETING COORDINATION MANAGER

DATE: 9 JUNE 2025



INTRODUCTION

This is the report of the Regulation Advisory Committee No. 2025(02) of 5 June 2025.

RECOMMENDATION

That Council adopt the recommendations of the Regulation Advisory Committee No. 2025(02) of 5 June 2025.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Regulation Advisory Committee Report No. 2025(02) of 5 June 2025  
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5 JUNE 2025 5 JUNE 2025

REGULATION ADVISORY COMMITTEE REGULATION ADVISORY COMMITTEE NO.
2025(02) 2025(00)]

REGULATION ADVISORY COMMITTEE NO. 2025(02)

5 JUNE 2025

REPORT

COUNCILLORS' ATTENDANCE:

Councillor Paul Tully (Chairperson); Councillors Jim Madden (Deputy Chairperson), Marnie Doyle, Andrew Antoniolli and David Martin (observer) and Jacob Madsen (observer - via audio link)

APOLOGIES:

Nil

OFFICERS' ATTENDANCE:

Madeline Orwin (Senior Project Officer), Allison Ferres-MacDonald (Acting Manager, Legal and Governance), Matt Smith (General Manager, Corporate Services), Brett Davey (General Manager, Planning and Regulatory Services), Wade Wilson – via audio link (Executive Services Manager)

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. CONFIRMATION OF MINUTES OF THE REGULATION ADVISORY COMMITTEE NO. 2025(01) OF 5 FEBRUARY 2025

RECOMMENDATION

That the minutes of the Regulation Advisory Committee held on 5 February 2025 be confirmed.

5 JUNE 2025 5 JUNE 2025

REGULATION ADVISORY COMMITTEE REGULATION ADVISORY COMMITTEE NO.
2025(02)2025(00)]

OFFICERS' REPORTS

2. **STRATEGIC REGULATION PROJECT - TARGETED AND WHOLE OF COMMUNITY CONSULTATION**

This is a report providing further detail on the Strategic Regulation Project, specifically, Phase 3 of Step 1 (being the undertaking of targeted community consultation to inform the drafting of the Strategic Regulation Policy), and Phase 3 of Step 3 (being the undertaking of whole community consultation to inform the drafting of the Local Laws).

RECOMMENDATION

- A. That the report be received and contents noted.
- B. That the Regulatory Advisory Committee provide further advice to the Strategic Regulation Project Team regarding the ongoing requirement for conduct of targeted community consultation at Phase 3 of Step 1 of the Strategic Regulation Project.

RECOMMENDATION

- A. **That the report be received and contents noted.**
- B. **That community consultation via Shape your Ipswich proceed for Step 1 of the Strategic Regulation Project.**

DISCUSSION

The committee discussed the steps in the process for the Strategic Regulation Project including timelines and agreed the following:

- To go live with the consultation for Step 1 of the Project which will be a community survey on Shape Your Ipswich for a period of 4 weeks.
- To schedule another meeting of the Regulation Advisory Committee after the survey closes to discuss the results of the survey.
- The General Manager, Corporate Services to review the timeline of the project with a view to compressing the estimated completion time.
- The Regulation Advisory Committee to receive briefings on the progress of the local laws

5 JUNE 2025 5 JUNE 2025

REGULATION ADVISORY COMMITTEE REGULATION ADVISORY COMMITTEE NO.
2025(02)2025(00)]

3. NEXT MEETING

The next meeting is to be advised.

4. GENERAL DISCUSSION (within the purpose and scope of the committee)

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 1.02 pm.

The meeting closed at 1.55 pm.
