



City of
Ipswich

**IPSWICH
CITY
COUNCIL**

AGENDA

of the

GOVERNANCE COMMITTEE

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

On Tuesday, 17 March 2020
At 12.30pm or within any period of time up to a maximum of 10 minutes after the
conclusion of the Environment Committee

MEMBERS OF THE GOVERNANCE COMMITTEE

Interim Administrator
Steve Greenwood (**Chairperson**)

GOVERNANCE COMMITTEE AGENDA

*12.30pm or within any period of time up to a maximum of 10 minutes
after the conclusion of the Environment Committee on **Tuesday, 17**
March 2020
Council Chambers*

Item No.	Item Title	Page No.
1	Review of Policies - Corporate Services Department	6
2	Monthly Financial Performance Report - January 2020	24
3	Overdue General Rates and Utility Charges - October to December 2019	33

** Item includes confidential papers

GOVERNANCE COMMITTEE NO. 2

17 MARCH 2020

AGENDA

1. **REVIEW OF POLICIES - CORPORATE SERVICES DEPARTMENT**

This is a report concerning the continuing review of policies within the functional responsibility of Corporate Services Department.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the policy titled 'Review of Statutory Decisions including Penalty Infringement Notices' as detailed in Table 1, be adopted.
- B. That the five (5) policies detailed below and outlined in Table 2, be repealed:
 - Ex-Gratia Payments Policy
 - Withdrawal of Infringement Notice Policy
 - Enterprise Risk Management Policy
 - Mail-out Postage Distribution Authorisation Policy
 - Damage to Private or Commercial Property caused by trees on Council owned or controlled land Policy
- C. That the policy titled 'Reward for Information Offered by Council', be amended as detailed in Table 3.

2. **MONTHLY FINANCIAL PERFORMANCE REPORT - JANUARY 2020**

This is a report concerning Council's financial performance for the period ending 31 January 2020, submitted in accordance with section 204 of the *Local Government Regulation 2012*.

A budget amendment was approved by Council in February relating to a number of the variances noted below. The budget amendment will be reflected in February results.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

3. OVERDUE GENERAL RATES AND UTILITY CHARGES - OCTOBER TO DECEMBER 2019

This is a report by the Treasury Accounting Manager dated 6 March 2020 concerning rate arrears and rate collection statistics for the period October-December 2019.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

** Item includes confidential papers

and any other items as considered necessary.

Doc ID No: A6057965

ITEM: 1
SUBJECT: REVIEW OF POLICIES - CORPORATE SERVICES DEPARTMENT
AUTHOR: BUSINESS IMPROVEMENT ADVISOR (POLICY)
DATE: 11 FEBRUARY 2020

EXECUTIVE SUMMARY

This is a report concerning the continuing review of policies within the functional responsibility of Corporate Services Department.

RECOMMENDATION/S

That the Interim Administrator of Ipswich City Council resolve:

- A. That the policy titled 'Review of Statutory Decisions including Penalty Infringement Notices' as detailed in Table 1, be adopted.**
- B. That the five (5) policies detailed below and outlined in Table 2, be repealed:**
 - Ex-Gratia Payments Policy**
 - Withdrawal of Infringement Notice Policy**
 - Enterprise Risk Management Policy**
 - Mail-out Postage Distribution Authorisation Policy**
 - Damage to Private or Commercial Property caused by trees on Council owned or controlled land Policy**
- C. That the policy titled 'Reward for Information Offered by Council', be amended as detailed in Table 3.**

RELATED PARTIES

There are no related parties associated with this report.

ADVANCE IPSWICH THEME

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

Corporate Services Department is continuing to review policies that fall within its functional responsibility. The following policies have been identified as requiring action:

Table 1 – Policy for Adoption by Council

Policy	Reason for Adoption	Attachment No.
Review of Statutory Decisions including Penalty Infringement Notices Policy	The Complaints Management Unit has created a new policy for managing both the review of penalty infringement notices and charges placed against the land by Council. The policy was endorsed by the Executive Leadership Team at its 20 February 2020 meeting.	1

Table 2 – Policies for Repeal by Council

Policy	Reason for Repeal	Attachment No.
Ex-Gratia Payments Policy	This policy has been reviewed and transitioned to an Administrative Directive as decisions on ex-gratia payments are within the legislative delegation of the CEO. The Administrative Directive was formally approved by the CEO on 28 February 2020.	2
Withdrawal of Infringement Notice Policy	This policy will be superseded by the proposed Review of Statutory Decisions including Penalty Infringement Notices Policy. Accordingly, this policy is submitted for repeal subject to the adoption of the new policy detailed in Table 1.	3
Enterprise Risk Management Policy	The CEO approved a new Administrative Directive titled Enterprise Risk Management Administrative Directive that replaces this policy. Accordingly, this policy is submitted for repeal.	4
Mail-out Postage Distribution Authorisation Policy	Council's Financial Management Policy is the head of power document that guides all departmental expenditure arrangements including mail-out postage distribution. Any revisions to Council's budget are undertaken under the guidance of the head of power document. Accordingly, this policy is submitted for repeal as it is superfluous.	5
Damage to Private or Commercial Property Caused by Trees on Council Owned or Controlled Land Policy	A review of this policy indicates that claims of this nature can more appropriately be addressed by the Insurance Claims against Ipswich City Council Administrative Directive and the Ex-Gratia Payments Administrative Directive. Accordingly, this policy is submitted for repeal.	6

Table 3– Policy for Amendment by Council

Policy	Reason for Amendment	Attachment No.
Reward for Information Offered by Council Policy	When creating the supporting procedure to this policy, it was identified that a number of gaps existed in the document. Accordingly, the policy document has been amended (see track changes) and is submitted for adoption.	7

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

The review of these policies has been undertaken in accordance with Council’s adopted Policy and Procedure Management Framework. Any delay in approving the recommendations of this report may potentially have adopted policies inconsistent with the Council Framework.

FINANCIAL/RESOURCE IMPLICATIONS

The review of all policies associated with the functions of the Corporate Services Department are being managed as part of the department’s operational budget for 2019-2020.















COMMUNITY AND OTHER CONSULTATION

Consultation has been undertaken with relevant internal stakeholders in relation to the policies presented for repeal, amendment and adoption.

CONCLUSION

In accordance with Council’s adopted Policy and Procedure Management Framework, the Corporate Services Department is continuing to review policies under its functional responsibility to ensure that they meet Council’s standards of transparency and good governance.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Review of Statutory Decisions including Penalty Infringement Notices Policy  
2.	Ex-Gratia Payments Policy  
3.	Withdrawal of Infringement Notice Policy  
4.	Enterprise Risk Management Policy  
5.	Mailout Postage Distribution Authorisation Policy  
6.	Damage to Private or Commercial Property caused by Trees on Council Owned or Controlled Land Policy  
7.	Reward for Information Offered by Council Policy - track changes  

Carol Dellit

BUSINESS IMPROVEMENT ADVISOR (POLICY)

I concur with the recommendations contained in this report.

Angela Harms

GOVERNANCE MANAGER

I concur with the recommendations contained in this report.

Sonia Cooper

GENERAL MANAGER CORPORATE SERVICES

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



IPSWICH CITY COUNCIL

Review of Statutory Decisions including Penalty Infringement Notices Policy

Version Control and Objective ID	Version No: 1	Objective ID:
Approved by Council on		
Date of Review	31 January 2020	

1. Statement

Ipswich City Council (Council) will provide logical, reasonable, unbiased and transparent decision making of all written applications received requesting a review of a statutory decision including penalty infringement notices.

2. Purpose and Principles

This policy guides Council's decision making based on criteria for consideration in any written application for an infringement to be withdrawn.

Council will achieve its commitment to address this policy as follows:

- The decision maker will possess sound understanding of current legislation relating to the alleged offence;
- The decision maker will be compliant with internal policies, procedures and work instructions;
- Decisions will be transparent and consistent in accordance with good governance practice;
- Decisions will not be reviewed by the person who made the original decision.

3. Strategic Plan Links

- Listening, Leading and Financial Management

4. Regulatory Authority

- *State Penalties Enforcement Act 1999*
- *State Penalties Enforcement Regulation 2014*

5. Scope

This policy applies to the management of withdrawing an infringement or additional charges that have been applied to the rates of a property, by the decision maker taking into consideration all facts presented.

6. Roles and Responsibilities

The Chief Executive Officer or the decision maker recognises that at the time a Penalty Infringement Notice (PIN) is issued or property charges are added, not all of the facts and circumstances surrounding the alleged offence are known to the issuing officer. These facts and circumstances may be sufficient for an infringement or property charge to be withdrawn provided certain criteria exists.

IPSWICH CITY COUNCIL | Review of Statutory Decisions including Penalty Infringement Notices Policy

Applications for withdrawal of infringement notices or removal of property charges shall be in writing, including all details, circumstances and information necessary to allow a logical, reasonable and transparent decision to be made.

If the named alleged offender was not responsible for committing a vehicle related offence then a Statutory Declaration is required detailing the circumstances and providing the full name and address of the person responsible.

If insufficient or unclear information is provided by the applicant, Council may request clarification, further information or the application to be provided on a Statutory Declaration. In certain instances it may be necessary for Council to contact any named witnesses within an application.

Decisions made to withdraw an infringement or clearing charges will be in conjunction with the criteria as outlined in the Review of Statutory Decisions Including Penalty Infringement Notices Procedure.

7. Key Stakeholders

- Legal and Governance Branch
- Regulatory Services Department
- Finance Branch
- CEO's Office

8. Monitoring and Evaluation

Applications received for consideration of the withdrawal of a Penalty Infringement Notice (PIN) or removal of property charges will be assessed against this policy and the criteria provided in the Review of Statutory Decisions Including Penalty Infringement Notices Procedure.

Quarterly reporting will be provided to management outlining relevant information associated with infringement reviews undertaken.

Monthly meetings will be held with relevant stakeholders relating to compliance matters for further discussion.

9. Definitions


Decision Maker means the Chief Executive Officer or the delegated officer

Applicant means a person requesting a review of the decision

Compliance is a behaviour. It is the adherence to relevant laws, to best-practice local government management, principles of good governance, accepted community and ethical standards, and voluntary agreements that Council has entered in to.

10. Policy Owner

The General Manager (Corporate Services Department) is the policy owner and the Integrity and Complaints Manager is responsible for authoring and reviewing this policy.

	EX-GRATIA PAYMENTS POLICY	Document No: A4555802
<p>1.1 Objectives: The objective of this policy is to ensure an efficient, fair, open and transparent approach to the resolution of claims.</p>		
<p>1.2 Policy Statement:</p> <p>The purpose of this policy is to provide guidelines for the determination of the appropriateness of an ex-gratia payment.</p> <p>1.3 Scope:</p> <p>Following the receipt of a claim against Council that has been assessed and rejected on the basis that negligence by Council has not been established, Council may agree to make an ex-gratia payment, where both the following circumstances apply:</p> <ol style="list-style-type: none">1. The claim has considerable factual and/or legal substance albeit that, on the balance of probabilities, there is a strong expectation that Council would be able to successfully defend the claim; and2. The potential financial costs involved in Council defending the claim dictate that an early commercial settlement would be prudent. <p>The following circumstances shall not be considered when determining whether an ex-gratia payment should be made:</p> <ol style="list-style-type: none">1. The financial position of the claimant;2. The adherence or otherwise of Council's Officers to the Council's Customer Service Policy unless any non-compliance has resulted in financial loss to the claimant. <p>Any such payment shall be subject to:</p> <ol style="list-style-type: none">A. The receipt of a claim in writing from the claimant setting out the circumstances that have given rise to the claim;B. The claimant confirms (if necessary by way of Statutory Declaration) that any loss incurred has not or shall not be reimbursed from any insurance policy or other source;C. The claimant signs an appropriate discharge form that may, depending upon the particular circumstances, contain a confidentiality clause. <p>All requests for an ex-gratia payment shall be handled by the Corporate Services and Risk Manager who shall prepare a report for consideration by the Chief Executive Officer. The Chief Executive Officer may make an ex-gratia payment up to the limit of Council's insurance deductible as at the date this policy is amended.</p>		

1.4 Roles and responsibilities: All identified staff within the Corporate Services Branch involved in the management of insurance and claims.

1.5 Definitions:

An ex-gratia payment is a payment made in circumstances where no legal obligation exists to make the payment.

1.6 Policy Author: Corporate Services Branch, Finance and Corporate Services

Amended Policy Adopted: 28 February 2017

Date of Council Resolution: 28 February 2017

Committee Reference and Date: City Management, Finance and Community Engagement Board No. 2017(02) of 21 February 2017

No. of Resolution: 3

Date to be Reviewed: 28 February 2019


Policy Amended: 3 June 2016

Date of Council Resolution: 23 November 2005

Committee Reference and Date: City Management and Finance Committee No. 2005(14) of 15 November 2005

No. of Resolution: 42.02

Date to be Reviewed: 1 June 2018

	WITHDRAWAL OF INFRINGEMENT NOTICE POLICY	DOCUMENT NO: A4699294
<p>1.1 Objectives: The objective of this policy is to provide the criteria for consideration of withdrawing an infringement notice.</p>		
<p>1.2 Regulatory Authority:</p> <ul style="list-style-type: none">• <i>State Penalties Enforcement Act 1999</i>• <i>State Penalties Enforcement Regulation 2000</i> <p>1.3 Policy Statement: Council will provide logical, reasonable and transparent decisions in the withdrawal of infringement notices based upon written applications that observe relevant criteria.</p> <p>1.4 Scope: The core matters addressed by the policy include the criteria for consideration in any application for an infringement withdrawal, as well as the requirements for written applications.</p> <p>1.5 Roles and responsibilities:</p> <p>The Chief Executive Officer or the delegated officer (the position delegated to review the decision) recognises that at the time a penalty infringement notice is issued, not all of the facts and circumstances surrounding the offence are known to the issuing officer. These facts and circumstances may be sufficient for an infringement to be withdrawn provided the certain criteria exists.</p> <p>Applications for withdrawal of infringement notices shall be in writing, including all details, circumstances and information necessary to allow a logical, reasonable and transparent decision to be made.</p> <p>If the named alleged offender was not responsible for committing the offence then a Statutory Declaration is required detailing the circumstances and providing the full name and address of the person responsible.</p> <p>If insufficient or unclear information is provided, Council may request clarification, further information or the application to be provided on a Statutory Declaration. For Council to make a fully informed decision, it may be necessary in order to assess an application to contact any named witnesses contained within the application.</p> <p>Criteria for consideration in any application shall include, but not be limited to, the following:</p> <ol style="list-style-type: none">1. For vehicle offences where the owner was not the person in control of the vehicle at that time, a Statutory Declaration must be submitted providing the name and the address of the nominated driver within 28 days. The original infringement shall be withdrawn and a new infringement will be issued to the nominated driver.		

2. A notice has been issued containing incorrect or incomplete information (e.g. vehicle registration number, incorrect name of offender or incorrect offence code) and this has caused the infringement notice to be invalid, or the information recorded on the infringement notice is so unclear that it cannot be read.
3. Medical certification: A medical certificate or other acceptable supporting documentation, including statements from witnesses, can be produced confirming that the medical condition at the time of the offence caused, or substantially contributed to, the offence occurring. In this case, the infringement notice should be withdrawn.
4. Motor vehicle breakdown (regulated parking offences): Evidence can be produced to prove a vehicle had a mechanical problem at the time of the parking offence and that the circumstances caused the driver to park illegally.
5. People with a disability (regulated parking offences): A valid disabled persons parking permit can be produced where the vehicle would not have been issued with an infringement notice had the permit been affixed to the vehicle.
6. Charity Workers (Regulated Parking Offences): The person to whom the infringement notice was, at the time of the alleged offence, undertaking a bona-fide temporary duty on behalf of a charitable organisation and the offence does not involve traffic/pedestrian obstruction or safety-related offences. Withdrawal of an infringement notice under this criterion will only be applied to a first offence.
7. Extraordinary Circumstances (See Procedure 08/18): In a case where an application is not addressed by the above-mentioned circumstances, the decision maker may determine that the circumstances are sufficient to warrant the withdrawal of the infringement notice.

1.6 Definitions: For the purpose of this policy, the definitions are as follows:

Charitable Organisations means an organisation or not-for-profit entity performing charitable works within the local government area.

Decision Maker means the Chief Operating Officer (Health, Security and Regulatory Services) or Delegated Officer.


1.7 Policy Author: Chief Operating Officer - Health, Security and Regulatory Services

Date of Council Resolution: 27 February 2018

Committee Reference and Date: Policy and Administration Advisory Committee No. 2018(01) of 13 February 2018

No. of Resolution: 6

Date to be reviewed: 27 February 2020

	<p>ENTERPRISE RISK MANAGEMENT POLICY</p>	<p>Document No: A4323547</p>
<p>1. Objectives: The objective of this policy is to ensure that sound risk management practices and procedures are fully integrated into the Council's strategic and operational activities.</p>		
<p>2. Regulatory Authority and Related Standards and Procedures:</p> <p><i>Local Government Act 2009</i> Enterprise Risk Management Framework AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines</p> <p>3. Policy Statement</p> <p>Ipswich City Council recognises that risk management is an integral part of good management practice and fully supports risk management as part of its governance processes.</p> <p>Risk management will be practised throughout the organisation in accordance with the principles outlined in the AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines.</p> <p>This policy is supported by the Enterprise Risk Management Framework and together will ensure that:</p> <ul style="list-style-type: none"> • Council has in place transparent and responsible enterprise-wide risk management processes which align with best practice; • Risks and opportunities inherent in the provision of Council's services to the Ipswich Community are managed in a prudent manner; • Council's activities are conducted so as to ensure compliance with the relevant Acts, Regulations, Codes and Standards; • Council employees are aware of and effectively exercise their risk management responsibilities; • Adequate risk management information, training and supervision are provided to all staff, contractors, consultants, committees and volunteers; • Council activities are clearly linked to and support one or more of the strategic objectives outlined in the Corporate and Operational Plans; • The risks and opportunities associated with the achievement of the strategic and operational objectives are managed in accordance with AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines; • Council maintains Strategic and Operational risk registers; 		

1 of 2

- Council considers risks and opportunities as part of the:
 - Strategic and operational planning processes;
 - Budgeting processes;
 - Decision making processes;
 - Significant projects/capital investment decisions;
 - New events and initiatives auspiced by Council;
 - Internal Audit processes.
- Council identifies and progressively addresses all risks and opportunities associated with:
 - The provision of a safe and healthy operating environment for all employees, general public and other stakeholders involved in the provision and use of Council services;
 - The prudent management of Council property and resources on behalf of ratepayers.
- Periodic reviews are undertaken of the risk that Council and its Departments are exposed to and the control systems required.

4. Scope:

This policy applies to all employees, contractors, consultants and other workers performing services on behalf of Ipswich City Council

5. Roles and Responsibilities:

All employees, contractors, consultants and other workers performing Council activities are responsible for reading, understanding and complying with this Policy and the Enterprise Risk Management Framework.

Managers and Team Leaders should make their staff aware of the requirements of this Policy and the Enterprise Risk Management Framework. Where a Manager or Team Leader requires clarification of the requirements they should direct their inquiry to the Corporate Services and Risk Manager.

6. Policy Author:

The Corporate Services and Risk Manager is responsible for the maintenance of this Policy.


Date of Council Resolution: 22 August 2017

Committee Reference and Date: Policy and Administration Board No. 2017(07) of 8 August 2017 – City Management, Finance and Community Engagement Committee No. 2017(08) of 15 August 2017

No. of Resolution: 1

Date to be Reviewed: 22 August 2019

	<p>MAIL-OUT DISTRIBUTION AUTHORISATION POLICY</p>	<p>DOCUMENT NO: A3751949</p>
<p>1.1 Objectives: Ipswich City Council is committed to ensuring that when Council makes a decision to distribute significant communications by mail that costs and any budget consequences are also authorised as part of that decision.</p>		
<p>1.2 Policy Statement: The Ipswich City Council is committed to a Financial Management Framework as part of the Financial Management Policy. To the extent that a decision to distribute significant communication by mail may incur expenses that may warrant a revision of the budget such revisions will be undertaken in accordance with Financial Management Policy.</p>		
<p>1.3 Scope: This policy is applicable to all decisions to undertake significant mail-out activities that had not been included in the current budget.</p>		
<p>1.4 Policy Author: Strategic Client Branch Manager</p>		
<p>Date of Review: 19 February 2018 Date of Council Resolution: 23 October 2015 Committee Reference and Date: Policy and Administration Board No. 2015(10) of 6 October 2015 – City Management and Finance Committee No. 2015(10) of 13 October 2015 No. of Resolution: 4 Date to be Reviewed: 19 February 2020</p>		

	DAMAGE TO PRIVATE OR COMMERCIAL PROPERTY CAUSED BY TREES ON COUNCIL OWNED OR CONTROLLED LAND POLICY	Document No: A4555808
<p>Policy Author: Corporate Services Branch, Finance and Corporate Services Department</p> <p>Objectives: The objective of this policy is to ensure an efficient, fair, open and transparent approach to the resolution of claims relating to damage to private or commercial property caused by trees on Council owned or controlled land.</p> <p>Scope: This policy applies to:</p> <ol style="list-style-type: none">1. Those incidents where it has been established by the Corporate Services and Risk Manager that, although Council may not be legally liable for the damage, Council feels that a contribution towards costs is warranted in the particular circumstances; and2. Damage resulting from trees falling during a storm/high winds or as a result of impact (trees or branches falling during calm conditions); and3. Property that is not owned by Federal or State Government Departments, Business Units, Agencies, Queensland Rail, Government Owned Corporations or Utility Companies. <p>Policy Statement: Where it can be established, that a tree or debris from a tree situated on Council owned or controlled land has caused damage to private or commercial property, Council may consider granting an ex-gratia payment to the claimant, to assist with repair cost or reinstatement expenses, subject to the following:</p> <ol style="list-style-type: none">1. the level of assistance to be provided shall be determined after the claimant has finalised an insurance claim with the claimant's insurance company. The level of assistance will be equivalent to the excess applicable to the home and contents or commercial (equivalent) insurance policy; and2. any claims shall be in writing to Council and accompanied by a completed Insurance Claim Form together with documentary evidence of the insurance excess payable; and3. the claimant signs an appropriate discharge form.		

Exceptions

1. Where the damaged property is not insured or the costs to repair or reinstate is under the excess applicable to the home and contents or commercial (equivalent) insurance policy, the level of assistance shall be negotiated with the claimant subject to an upper limit of \$500.00. In cases above \$500.00 the matter will be referred to Chief Executive Officer for consideration.
2. Where a claimant is unable or unwilling to make a claim on the claimant's insurance policy, and the claim would otherwise satisfy all other conditions under this Policy, the Chief Financial Officer shall, (following recommendation from the Corporate Services and Risk Manager), be authorised to pay the claimant's claim subject to an upper limit of \$500.00. In cases above \$500.00 the matter will be referred to the Chief Executive Officer for consideration.

The Chief Executive Officer may make an ex-gratia payment up to the limit of Council's insurance deductible as at the date this policy is amended.

Roles and responsibilities:

Maintenance of this policy will be designated to the Corporate Services Branch, Finance and Corporate Services Department.

Amended Policy Adopted: 28 February 2017

Date of Council Resolution: 28 February 2017

Committee Reference and Date: City Management, Finance and Community Engagement Board No. 2017(02) of 21 February 2017

No. of Resolution: 3

Date to be Reviewed: 28 February 2019

Policy Amended: 3 June 2016

Date of Council Resolution: 17 September 2003

Committee Reference and Date: Finance and Special Purposes Committee No. 2003(13) of 9 September 2003

No. of Resolution: B42.05

Date to be Reviewed: 3 June 2018



IPSWICH CITY COUNCIL

Reward for Information Offered by Council Policy

Version Control and Objective ID	Version No: 1	Objective ID: A5973288
Approved by Council on	10 December 2019	
Date of Review	10 December 2023	

1. Statement

At the discretion of Council, a reward may be offered, via public notice, for information that leads to the conviction of offenders who steal or vandalise Ipswich City Council (Council) assets or perpetrate an offence of a Local Law.

2. Purpose and Principles

Local Law 1 (Administration) 2013 provides Council with the power to offer a reward for information leading to the conviction of, or finding of guilt in relation to, a person for:

- (a) an offence involving damage to, or theft of, property of Council or under the control of Council; or
- (b) An offence against a local law.

The amount of the reward, and the conditions on which it is payable, will be made by a resolution of Council. are contained in this policy.

3. Strategic Plan Links

This policy relates to:

- Caring for the Community
- Caring for the Environment
- Listening, Leading and Financial Management

4. Regulatory Authority

Local Law 1 (Administration) 2013

5. Scope

Council acknowledges that members of the community can often provide valuable information to the Queensland Police Service when a crime has been committed. This policy has been formulated to provide Council with a mechanism to offer a reward, via public notice, when the crime involves Council assets. Council assets include all things owned or under the control of Council including buildings, machinery, open space areas and landscaping.

An advertised reward may be paid following a successful court conviction.

Should multiple persons provide information, the apportioning of payments will be based on the value of the information received and is at the sole discretion of Council.

IPSWICH CITY COUNCIL | Reward for Information Offered by Council Policy

6. Roles and Responsibilities

When Council becomes aware that an offence has occurred, an investigation will be undertaken by an officer of the relevant department.

The officer will provide a report to their General Manager who will be responsible for Officers of the Planning and Regulatory Services Department, and potentially other Departments, are responsible for the investigation of incidents. Following inspection, the assigned compliance officer will liaise with the Manager, Regulatory Services to formulate formulating an action plan including an estimate of costs to remediate the issue/replace assets-

Based on the estimated costs, it may be considered that a reward for information is warranted. If so, a briefing note is to be prepared for consideration by the Executive Leadership Team for endorsement of a report to Council. The report is to contain:

- Details of the offence.
- Outcome of the investigation.
- Estimated costs to remediate/replace asset/s.
- Recommendation for the amount of reward to be offered. report will be prepared for Council consideration.

Once a decision to proceed is adopted, the reward will be offered by public notice in the local newspaper which will be coordinated by the Media and Engagement Branch (Coordination and Performance Department).

The General Manager of the relevant department ~~Planning and Regulatory Services Department~~, or nominee, in consultation with the Chief Executive Officer, will be responsible for the continued progression of this matter up to completion of prosecution and payment of the reward in line with this policy.

7. Key Stakeholders

The following stakeholders will be consulted as a result of any review to this standard:

- Chief Executive Officer ~~The Manager, Regulatory Services (Planning and Regulatory Services)~~
- Executive Leadership Team ~~The General Manager (Planning and Regulatory Services)~~

Ineligibility to Apply for a Reward

Elected members, council employees or contractors, members of the Queensland Police Service or persons convicted of being illegally involved in any activity relating to the offence will not be eligible for a reward under the provisions of this policy.

8. Monitoring and Evaluation

Council will be proactive in seeking out information that leads to the conviction of an offender by offering a reward, of an appropriate amount, to encourage residents to be vigilant of the activities in their community.

IPSWICH CITY COUNCIL | Reward for Information Offered by Council Policy

In order for a person to be eligible for consideration of a reward for information:

- A conviction needs to be recorded against the offender.
- In the opinion of Council, at its sole discretion, the applicant did not knowingly allow the alleged offender to commit the act in order to obtain a reward.

9. Definitions

'Council Property' as described in this policy is any land, building or other structure and equipment owned or under the control of Ipswich City Council.

'Vandalism' as described in this policy is damage to, or unauthorised interference with, Council property.

'Theft' as described in this policy is the act or an instance of stealing Council property including the receiving of stolen Council property. N/A

10. Policy Owner

The General Manager (Corporate Services Department) is the policy owner and the Corporate Governance Manager is responsible for authoring and reviewing this policy.

Doc ID No: A6086559

ITEM: 2

SUBJECT: MONTHLY FINANCIAL PERFORMANCE REPORT - JANUARY 2020

AUTHOR: MANAGER, FINANCE

DATE: 27 FEBRUARY 2020

EXECUTIVE SUMMARY

This is a report concerning Council's financial performance for the period ending 31 January 2020, submitted in accordance with section 204 of the *Local Government Regulation 2012*.

A budget amendment was approved by Council in February relating to a number of the variances noted below. The budget amendment will be reflected in February results.

RECOMMENDATION/S

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

RELATED PARTIES

There are no related party matters associated with this report.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

The attached report shows the financial results for Ipswich City Council as at 31 January 2020. As noted above, this is a report as at 31 January 2020 and accordingly the budget amendment adopted by Council on 24 February 2020 is not reflected in the report. The budget amendment took into consideration and amended for, a number of the variances highlighted in this report which have been discussed in previous reports to Council.

The total Net Result (including capital revenues) is \$66.1 million compared to the YTD budget of \$59.1 million. Council's YTD operating surplus (excluding capital revenue) is approximately \$3.5 million compared to the YTD budget deficit of \$3.5 million (the full year budget surplus is \$2.6 million). Additional operating revenue of \$5.3 million YTD for items including QUU tax and dividends and operational grants has driven the current positive position.

Capital expenditure including the CBD Redevelopment as at 31 January is \$1.2 million below the YTD budget. Approximately \$129.1 million has been expended or donated to 31 January compared to the current YTD capital budget of \$130.3 million.

Commentary and analysis of the results is included in the attached report. Items to note include:

- Council's rates and utility charges continue to be impacted by lower than forecast growth (especially from Quarter 4 in the 18-19 financial year). YTD January results show that growth has not recovered and it is unlikely that Council will recover full budget by year end. Accordingly a budget amendment was approved by Council in February to reduce the rates budget.
- Town Planning Fees are under budget YTD \$557k following a slight improvement in the January results (\$282k), it is expected that town planning fees will be below budget by the end of the financial year and this was also adjusted for in the budget amendment.
- Employee expenses continue to be over budget due to additional labour contracts to fill staff vacancies and support, the impact of EBA rate increases on leave provisions and contractual payments.
- Materials and services expenses continue to be below budget as a result of underspends in service contracts due earlier weather conditions, works not commencing as expected and lower than expected maintenance costs. An analysis of the timing of expenditure in prior years has identified significant additional expense recognition in June each year. Therefore as part of the budget amendment finance will re phase some of the YTD variance into later months in the financial year to better align with expected recognition.
- Whilst the capital expenditure on the CBD Redevelopment has exceeded the YTD budget by \$9.6 million, the timing of the cash flow for the project over the 19-20 and 20-21 financial years has been reviewed to better align with the project schedule. Required changes have been approved in the February budget amendment.
- Capital expenditure on other capital projects, including the ICT and Infrastructure programs, are \$15.3 million below YTD budget. The capital program delivery schedule and forecast expenditure by the end of the financial year has been reviewed and a reduction in capital expenditure across Council has been approved in the February budget amendment.
- Considering the results above, cash currently held is slightly above forecasted cash balances.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

The implications of the financial results YTD will be monitored by management and any changes or risks to Council's forecast position will be considered as part of Council's budget amendments.

As highlighted above there is a risk to Council's forecast rates and utility charges revenue and town planning fees as a result of lower than forecast growth (especially from Quarter 4 in the 2018-2019 financial year). Year to date this has not been recovered and accordingly a budget amendment was included to reduce the applicable budget.

Employee expenses and deferred capital projects were also included in the February budget amendment.

FINANCIAL/RESOURCE IMPLICATIONS

There are no specific 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 is undertaken in conjunction with the various Departments.

CONCLUSION

The monthly performance report for January 2020 is included at Attachment 1.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Monthly Performance Report - January 2020  
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Jeffrey Keech
MANAGER, FINANCE

I concur with the recommendations contained in this report.

Sonia Cooper
GENERAL MANAGER CORPORATE SERVICES

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



Ipswich City Council

Performance Report

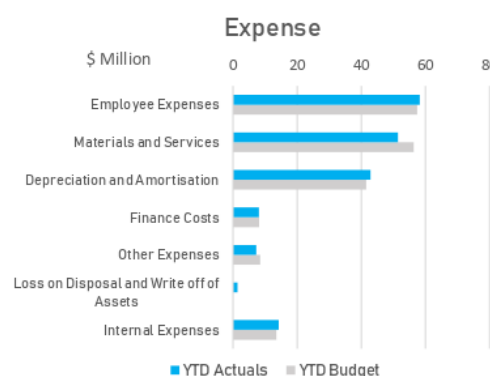
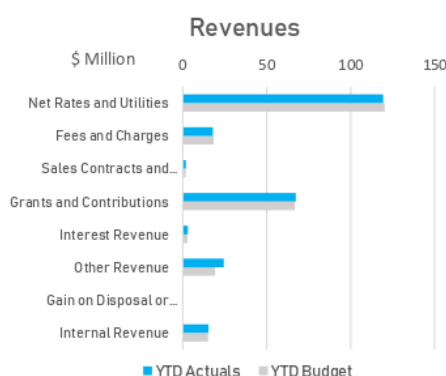
JANUARY 2020

FINANCIAL EXECUTIVE SUMMARY

JANUARY 2020

	Annual		YTD				Trend from DEC 2019
	Original Budget \$'000s	Current Budget \$'000s	Current Budget \$'000s	Actuals \$'000s	Variance \$'000s	Variance %	
Operating Revenue	322,435	320,821	181,773	187,030	5,257	2.9%	▲
Operating Expense	319,336	318,210	185,314	183,520	1,794	1.0%	▲
Operating Surplus/(Deficit)	3,099	2,611	(3,541)	3,510	7,051	(199.1%)	▲
Capital Revenue	104,398	104,398	62,680	62,582	(98)	(0.2%)	▲
Net Result	107,497	107,009	59,139	66,092	6,953	11.8%	▲

Construction Program and Asset Purchase	131,008	131,008	61,175	45,916	15,259	24.9%	▲
CBD	111,608	131,744	28,432	37,998	(9,566)	(33.6%)	▲
Donated Assets	69,732	69,732	40,677	45,190	(4,513)	(11.1%)	▼
Total Capital Expenditure	312,348	332,484	130,285	129,105	1,180	0.9%	▲

**Net Result**

The total Net Result (including capital revenues) for Ipswich City Council as at 31 January 2020 is \$66.1 million compared to the YTD budget of \$59.1 million. Council's operating surplus (excluding capital revenue) is approximately \$3.5 million compared to the YTD budget deficit of \$3.5 million.

Operating revenue is \$5.3 million above the YTD Budget

The \$5.3 million variance is made up of: rates and utilities revenue \$863k under budget which is impacted by growth, fees and charges \$430k under budget in town planning fees as a result of a downturn in the development industry, operational grant revenue \$616k over budget, other revenue \$5.6 million over budget, Sales Contracts and Recoverable Works \$97k over budget and internal revenue \$224k over budget. These items are discussed further in this report.

Operating expenses is \$1.8 million below the YTD Budget

The \$1.8 million variance is made up of: employee expenses including labour contracts \$864k over budget, as a result of changes in the payroll system calculation method, and other expenses \$1.5 million due to depreciation and loss on disposal of assets. This is offset by materials and services \$4.9 million under budget primarily due to drier than expected weather conditions, delays in commencing works and lower than expected maintenance costs. These items are discussed further in this report.

Capital Expenditure

Capital expenditure including CBD as at 31 January is \$1.2 million below the YTD budget. Approximately \$129.1 million has been expended to 31 January compared to the current YTD capital expenditure budget of \$130.3 million.

- The Infrastructure Program is approx. \$11.7 million under the YTD Budget. Actual costs are \$37.1 million compared to the current YTD budget of \$48.8 million.
- Community, Cultural and Economic Department is \$1.2 million under budget. Actual costs are \$358k compared to the YTD budget of \$1.6 million. This primarily relates to delays in the Rosewood Library, pod deployment and logistics hub projects and delays in commencing works in the Community Safety and Innovation Branch.
- CBD over budget approx. \$9.6 million. Actual costs are \$38 million compared to the YTD budget of \$28.4 million. Overspend relates to works being ahead of schedule as well as approved scope changes. A Budget Amendment was processed in December for additional capital expenditure of \$43.6 million (\$20.1 million in 2019-20) relating to the CBD retail precincts.

Item 2 / Attachment 1.

FINANCIAL EXECUTIVE SUMMARY

JANUARY 2020

	Annual		YTD				Trend from DEC 2019	Note	Variance \$'000s by Department					
	Original Budget \$'000s	Current Budget \$'000s	Current Budget \$'000s	Actuals \$'000s	Variance \$'000s	Variance %			CP	CS	CE	IE	IWS	PR
Revenue														
Net rates and utilities charges	208,482	207,482	120,260	119,397	<div></div> (863)	(0.7%)	<div></div>	1	N/A	<div></div> (613)	N/A	<div></div> (22)	<div></div> (137)	<div></div> (91)
Fees and charges	32,563	32,563	18,398	17,968	<div></div> (430)	(2.3%)	<div></div>	2	N/A	<div></div> (100)	<div></div> 84	<div></div> (21)	<div></div> (198)	<div></div> (194)
Gov't grants and subsidies	18,260	18,260	10,166	9,507	<div></div> (659)	(6.5%)	<div></div>	3	N/A	<div></div> 336	<div></div> (113)	<div></div> (919)	N/A	<div></div> 37
Internal revenue	25,613	25,613	15,116	15,340	<div></div> 224	1.5%	<div></div>	4	N/A	<div></div> (128)	<div></div> 108	<div></div> (68)	<div></div> 311	<div></div> 0
Other revenue <small>(incl Donated Asset & Cash Contributions)</small>	141,915	141,301	80,514	87,400	<div></div> 6,886	8.6%	<div></div>	5	<div></div> 529	<div></div> 4,050	<div></div> (1,420)	<div></div> 3,742	<div></div> (279)	<div></div> 265
Total Revenue	426,833	425,219	244,454	249,612	5,158	2.1%	<div></div>		529	3,545	(1,341)	2,712	(303)	17
Expense														
Employee expenses	97,438	97,438	56,121	55,493	<div></div> 628	1.1%	<div></div>	6	<div></div> 39	<div></div> 354	<div></div> (84)	<div></div> 71	<div></div> 101	<div></div> 146
Labour contracts	2,070	2,070	1,253	2,745	<div></div> (1,492)	(119.1%)	<div></div>	6	<div></div> (183)	<div></div> (282)	<div></div> 268	<div></div> (543)	<div></div> (607)	<div></div> (146)
Materials and services	97,302	97,302	56,350	51,453	<div></div> 4,897	8.7%	<div></div>	7	<div></div> (1)	<div></div> (693)	<div></div> 1,146	<div></div> 3,502	<div></div> 375	<div></div> 569
Internal expense	22,963	22,963	13,528	14,242	<div></div> (714)	(5.3%)	<div></div>	8	<div></div> (6)	<div></div> 13	<div></div> (63)	<div></div> (603)	<div></div> (59)	<div></div> 5
Other expenses	99,563	98,437	58,064	59,587	<div></div> (1,523)	(2.6%)	<div></div>	9	<div></div> 88	<div></div> (36)	<div></div> 185	<div></div> (2,359)	<div></div> 576	<div></div> 27
Total Expenses	319,336	318,210	185,316	183,520	1,796	1.0%	<div></div>		(63)	(644)	1,452	68	386	601
Net Result	107,497	107,009	59,138	66,092	6,954	11.8%	<div></div>		466	2,901	111	2,780	83	618



Revenue

- The net rates variance continues to be impacted by growth. We will continue to monitor growth however, based on current patterns Council is unlikely to recover the full budget by year end.
- Fees and charges under budget \$430k which includes \$557k in town planning and development fees due to a slight downturn in the development industry. P&R Department have reviewed the results and have indicated the reduced revenue may not be fully recovered by year end. This is partially offset by higher than expected animal registrations, food business licences and parking infringements. Also under budget \$198k in IWS relating to skip services and recycling refuse and \$100k in CS relating to change of ownership fees.
- Grants revenue \$659k below budget with variance relating to capital grants budgeted for but not received in IE including \$741k for Rosewood Library construction, \$487k for Strategic Bikeways projects and \$275k for Limestone Park Netball facilities. This is partially offset by a number of capital and operational grants received that were not budgeted for. Under budget is also partially offset by the receipt of an unbudgeted grant from the Department of Employment, Small Business and Training for the First Start Program in CS.
- Internal revenue over budget in IWS relates to SLA recovery for domestic services carried out by the commercial trucks. This is partially offset in CS due to lower than expected tax equivalent revenue.
- Over budget relates to higher than expected QUU Tax Revenue (\$1.4m) and Dividends (\$2.4m) in CS and donated assets revenue (\$4.4m) in IE which are developer driven. This is partially offset by under budget in cash contributions in CE which are developer driven. Also previously stated, based on the Queensland Urban Utilities Corporate Plan an additional \$3.9m of Dividend revenue is likely to be received during 2019-20 and will need to be considered in a future budget amendment.

Expenses

- Employee expenses including Labour contracts was over budget \$171k for January leaving YTD results over budget \$864k or 1.5%. As mentioned previously this YTD result is primarily caused by recalculation of leave provisions due to EBA rate increases which, prior to eHub implementation, were calculated in June (approx. \$300k) as well as long service leave entitlement hours error which is being investigated. This also includes approximately 35 net budgeted FTEs being vacant year to date which is partially offset by contractual termination payments and higher costs of labour contracts.
- Materials and services (excluding labour contracts) under budget \$4.9 million primarily in service contracts. The variance of \$3.5 million in IE relates to savings of \$920k in street lighting maintenance, road maintenance and mowing and weed control. The remaining variance relates to timing differences across the Department including reduced mowing and weed control activities, various conservation and environmental projects being delayed and lower maintenance costs on sealed roads. \$1.1 million underspend in CE relates to a delay with the preparations for the CBD Library move and events delayed until next financial year.
- Internal trading expense variance relates to fleet cost recovery and indicates a lower utilisation of assets compared to budgeted expectations.
- Other expenses over budget in IE primarily relates to depreciation (\$911k) and the loss on disposal of assets (also \$1.4m). This is partially offset by under budget in IWS relating to the waste levy expense.

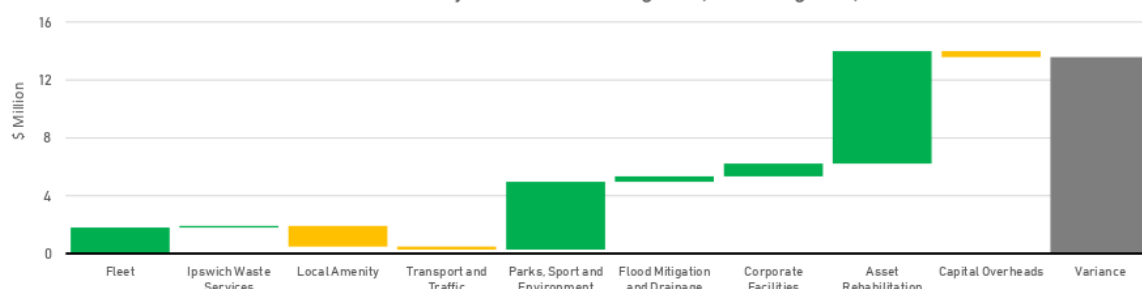
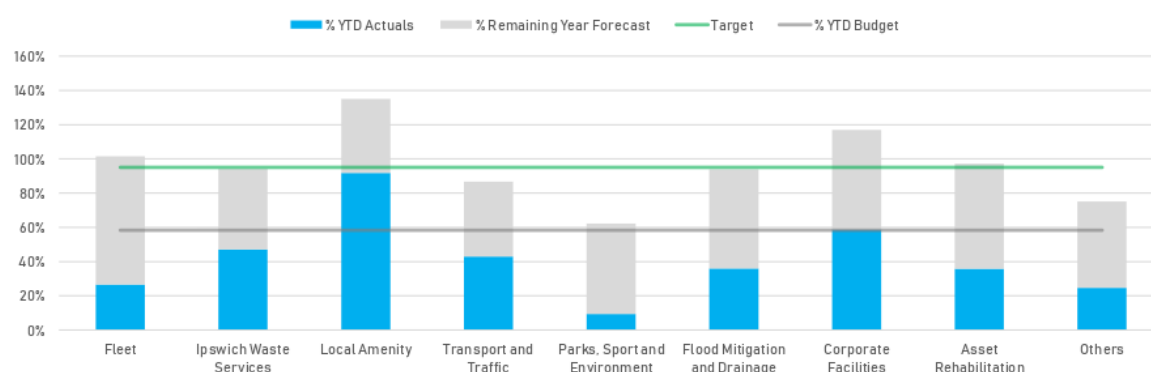
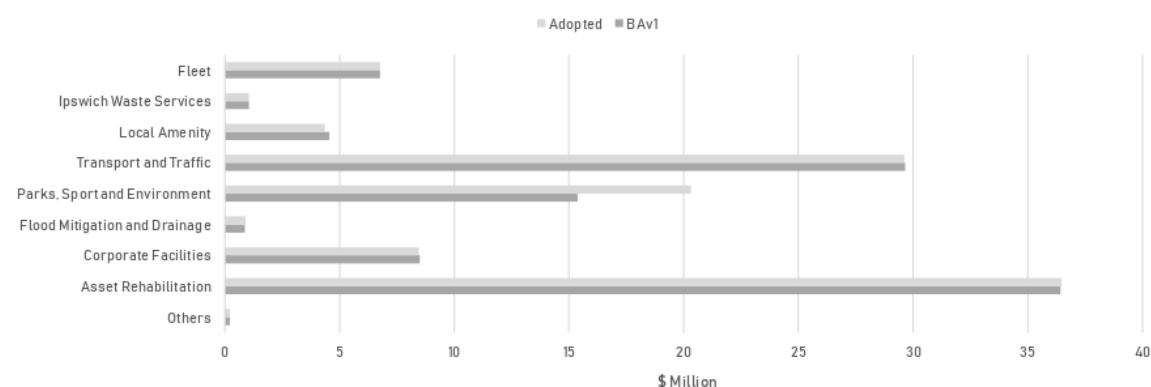
FINANCIAL EXECUTIVE SUMMARY

JANUARY 2020

Capital

	Annual		YTD				Trend from DEC 2019
	Original Budget \$'000s	Current Budget \$'000s	Current Budget \$'000s	Actuals \$'000s	Variance \$'000s	Variance %	
Coordination and Performance	111,608	136,494	32,267	41,836	(9,569)	(29.7%)	▲
Corporate Services	17,255	17,255	2,520	2,250	270	10.7%	▼
Community, Cultural and Economic Development	5,067	5,067	1,588	358	1,230	77.5%	▼
Infrastructure and Environment	108,156	103,406	53,100	39,470	13,630	25.7%	▲
Planning and Regulatory Services	530	530	133	0	132	100.0%	-
Net Result	242,616	262,752	89,608	83,914	5,693	6.4%	▲

YTD Variance by Construction Program (Excluding CBD)

Capital Program (Excluding CBD)
Actual and Forecast % of FY BudgetCapital Program (Excluding CBD)
Budget Version Comparison

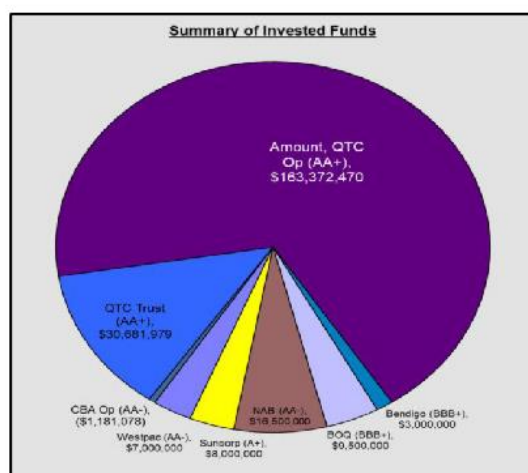
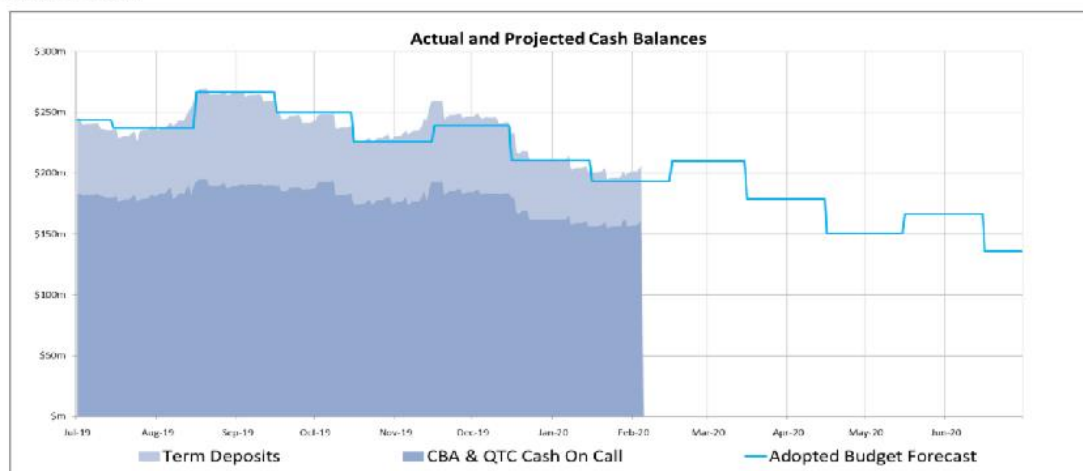
Item 2 / Attachment 1.

CAPITAL SUMMARY AS AT JANUARY 2020								
	MTD Actual \$'000s	MTD Budget \$'000s	MTD Variance \$'000s	YTD Actual \$'000s	YTD Budget \$'000s	YTD Variance \$'000s	Full Year Budget \$'000s	EDY Forecast \$'000s
Comments								
Whole of Council								
Construction Program and Asset Purchase	13,552	18,507	4,955	83,914	89,608	5,693	262,752	255,345
Donated Assets	10,250	5,823	(4,427)	45,190	40,677	(4,513)	69,732	69,732
Total Capital Expenditure	23,802	24,330	528	129,105	130,285	1,180	332,484	325,077
Coordination and Performance								
Construction Program and Asset Purchase	466	2,100	1,634	3,838	3,835	(3)	4,750	4,750
CBD Development	7,565	7,650	85	37,998	28,432	(9,566)	131,744	131,744
CBD - Overspend relates to works being ahead of schedule. A Budget Amendment and phasing adjustment will be considered in February to better align expected spend.								
Total Capital Expenditure	8,031	9,750	1,719	41,836	32,267	(9,569)	136,494	136,494
Corporate Services								
Construction Program and Asset Purchase	331	106	(225)	2,250	2,520	270	17,255	17,255
ICT - Under budget due to delays in timing of projects. A review of the delivery of ICT projects in 2019-20 was completed in January and a Budget Amendment is being considered in February for expected unspent budget.								
Total Capital Expenditure	331	106	(225)	2,250	2,520	270	17,255	17,255
Community, Cultural and Economic Development								
Construction Program and Asset Purchase	71	(621)	(692)	358	1,588	1,230	5,067	5,067
Library - Under budget approximately \$673k relates to the Rosewood Library. \$250k relates to Pod deployment and \$410k relates to the Logistic hub. Projects are delayed with delivery dates yet to be confirmed.								
Civic Centre - Over budget approximately \$79k relates to equipment received earlier than budgeted.								
Art Gallery - Under budget approximately \$26k relates to delays in acquiring artworks.								
Community Safety and Innovation - Under budget approximately \$275k relating to delays in access control and security camera upgrades.								
Total Capital Expenditure	71	(621)	(692)	358	1,588	1,230	5,067	5,067
Infrastructure and Environment								
Infrastructure Program	4,634	8,314	3,680	37,127	48,782	11,655	95,371	87,978
IE - Under budget \$11.7 million in Infrastructure Program. Under budget in asset rehabilitation (\$7.8 million) due to delays in the drainage, parks and sports facility rehabilitation sub-programs and savings in the sealed road rehabilitation sub-program. Under budget in parks, sport and environment (\$4.7 million) due to the potential deferral of projects in the strategic parks and sports and Enviroplan sub-programs. This is partially offset by over budget in Local Amenity (\$1.4 million) due to 2018-19 expenditure on Kerb and Channel and Streetscape improvements occurring in the current financial year.								
Equipment	7	0	(7)	54	110	56	220	165
Waste	108	83	(24)	495	608	113	1,050	988
Fleet	370	875	505	1,795	3,600	1,805	6,765	6,867
Fleet - Under budget \$1.8 million in Fleet primarily relates to longer than expected lead times for delivery. Trucks and major plant originally budgeted in January YTD are now expected to be delivered later in the year, with the majority expected in May and June.								
Total Capital Expenditure	5,118	9,272	4,154	39,470	53,100	13,630	103,406	95,999
Planning and Regulatory Services								
Construction Program and Asset Purchase	0	0	0	0	133	132	530	530
Cemeteries - Under budget relates to works on Tallegalla Cemetery being undertaken by the IED Department on behalf of PR. Approximately \$61k has been expended to date and will be transferred to the Department once the project is complete. A Budget Amendment is being considered in February for expected unspent funds.								
Total Capital Expenditure	0	0	0	0	133	132	530	530
Donated Assets								
Coordination and Performance	0	0	0	0	0	0	0	0
Corporate Services	0	0	0	0	0	0	0	0
Community, Cultural and Economic Development	0	14	14	128	14	(114)	28	28
Infrastructure and Environment	10,250	5,809	(4,441)	45,063	40,663	(4,400)	69,704	69,704
Planning and Regulatory Services	0	0	0	0	0	0	0	0
Total Donated Assets	10,250	5,823	(4,427)	45,190	40,677	(4,513)	69,732	69,732

FINANCIAL EXECUTIVE SUMMARY

JANUARY 2020

Cash and Investments



Investments and Earnings Summary	Margin	% Return	\$
CBA Operating Account	0.004	1.25%	(\$1,181,078)
Term Deposit Investments	0.007	1.63%	\$44,000,000
QTC Trust Fund Account	0.008	1.66%	\$30,681,979
QTC Operating Account - CBD	0.008	1.66%	\$45,942,815
QTC Operating Account - General	0.008	1.66%	\$117,429,655
QTC Operating Account - Total	0.008	1.66%	\$163,372,470
Total Invested funds (W.Avg return)	0.008	1.66%	\$236,873,370
Total Operating Funds (Ex Trust)	0.008	1.66%	\$206,191,391

Cashflow

Council's cash and cash equivalents balance as at 31 January 2020 was \$206.2 million. The end of period cash holdings includes \$46 million of carried forward unspent loan funds invested with QTC. 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 1.66%.

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ITEM: 3

SUBJECT: OVERDUE GENERAL RATES AND UTILITY CHARGES - OCTOBER TO DECEMBER 2019

AUTHOR: TREASURY ACCOUNTING MANAGER

DATE: 11 MARCH 2020

EXECUTIVE SUMMARY

This is a report by the Treasury Accounting Manager dated 6 March 2020 concerning rate arrears and rate collection statistics for the period October-December 2019.

RECOMMENDATION/S

That the Interim Administrator of Ipswich City Council resolve:

That the report be received and the contents noted.

RELATED PARTIES

There are no related party issues concerning this report.

PURPOSE OF REPORT/BACKGROUND

This report highlights the overdue rates and charges pertaining to the October – December 2019 rating period.

Following the completion of the October-December 2019 rating period, the approximate balance of overdue rates and charges was \$6,002,508 or 2.55% of the total rates. This represents an increase in outstanding balances of \$526,183 or 0.2% from the previous quarter.

A high level breakdown of the overdue rates and charges between residential, non-residential properties and highlighting the large arrears on two disputed properties is below:

Table 1

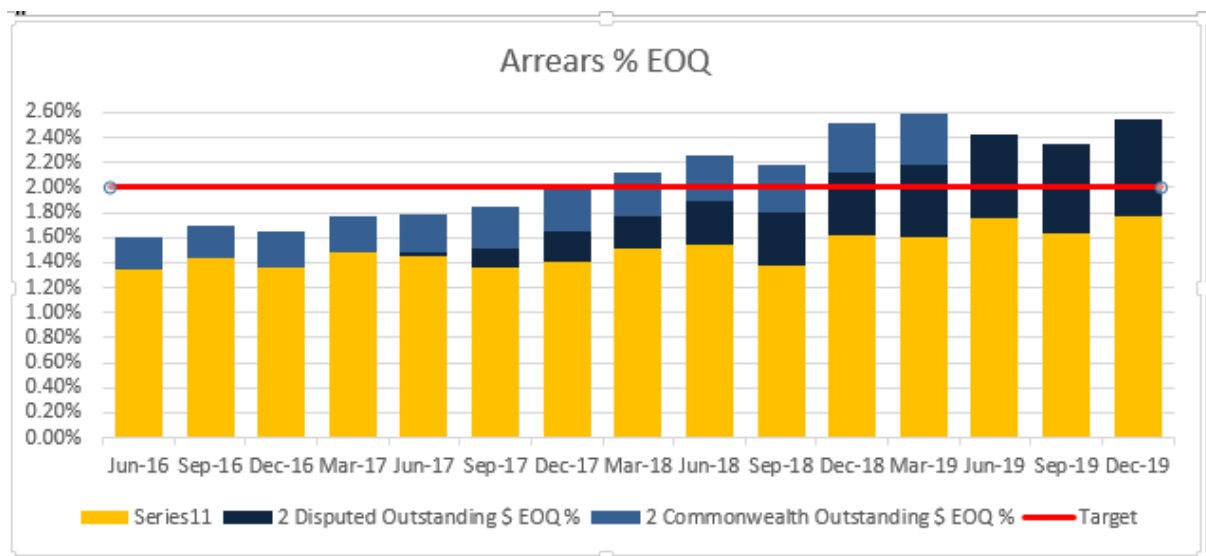
	# of Properties	Balance Outstanding \$	% of Total
Residential	6,869	\$3,854,337	64%
Non-Residential	174	\$330,714	6%
2 Disputed Non-Residential Properties	2	\$1,817,457	30%

Overdue Rates and Charges:**Table 2**

	Yearly Levies	Arrears \$ End of quarter	Arrears %	Total Assessment s	Assessments in Arrears End of quarter	% in Arrears
June 2015	\$175,942,886	\$2,764,243	1.57	72,515	4,949	6.82
June 2016	\$189,635,715	\$3,034,312	1.60	75,207	5,090	6.77
June 2017	\$205,419,598	\$3,680,474	1.79	78,689	6,067	7.71
June 2018	\$218,794,862	\$4,929,782	2.25	82,232	6,089	7.40
June 2019	\$231,646,878	\$5,614,100	2.42	84,911	7,355	8.66
Sept 2019	\$233,519,322	\$5,476,325	2.35	85,845	6,441	7.59
Dec 2019	\$235,396,875	\$6,002,508	2.55	86,284	7,045	8.16

The current rates arrears exceeding target are impacted by the following:

1. Two (2) properties have substantial arrears and are in dispute with Council. The rates arrears associated with these two properties represents 0.77% of the total yearly levies and account for 30.27% of the total rate arrears.
2. The percentage of accounts in arrears has deteriorated since mid-2017 due in the most part to these two substantial properties transitioning. If the two properties were removed from the rate arrears calculation, Council's performance for the quarter would be 1.78% (leading practice for local government recoveries). The two properties are represented as black in **Chart 1** below.

Chart 1**Arrears - Number of Assessments:**

- At the end of the October-December 2019 quarter, 7,045 assessments remained in arrears.
- Of those, 5,978 or 85% assessments held balances outstanding of less than \$1000, including 3,196 or 45% with outstanding balances of less than \$100.

Reminder Letters:**Table 3**

Quarter	Reminder letters	\$	Second letter	\$
April - June 2015	8,634	\$5,117,628	3,888	\$2,320,978
April - June 2016	9,776	\$5,767,789	4,247	\$2,375,731
April-June 2017	11,102	\$6,214,851	4,950	\$3,023,858
April-June 2018	10,264	\$6,566,455	5,561	\$4,505,858
April-June 2019	11,387	\$7,346,791	5,921	\$4,208,937
July-September 2019	12,072	\$7,944,841	5,205	\$3,955,289
October-December 2019	12,096	\$8,487,729	5,246	\$3,933,342

Chart 2 shows the trends for the last six quarters in relation to owner occupied and non-owner occupied residential properties. The mix between owner and non-owner properties in arrears is broadly similar to the mix in total properties. The data used in this chart excludes those properties with very large arrears and are the subject of disputes (referenced earlier in this report). This allows for a visual representation of the underlying trends for the typical owner and non-owner occupied residential properties.

Whilst the number of properties in arrears continues to be cyclical there is still upward trend which is also reflecting the total value of the arrears. This requires further analysis to understand what may be driving this trend.

Chart 2



The following **Chart 3** shows the trend for the last six quarters in relation to pensioner owned properties, including both owner occupied and non-owner occupied residential properties, as well as a limited number of primary producer properties. The trend relating to pensioner owned properties are generally similar to that of the non-pensioner owned properties other than the last quarter where there continued to be a small increase. The 275 properties in the most recent quarter reflects 3.2% of total pensioner owned properties. This compares to 7.6% of total properties.

Chart 3

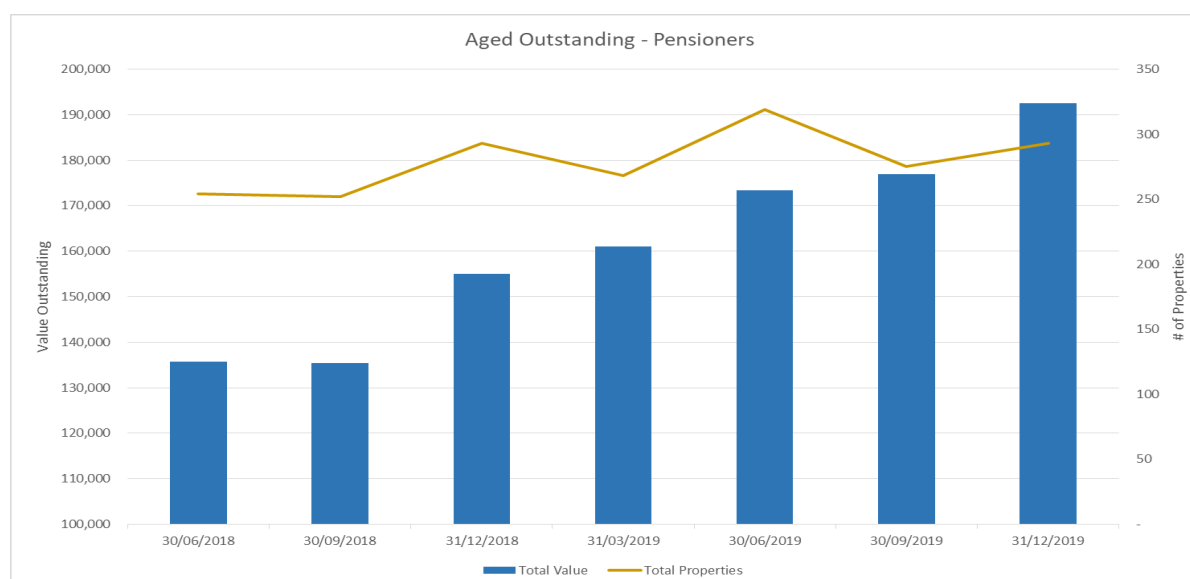


Table 4 is a combined list of:

1. the top 10 suburbs by number of properties within a Suburb with an outstanding balance; plus
2. the top 10 Suburbs by % of properties within a Suburb with an outstanding balance (noting that four suburbs appear on both lists).

Most of the suburbs listed, display a similar trend with the exception of South Ripley which has been influenced by a single property owner who holds a number of properties with arrears. The top 10 suburbs by number of properties within a suburb with an outstanding balance has remained same for the past five quarters.

Table 4

Residential Properties (combined lists)							
Top 10 Suburbs - # of properties within a Suburb with an outstanding balance							
Top 10 Suburbs - % of properties within a Suburb with an outstanding balance							
(excludes Suburbs with less than 50 residential properties with an outstanding balance)							
Period	30-Sep-18	31-Dec-18	31-Mar-19	30-Jun-19	30-Sep-19	31-Dec-19	Trend
REDBANK PLAINS	760	793	756	866	756	826	
	10.10%	10.53%	10.04%	11.58%	9.74%	10.37%	
SPRINGFIELD LAKES	389	450	403	503	408	444	
	6.30%	7.25%	6.50%	8.19%	6.60%	7.22%	
BRASSALL	294	311	310	342	322	387	
	6.60%	7.00%	7.00%	7.76%	7.20%	8.60%	
BELLBIRD PARK	253	309	313	326	276	313	
	8.68%	10.60%	10.74%	11.28%	9.25%	10.02%	
GOODNA	295	312	300	340	267	304	
	8.00%	8.46%	8.10%	9.47%	7.40%	8.44%	
RACEVIEW	269	267	247	307	266	266	
	7.10%	7.03%	6.50%	8.27%	7.20%	7.20%	
COLLINGWOOD PARK	256	272	247	291	256	260	
	8.96%	9.60%	8.72%	10.30%	8.96%	9.09%	
BUNDAMBA	234	231	223	264	225	233	
	8.30%	8.25%	8.00%	9.77%	8.30%	8.30%	
CAMIRA	223	242	225	233	209	209	
	8.60%	9.31%	8.70%	9.02%	8.10%	8.10%	
SPRINGFIELD	186	195	190	217	209	209	
	7.83%	8.21%	8.00%	9.30%	8.78%	8.59%	
SOUTH RIPLEY	84	90	87	99	201	119	
	7.25%	7.77%	7.51%	8.71%	15.01%	8.24%	
DEEBING HEIGHTS	88	111	93	148	133	142	
	7.57%	9.55%	8.00%	12.77%	10.14%	10.57%	
NORTH BOOVAL	87	119	101	126	102	127	
	7.54%	10.31%	8.75%	10.99%	8.82%	10.99%	
ONE MILE	62	72	62	97	88	82	
	7.43%	8.63%	7.43%	11.80%	10.64%	9.93%	
WALLOON	67	66	62	80	76	88	
	8.59%	8.46%	7.95%	10.44%	9.45%	10.34%	
CHURCHILL	70	70	54	64	64	71	
	8.99%	8.99%	6.93%	8.63%	8.63%	9.57%	

Legal Actions undertaken to recover Rates:

The following actions were commenced, or finalised on behalf of Council during the October-December quarter 2019:

Action	Number	Value
New Claims Filed	39	\$143,707
Filed Claims Paid in full prior to Judgement	7	\$20,336
Defences Lodged	1	\$5,724
Defences Resolved		
Defences under Legal Dept. Control	4	\$445,249
Judgments Granted	27	\$70,583
Sale of Land Resolutions	10	\$81,165
Rates paid prior to Auction during the quarter	2	\$17,314
Properties Auctioned	0	0
Properties Sold at Auction	0	0
Properties purchased by Council at Auction	0	0

Planned Actions:

- Continue to apply collection strategies to non-owner occupied properties i.e. companies, trusts, vacant land, investment properties.
- Continue to apply collection strategies to habitual defaulters.
- Continued close maintenance of payment plans and escalation of breaches.
- Continued drive to liaise with banks and finance providers for payments in full.
- Continue to analyse emerging trends that are impacting the collection of overdue rates.

LEGAL/POLICY BASIS

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

CONCLUSION

The target arrears percentage rate of 2.00% was exceeded by 0.55%, due to the impact of two properties with substantial rates arrears. There is a continuing upward trend in the number of residential properties with an outstanding balance as well as the value of those outstanding balances.

Paul Mollenhauer
TREASURY ACCOUNTING MANAGER

I concur with the recommendations contained in this report.

Jeffrey Keech
MANAGER, FINANCE

I concur with the recommendations contained in this report.

Sonia Cooper
GENERAL MANAGER CORPORATE SERVICES

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