



City of
Ipswich

**IPSWICH
CITY
COUNCIL**

AGENDA

of the

GOVERNANCE AND TRANSPARENCY COMMITTEE

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

**On Thursday, 20 August 2020
At 9.00 am**

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

GOVERNANCE AND TRANSPARENCY COMMITTEE AGENDA

9.00 am on **Thursday**, 20 August 2020

Council Chambers

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** Item includes confidential papers

GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 1

20 AUGUST 2020

AGENDA

BUSINESS OUTSTANDING – MATTERS LYING ON THE TABLE TO BE DEALT WITH

- Cameron Park – Swifts Leagues Club Ltd
(Laid on the table at General Purposes Committee of 21 July 2020)

1. **TRANSPARENCY AND INTEGRITY HUB IMPLEMENTATION REPORT**

This is a report providing an update on the implementation of the Transparency and Integrity Hub (Hub) in line with Council's resolution on 27 April 2020. The Hub was successfully implemented by Council on 1 July 2020. The direct cost of the implementation of the Hub with the contracted service delivery partner, Redman Solutions, was \$189,687. An additional \$57,800 was expended in order to undertake necessary due diligence in the implementation of the Hub, including the gathering of advice and the costs of an independent Privacy Impact Assessment (PIA).

RECOMMENDATION

That the Governance and Transparency Committee receives and notes the report on the implementation of the Transparency and Integrity Hub in line with Council's resolution of 27 April 2020 and note that the Hub was successfully implemented on 1 July 2020.

2. **2020 ASSET REVALUATIONS**

This is a report concerning the 2020 Asset Revaluation and its effect on Ipswich City Council's annual financial statements. The report also details Council's governance controls over the valuation process. The same report as set out below was presented and discussed at an Audit and Risk Management Committee meeting on 29 June 2020. The Audit and Risk Management Committee endorsed the 2020 Asset Revaluations for Council, prior to it being presented to Council for formal approval and adoption.

RECOMMENDATION

- A. That Council receive and note the report by the Manager, Finance dated 7 August 2020, including attachments 1, 2 and 3.

- B. That Council resolve that the land, building and other structures asset class and the detention basins sub-asset class being a formal valuation be revalued as outlined in the report by the Manager, Finance dated 7 August 2020 and in accordance with Attachment 1.
- C. That Council resolve that all other asset classes of artworks, roads, bridges and footpaths and flooding and drainage not be revalued as the cumulative valuation percentage increases/decreases are immaterial as outlined in the report by the Manager, Finance dated 7 August 2020.

3. ****SECURITY SERVICES**

This is a report concerning the recommendation to award Tender 13697 Security Services and seeks the Council's approval to establish a Preferred Supplier Arrangement for the provision of the Council's day to day security requirements, including control room monitoring, security patrols (by foot and by vehicle), call-out (alarm response) and static guards with SECUREcorp (QLD) Pty Ltd. After undertaking an open tender and receiving several competitive offers, the Evaluation Panel has identified SECUREcorp (QLD) Pty Ltd as the recommended preferred supplier. SECUREcorp (QLD) Pty Ltd has demonstrated extensive experience providing the required services, offering an effective methodology which demonstrates a thorough understanding of the Council's requirements. SECUREcorp (QLD) Pty Ltd highlights strong support for employing local staff and supporting local business. Their offer is determined by the Evaluation Panel to offer the Council best value for money. The report recommends that Council enter into a contract with SECUREcorp (QLD) Pty Ltd for the Security Service for a period of two (2) years with the option to extend the contract by up to three (3) years for the sum of up to ten million, five hundred and thirteen thousand dollars GST exclusive (\$10,512,782)(total cost if all extensions are executed).

RECOMMENDATION

- A. That Tender No. 13697 for the provision of the Council's day to day security requirements including control room monitoring, security patrols (foot and vehicle), call-out (alarm response) and static guards be awarded to SECUREcorp (QLD) Pty Ltd.
- B. That Council enter into a contract with SECUREcorp (QLD) Pty Ltd for the Security Service for a period of two (2) years with the option to extend the contract by up to three (3) years for the sum of up to ten million, five hundred and thirteen thousand dollars GST exclusive (\$10,512,782)(total cost if all extensions are executed).
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contract to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.

** Item includes confidential papers

and any other items as considered necessary.

Doc ID No: A6408500

ITEM: 1

SUBJECT: TRANSPARENCY AND INTEGRITY HUB IMPLEMENTATION REPORT

AUTHOR: CHIEF INFORMATION OFFICER

DATE: 6 AUGUST 2020

EXECUTIVE SUMMARY

This is a report providing an update on the implementation of the Transparency and Integrity Hub (Hub) in line with Council's resolution on 27 April 2020. The Hub was successfully implemented by Council on 1 July 2020. The direct cost of the implementation of the Hub with the contracted service delivery partner, Redman Solutions, was \$189,687. An additional \$57,800 was expended in order to undertake necessary due diligence in the implementation of the Hub, including the gathering of advice and the costs of an independent Privacy Impact Assessment (PIA).

RECOMMENDATION/S

That the Governance and Transparency Committee receives and notes the report on the implementation of the Transparency and Integrity Hub in line with Council's resolution of 27 April 2020 and note that the Hub was successfully implemented on 1 July 2020.

RELATED PARTIES

There were no declarations of conflicts of interest by decision-makers in the course of implementation of the Transparency and Integrity Hub.

ADVANCE IPSWICH THEME

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

Council resolved at its meeting on 27 April 2020 to enter a new era of transparency and integrity for Ipswich City Council through the implementation of a Transparency and Integrity Hub. The Mayor, Teresa Harding, moved a Mayoral Minute detailing the following actions, that Council:

- A. Establish and implement the Ipswich City Council Transparency and Integrity Hub, a digital portal that enables the publication of the financial data displayed as contemporary open data (intuitive, interactive, auditable and downloadable by

selection) suitable for public consumption. The Transparency and Integrity Hub will enable the underpinning principles and Hub deliverables and will be launched by 1 July 2020.

a. Underpinning Principles

- i. Adopt global best practice approach to open and transparent public sector financial management
- ii. Demonstrate responsible and transparent governance and decision-making
- iii. Enable data-driven decision making and rebuild public and stakeholder trust

b. Hub Deliverables

- i. Publish as near to real-time financial data for Ipswich City Council in an open, transparent, interactive portal including, at minimum:
 - 1. Previous five financial years financial data including detailed project income and expenditure financial data for major projects i.e. The Smart City Program
 - 2. Council's 2020-2021 Budget, once adopted
 - 3. Quarterly financial reporting against the budget

c. Publish detailed income and expenditure financial data for all current and past Council beneficial (controlled) entities enabling comparison over the previous five financial years, including:

- i. Ipswich City Developments Pty Ltd (deregistered) ABN 155 142 288
- ii. Ipswich City Developments Pty Ltd (deregistered) (former name Ipswich City Developments Enterprises Pty Ltd) ABN 167 100 441
- iii. Ipswich City Enterprises Pty Ltd ABN 095 487 086
- iv. Ipswich City Enterprises Investments Pty Ltd ABN 127 862 515
- v. Ipswich City Properties Pty Ltd (in Members Voluntary Liquidation) ABN 135 760 637
- vi. Ipswich Motorsport Park Pty Ltd (deregistered) (former name Ipswich Motorsport Precinct Pty Ltd) ABN 611 160 902

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- d. Publish all contracts valued \$200,000 or more (excluding GST) for a rolling period of five consecutive years. New data will continue to be published monthly (in accordance with the Local Government Regulation 2012) and the information published will be improved in alignment with best practice across Queensland and Australia. The new register will included:
 - i. Suppliers who tendered a response
 - ii. Person/company with whom Council has entered into the contract
 - iii. Contract number
 - iv. Commencement and end dates
 - v. Value of the contract (estimated/maximum value)
 - vi. Purpose of the contract / description of goods and service procured
 - vii. Approver / Council decision reference (i.e. link to published minutes)
 - e. Publish all Councillor related expenses, allowances and reimbursements for each month including contextual details of expenses incurred and purpose to enable benchmarking and comparison. Data will be published for the previous five financial years. Where travel costs have been absorbed by specific project costs, these should also be included.
- B. Procure, through open tender, a suitable digital platform to enable the delivery of the Transparency and Integrity Hub, ensuring that the platform:
- a. Is intuitive and user friendly, easy to maintain, secure and auditable;
 - b. Enables contemporary open data (intuitive, interactive, auditable and downloadable by selection);
 - c. Is best of breed software for the task for public sector transparency;
 - d. Creates efficiencies in financial data reporting;
 - e. Enables visualisation and context suitable for public consumption;
 - f. Allows data to be downloaded as CKAN Open Data;
 - g. Produces data in machine readable format; and
 - h. Directly integrates with Council systems and solutions for ease of use rapid adoption.

- C. Bring forward a review of Council's Open Data Policy to ensure alignment with best-practice approaches to publishing financial data.
- D. Prepare a report to Council (and for public viewing) on the Smart City Program including detailed project financial data for the past five financial years and the community outcomes delivered.

This motion was carried and the implementation was achieved by a multi-disciplinary Council officer project team led by the Chief Information Officer, Chief Financial Officer and Manager, Procurement with oversight by a newly formed Data Governance Advisory Group and the General Manager, Corporate Services.

The Hub was implemented from 1 July 2020 in line with the resolution of the Council, with information published to the extent considered lawful at that time. The following tactical actions were undertaken to expedite the initiative:

- A. Council officers moved to finalise the scope and specifications for an invitation to tender which was open to the market for three weeks from Monday 4 May to Monday 25 May 2020.
 - a. After an evaluation process, including presentations by shortlisted tenderers, a supplier was approved and awarded a service contract on 4 June 2020.
 - b. Redman Solutions, a Brisbane based company, in partnership with OpenGov, was the successful supplier awarded the service contract.
- B. On and from 4 June 2020 implementation was advanced on an urgent basis using existing available resources and those of Redman Solutions in line with the committed budgetary allocation.
- C. Concurrently, Council began further reviewing its policy and procedures to enable all data and information on the Hub to be published in accordance with best-practice privacy, procurement and open data principles.
 - a. Council's Open Data Policy was urgently reviewed and submitted to Council for adoption at its ordinary meeting on 30 June 2020.
 - b. A Data Classification Standard was created and used to document the classification and treatment of datasets published to the Hub.
 - c. A Data Asset Register was created to document the data assets identified for publication.
 - d. A Decision Register was created to document actions taken and decisions made by accountable officers and consulted stakeholders.

- e. A System Administrator is in place, audit trail functionality is operational and briefing and training of employees in the operation of the Hub has been completed.
 - f. Council's process mapping application Promapp, is being used to create detailed process maps, workflow design and supporting work practices to ensure accountable, effective and efficient Hub administration.
- D. Advice was sought, including the commissioning of an independent expert Privacy Impact Assessment. This Privacy Impact Assessment (PIA) from Ms Nicole Stephensen of Ground Up Consulting was received on 30 June 2020 and has in turn been published on the Hub from 1 July 2020.
- a. The PIA made nineteen recommendations to Council to further strengthen its governance and achieve best practice in the management of information privacy and to support Council's implementation of the Hub.
 - i. These recommendations have been included in a Change Impact Assessment for consideration and action.
 - ii. Recommendation 19 of the PIA focussed on Council seeking a waiver of its obligations to comply with privacy principles in the public interest. The PIA provided that having regard to Recommendations 13 – 18 of the PIA, and to facilitate the achievement of the objectives of the Hub, Council should consult with the Queensland Office of the Information Commissioner (Privacy Commissioner) on an application under section 157 of the Information Privacy Act 2009 (IP Act) for a waiver in the public interest.
 - 1. It was recommended that the application for a waiver set out the exact nature of the departure from the IPPs, the specific personal information involved, any timeline that applies, matters of the public interest served and any other factors relevant to an application of this type. This request has been formally submitted to the Information Commissioner and is under consideration.
- E. Information published to the Hub as at 1 July 2020 includes:
- a. The previous five years' revenue and expenditure financial data against the chart of accounts and the previous five financial years' financial data including detailed project expenditure for The Smart City Program.
 - b. Detailed income and expenditure (excluding capital) financial data for current and past Council controlled (beneficial) entities listed above enabling comparison over the previous five financial years.
 - c. Contracts valued \$200,000 or more (excluding GST) for the past five financial years. New data will continue to be published monthly (in accordance with the *Local Government Regulation 2012*) and the information published will be improved in alignment with best practice across Queensland and Australia.

- d. Councillor related expenses, allowances and reimbursements for each month over the previous five financial years. Council has published only what it considers lawful at 1 July 2020 given the information management and governance practices in existence at the time of the historical information being created. In particular, steps have been taken to de-identify any data that could breach an individual person's privacy.
- F. In the publishing of historical information prior to 1 July 2020, Council has acted with particular care and diligence to ensure that it acted lawfully in the circumstances. In particular, in applying the IP Act including the IPPs, Council has acted in line with the PIA and not published information including the names of individuals and / or contextual information that would potentially lead to the identification of individuals. This information was de-identified. However, the process of de-identification has resulted in a loss of data context, making it less consumable for the public, and limiting its relevance for re-use thereby diminishing transparency and integrity.

It should be noted that there were some operational constraints that impacted the ability to fulfil some deliverables to the full extent desired and these include:

1. The real time integration capability of OpenGov is facilitated by Application Programming Interfaces (APIs), the dominant data source only has a production environment which will require a data staging platform to enable the use of APIs to deliver near to real time or actual real time integration. Further digital infrastructure work is in progress to address this issue to achieve this goal.
2. Only expense and revenue data for Council and the controlled (beneficial) entities was published, balance sheet data was not published.
3. Names of suppliers who tendered but were not awarded were not able to be published under the information collection notification controls in place at the time that the data was created.
 - a. Council is taking steps to change the notification controls to allow this proactive disclosure in the future.
 - b. Contract end dates are not included as there is only system provision for one date in this data structure.
 - c. The Approver/Council decision reference and link to published minutes has not been included.
4. Councillor remuneration and superannuation expenses were not included. This privacy decision is now being reviewed to align in consideration of what information is being published on Council's corporate website and therefore in the public domain.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

Council considered privacy and legal/liability risks in the implementation of the Transparency and Integrity Hub project, and sought expert advice to mitigate and treat these risks to ensure compliance with legislative requirements.

FINANCIAL/RESOURCE IMPLICATIONS

The resolution of Council on 27 April 2020 was that \$200,000 be allocated to the implementation of the Hub by 1 July 2020 and then \$100,000 for subsequent years. The initial agreed service contract value for implementation of the Hub with Redman Solutions was \$150,500. Additional work orders were authorised for work performed by Redman Solutions to meet the implementation deadline taking the total to \$189,687.

In addition to the direct costs of implementation of the Hub with Redman Solutions, in order to ensure that necessary due diligence was undertaken in the very short implementation timeframe, additional expenditure was authorised to a total of \$57,800. This included the gathering of advice and the costs of an independent Privacy Impact Assessment (PIA).

COMMUNITY AND OTHER CONSULTATION

Internal stakeholders including the Data Governance Advisory Group, the Mayor and Chief of Staff, Councillors, the Executive Leadership Team, the Finance, Legal and Governance, and Procurement Branches, the ICT Branch, and the three project working groups contributed to the successful delivery of this initiative.

CONCLUSION

Council has committed to the ongoing development of the Transparency and Integrity Hub, building on the momentum achieved by delivering the initiative by the 1 July 2020 deadline. A forward plan is being developed to ensure that the Hub delivers in full on its promise of proactive disclosure, transparency and integrity with the community it serves.

Sylvia Swalling

CHIEF INFORMATION OFFICER

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”

Doc ID No: A6409947

ITEM: 2
SUBJECT: 2020 ASSET REVALUATIONS
AUTHOR: MANAGER, FINANCE
DATE: 7 AUGUST 2020

EXECUTIVE SUMMARY

This is a report concerning the 2020 Asset Revaluation and its effect on Ipswich City Council's annual financial statements. The report also details Council's governance controls over the valuation process. The same report as set out below was presented and discussed at an Audit and Risk Management Committee meeting on 29 June 2020. The Audit and Risk Management Committee endorsed the 2020 Asset Revaluations for Council, prior to it being presented to Council for formal approval and adoption.

RECOMMENDATION/S

- A. That Council receive and note the report by the Manager, Finance dated 7 August 2020, including attachments 1, 2 and 3.**
- B. That Council resolve that the land, building and other structures asset class and the detention basins sub-asset class being a formal valuation be revalued as outlined in the report by the Manager, Finance dated 7 August 2020 and in accordance with Attachment 1.**
- C. That Council resolve that all other asset classes of artworks, roads, bridges and footpaths and flooding and drainage not be revalued as the cumulative valuation percentage increases/decreases are immaterial as outlined in the report by the Manager, Finance dated 7 August 2020.**

RELATED PARTIES

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

ADVANCE IPSWICH THEME

Listening, leading and financial management

PURPOSE OF REPORT/BACKGROUND

Council's current revaluation procedure FCS-5 provides that Council will revalue all its

non-current assets on a five year rolling basis provided that these assets do not experience significant and volatile change in fair value.

The current revaluation schedule is as follows:

Year	Formal Valuation	Desktop Valuation	Final Report Due Date
2020	(a) Land	(d) and (e)	27 April 2020
2020	(a) Buildings and Structures	(d) and (e)	27 April 2020
2020	(c) Detention Basins	(d) and (e)	27 April 2020
2021	(d) Roads, Bridges and Footpaths	(a), (b), (e)	27 April 2021
2022	(e) Flooding and Drainage	(a), (b), (d)	27 April 2022
2023	(f) Artworks	(a), (b), (c), (d), (e)	27 April 2023

Shaded area only included for completeness.

Revaluation Materiality

Asset Revaluation Procedure: 'Council will need to consider the impact of revaluation only if the cumulative change in the index is greater than 5% (either positive or negative) since the last formal valuation of an asset class.'

AASB1031 Materiality (paragraph 15):

- (a) an amount which is equal to or greater than 10 per cent of the appropriate base amount may be presumed to be material unless there is evidence or convincing argument to the contrary; and
- (b) an amount which is equal to or less than 5 per cent of the appropriate base amount may be presumed not to be material unless there is evidence, or convincing argument, to the contrary.

Cardno (QLD) Pty Ltd (**Cardno**) performed the 2020 revaluation process consisting of a formal revaluation for land, buildings and other structures asset class and the detention basins sub-asset class. Also, the revaluation process included an indexed valuation for roads, bridges and footpaths (RBF) and flooding and drainage.

Ross Searle and Associates performed an indexed valuation for artworks.

Summary of land, building, other structures, infrastructure and artwork assets valuation results.

Asset Class	Asset Category	2020 Valuation Results as per Cardno (QLD) Pty Ltd final valuation report				2020 Net Replacement Cost /Fair Value less New Additions and Disposals	Last Valuation Net Replacement Cost/Fair Value less New Additions and Disposals	Movement	% Mvt
		Replacement Cost (inc. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation				
Land	Land	-	329,667,800	-	-	308,843,300	274,320,126	34,523,174	12.58%
	Donated land assets	-	8,994,000	-	-	8,994,000	-	8,994,000	0.00%
		-	338,661,800	-	-	317,837,300	274,320,126	43,517,174	15.86%
Building	Building Structures	334,151,439	174,909,593	(159,241,846)	7,936,006	293,827,734	262,607,561	31,220,173	11.89%
		334,151,439	174,909,593	(159,241,846)	7,936,006	293,827,734	262,607,561	31,220,173	11.89%
	Other Structures	261,245,279	171,943,058	(89,302,221)	8,858,634	146,052,516	129,164,115	16,888,402	13.1%
Other Structures	Bus Shelters	2,262,675	682,498	(1,580,177)	90,507	2,243,811	2,218,476	25,335	1.14%
	Guardrails	4,203,686	2,364,122	(1,839,564)	168,147	1,988,025	1,007,878	980,148	97.25%
	Signs	21,976,819	8,909,812	(13,067,007)	1,098,841	21,976,819	-	21,976,819	0.00%
Flood Mitigation		289,688,459	183,899,490	(105,788,969)	10,216,129	172,261,172	132,390,468	39,870,704	30.12%
	Detention & Bio Detention Basins	29,872,163	29,073,410	(798,753)	97,880	29,872,163	-	29,872,163	0.00%
		29,872,163	29,073,410	(798,753)	97,880	29,872,163	-	29,872,163	0.00%
Total - Formal Valuation		\$653,712,061	\$726,544,293	(\$265,829,568)	\$18,250,015	\$813,798,369	\$669,318,155	\$144,480,214	21.59%
Roads and bridges	Roads	707,298,199	467,946,812	(239,351,386)	16,818,615	539,227,589	535,934,633	3,292,956	0.61%
	Vehicular Bridges	91,999,510	71,622,247	(20,377,263)	943,185	88,709,938	88,036,287	673,651	0.77%
	Pedestrian Bridges	25,712,097	18,216,662	(7,495,435)	572,593	7,358,095	7,138,910	219,185	3.07%
	Boardwalks	6,567,034	2,676,447	(3,890,588)	328,352	6,567,034	-	6,567,034	0.00%
	Footpaths	222,757,531	176,572,341	(46,185,190)	3,844,643	204,479,633	203,774,531	705,102	0.35%
	Kerb and channel	117,656,499	74,980,959	(42,675,540)	1,481,394	112,713,742	114,307,411	(1,593,669)	(1.39%)
	Medians	17,003,368	13,137,370	(3,865,998)	220,611	14,461,685	14,339,512	122,172	0.85%
	Signals	32,444,681	16,098,470	(16,346,211)	1,622,234	28,408,596	25,677,000	2,731,596	10.64%
Flooding & drainage		1,221,438,919	841,251,308	(380,187,611)	25,831,627	1,001,926,312	989,208,284	12,718,028	1.29%
	Drainage Mains	720,951,996	542,940,471	(178,011,525)	7,502,566	682,676,387	681,039,592	1,636,794	0.24%
	Drainage Structures	150,005,502	115,117,507	(34,887,995)	1,556,536	141,480,895	137,451,835	4,029,060	2.93%
	Open Drain Inverts	15,412,221	9,080,376	(6,331,845)	178,117	13,229,570	13,403,716	(174,147)	(1.30%)
	Open Drains	17,501,963	17,183,105	(318,858)	61,109	15,947,589	16,040,412	(92,822)	(0.58%)
Total - Desktop Valuation		\$2,125,310,601	\$1,525,572,767	(\$599,737,834)	\$35,129,955	\$1,855,260,752	\$1,837,143,839	\$18,116,913	0.99%
Total - Formal and Desktop Valuation		\$2,779,022,662	\$2,252,117,060	(\$585,567,402)	\$53,379,970	\$2,669,059,121	\$2,506,461,995	\$162,597,127	6.49%
2020 Desktop Results as per Ross Searle and Associates final valuation report						Indexation movement net of new additions and disposals			
Artworks		-	4,933,450	-	-	4,933,450	4,874,837	58,613	1.20%
Total - Desktop Valuation		\$0	\$4,933,450	0	\$0	\$4,933,450	\$4,874,837	\$58,613	1.20%

The below outlines the revaluation process detailing the governance controls over the processes through the asset accounting and asset management team.

Prior to the 2020 valuation asset accounting and asset management undertook a comprehensive data cleanse and reconciliation between the fixed asset register (**FAR**) and physical asset register (**PAR**) for buildings and the majority of other structures asset classes.

In February 2020 Council met with Cardno and their subcontractor (Pickles Valuations Pty Ltd) as part of the commencement of the process to discuss the valuation process and to confirm the scope and deliverables. Council provided both the FAR and PAR to Cardno along with various drawings and Council's condition assessment for road seals.

In accordance with the key milestones agreed in the External Audit Plan, Council has submitted valuation reports from Cardno (QLD) Pty Ltd and Ross Searle and Associate to Queensland Audit Office on the 15 June 2020.

A copy of the report from asset management outlining the reviews undertaken and endorsement of the valuation process, unit rates etc., is included as Attachment 3 to the report.

LAND

In March and April 2020 Pickles Valuations Pty Ltd performed physical inspections of land assets at the same time buildings were inspected and vacant land was inspected when in the same locality as the buildings. Additional resources used to inspect land assets included aerial photography on google Maps, Google Earth, Street View and Pricefinder by Domain.

In April 2020, Cardno provided the valuation report for the land valuation which asset accounting team reviewed, compared and tested the price per square meter with recent sales and land valuation movement data released from the Queensland State Government. In consultation with the valuer, questions and issues were resolved resulting in a revised valuation file which asset accounting reviewed and subsequently accepted for land. Pickles also formally valued 40 donated land assets not previously recorded in the fixed asset register, these were identified through the annual reconciliation process.

Land assets value increased by 12.58% due to being a comprehensive revaluation the increase will be applied to land assets. Refer to Attachment 1.

BUILDINGS

Pickles Valuations Pty Ltd (subcontracted property valuer to Cardno) performed physical inspections of over 500 buildings during March and April as part of determining the condition assessment to inform the revaluations. Valuation files were provided during April 2020 which the asset accounting and asset management teams have reviewed, compared, tested the unit rates, condition assessments, useful lives and resolved any questions they had. The revised valuation file for buildings was provided early May 2020 in which asset accounting and asset management reviewed and subsequently accepted.

Due to a comprehensive revaluation and the physical inspection of over 500 buildings, previously unrecognised building assets with a fair value of \$9.4m were identified. Some of the previously unrecognised buildings identified from the valuation were as a result of:

- Ownership or control was previously unable to be determined due to lack of clarity in lease documentation for example;
- Buildings were not previously split out during past acquisitions;
- Building assets (e.g., at sporting fields) being built on Council land through clubs obtaining external funding, however there were no formal written deeds of transfer to Council from the sporting or government organisation.

Processes are now in place to value land and buildings separately upon acquisition and the renewed Strategic Project following Transformation Project 4 (Asset Management) will review all processes aligned with donation of assets to ensure accurate and timely

recognition in the FAR & PAR.

The Finance team is also liaising with the Sport and Recreation Officers in relation to donations primarily on sporting fields. Asset accounting and asset management continue to improve and change processes to ensure building assets are captured in both the FAR and PAR.

Council's Building assets increased in value by 11.89% due to being a comprehensive revaluation the increase will be applied to building assets. Refer to Attachment 1.

OTHER STRUCTURES

Pickles Valuations Pty Ltd performed physical inspections of other structures assets when in the same locality as building assets. Public lighting assets in the PAR and FAR were reconciled to the Energex layer resulting in more accurate data for the valuation. Council assessed some public lighting assets would have been capitalised as part of bollard assets, however Pickles approach was to value bollards and public lighting separately hence bollard assets had a slight decrease and public lighting an increase.

During the valuation process it was identified that a specialist valuer would be required for the valuation of the sub-asset category of memorials and monuments which have a current total value of \$3.6m (71 assets). Council will defer the valuation of memorial and monuments in 2020 and will engage a specialist in valuing memorials and monuments in 2021. This approach was also discussed and agreed with the Queensland Audit Office.

The quality of the data for Other Structure assets has improved substantially through the separation of public lighting and signs and detailed attributes of the assets held. Overall Other Structure assets increased in value by 30.12%. Guardrails valuation (replacement cost of \$4m) increased significantly as a result of Cardno's assumption there are 2 terminals per 100 meters in length, which Council's asset team agrees with.

Due to being a comprehensive revaluation the 30.12% increase will be applied to other structure assets. Refer to Attachment 1.

DETENTION BASINS

The formal revaluation of detention basins was deferred from 2018 due to the lack of attributes and details held in the PAR & the networking of assets in the FAR.

In 2020 Council undertook a data cleansing exercise and Council provided Cardno with drawings and plans for all detention basins and Cardno performed a comprehensive valuation of the assets. In addition Cardno used aerial imaging (Nearmap) to value these assets with a Replacement Cost of \$29.8m.

As part of processing the revaluation, asset accounting will create further detailed networked assets in the FAR and will process the revaluation by processing a decrement for the 29 existing detention basin assets with a NBV of \$12,206,543 in the FAR and an increment for the 72 detention basin assets with a fair value of \$29,088,206, resulting

from the valuation.

This will result in a net increment impact of \$16,881,663 to the Asset Revaluation Surplus – Drainage account.

INFRASTRUCTURE ASSETS

In accordance with the project schedule, during March and April 2020 Cardno provided indexation files for infrastructure assets (roads, bridges and footpaths (RBF) and drainage) to the asset accounting and asset management teams who reviewed, compared and tested the unit rates, condition assessments and useful lives applied by Cardno. Traffic signal unit rates increased by 10.64% after remaining static for 4 years, however the \$2.7m increase is immaterial overall for the RBF asset class which is scheduled for a comprehensive valuation in 2020-2021. Roads, bridges and footpaths assets increased by 1.29% and drainage assets increased by 0.64% which Council assessed as immaterial (less than 5%) and will not be applying the indexation. Refer to Attachment 1.

ARTWORKS

In March 2020 Ross Searle and Associates performed the indexation of artwork assets. The draft indexation file was reviewed and tested resulting in clarification of some artworks values by Ross Searle. Then in April 2020 Ross Searle provided the revised indexation report in which asset accounting reviewed and subsequently accepted. Artwork assets value increased by 1.2% which Council assessed as immaterial (less than 5%) and will not be applying the indexation. Refer to Attachment 2.

FINANCIAL IMPACT FROM 2020 VALUATION

Land

\$34,342,784	DR	420111 Land
\$25,348,784	CR	710101 Asset Revaluation Surplus Land
\$ 8,994,000	CR	240201 Donated Asset Revenue

Buildings

\$39,218,628	DR	420311 Buildings and Structures
\$18,636,537	CR	420312 Accumulated Depreciation Building Structures
\$11,228,651	CR	710103 Asset Revaluation Surplus Building Structures
\$ 9,353,440	CR	730101 Accumulated Surplus (previously unrecognised)

Other Structures

\$34,033,977	DR	420311 Buildings and Structures
\$10,579,627	CR	420312 Accumulated Depreciation Building Structures
\$23,422,972	CR	710103 Asset Revaluation Surplus Building Structures
\$ 31,378	CR	730101 Accumulated Surplus (previously unrecognised)

Detention Basins

The two entries below reflect method of processing in FAR first through a decrement and then an increment for the assets created.

Decrement for existing assets

\$12,206,543	DR	710109 Asset Revaluation Surplus Drainage
\$ 626,420	DR	420642 Accumulated Depreciation Drainage
\$12,832,963	CR	420641 Drainage

Increment for assets resulting from valuation

\$29,872,163	DR	420641 Drainage
\$ 783,957	CR	420642 Accumulated Depreciation Drainage
\$29,088,206	CR	710109 Asset Revaluation Surplus Drainage

These revaluation adjustments have been processed in Council's fixed asset system as part of the preparation of the draft financial statements. The impact on depreciation as a result of the revaluation increments will be further reviewed following the processing of the revaluations however there is expected to be some increases in forecast depreciation due to the increases in fair value of the assets held.

IMPACT OF COVID-19 PANDEMIC

The valuation schedule was delayed by two weeks due to the COVID-19 Pandemic. This had some impact on communication within Cardno's team, inspection of assets and further time to resolve outstanding queries. Cardno anticipated the movement in the building price index (BPI) during 2019-20 was 2.5% prior to COVID-19, however due to the impact of COVID-19 the BPI was revised to 0% movement for 2019-20. Subcontractor (Pickles Valuations Pty Ltd) assessed the impact of COVID-19 for the valuation as market uncertainty which is not measurable as the uncertainty arises from the inability to observe and reconcile the impact of the event(s) on market prices as at the valuation date. Refer to Attachment 1.

PHYSICAL ASSET REGISTER AND FIXED ASSET REGISTERS

The asset accounting and asset management teams continue to work closely together to better improve the quality of the asset data held, the reconciliation of the registers and the revaluation process. The FAR is the source of financial values for Council's assets with assets reported at a higher level (majority networked) which is driven by values from the capitalisation of expenditure incurred by Council in acquiring, constructing or rehabilitating assets and the receipt of donated assets. The PAR reports no financial values with networked assets recorded at a low level (componentised) and detailing asset attributes.

As the valuation of infrastructure assets primarily utilises the detailed attributes held within the PAR, the asset accounting and asset management team, before undertaking and processing and revaluations through the FAR ensure the completeness of the registers including, where possible detailed reconciliations. As discussed above, a summary of reconciliation processes undertaken for the 2020 valuation are as follows:

- Land – Reconciled FAR to Easimaps and Pathway identifying any donated assets or anomalies that required action.
- Buildings – Reconciled FAR to PAR and Nearmaps, identified and cleared anomalies prior to forwarding files to Cardno. Due to the physical inspections of land and buildings the valuer identify further anomalies which Council actioned.
- Other Structures – The majority of other structures sub-assets categories reconciled using the FAR to PAR and Nearmaps. Those sub-asset categories that were unable to be fully reconciled were due to lack of attributes or assets not being componentised. As a result other data bases (like Energex) were used to provide more accuracy in reflecting the assets components.
- Artworks – Reconciled FAR to KEEMU artworks register as maintained by the Ipswich Art Gallery
- The asset teams continue to work through the reconciliation of other infrastructure assets, which will be undertaken in 2021 financial year in preparation for the comprehensive revaluation of Roads, Bridges and Footpaths.

A Strategic Project has been established following on from the Transformation Project 4 (Asset Management). The project team will have cross functional representation and as part of the scope, review and process map, from end to end, all Council's asset management processes, ensuring completeness and accuracy of Council's asset management information (including reviewing the processes of reconciliation between the PAR & FAR). The project scope also includes the development of a business case to gain endorsement for a fit for purpose asset management system.

A complete and accurate asset management system ensures the details, condition and useful lives of Council's assets are better understood. This will assist in forecasting and planning both maintenance and asset rehabilitation expenditure as well as accounting depreciation.

LEGAL/POLICY BASIS

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

Local Government Act 2009

Local Government Regulation 2012

Australian Accounting Standards

RISK MANAGEMENT IMPLICATIONS

The risk in not approving the recommendations would result in Council not complying with Australian Accounting Standards.

AASB 116 Property, Plant and Equipment require assets to be revalued to ensure that the carrying amount of the assets do not differ materially from their fair value at the end of each reporting period.

AASB13 Fair Value defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

FINANCIAL/RESOURCE IMPLICATIONS

The costs associated with undertaking the valuations are budgeted within the Corporate Services Department operational budget.

COMMUNITY AND OTHER CONSULTATION







The asset management and asset accounting teams have worked closely together through the revaluation process including the provision of asset data to be revalued. The asset management team have also been consulted with and are part of the team that review the valuation and indexation files received.

CONCLUSION

In accordance with Council's asset valuation policy FCS-5 and Australian Accounting Standards, Council is required to recognise assets at fair value. The valuation for land, buildings, other structure and detention basins are required to be applied to the respective asset classes in fixed asset register so fair value is recognised.

The information related to this revaluation was presented and discussed at an Audit and Risk Management Committee meeting on 29 June 2020. The Audit and Risk Management Committee subsequently endorsed the 2020 Asset Revaluations for Council, prior to it being presented to Council for formal approval and adoption.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Cardno (QLD) Pty Ltd - Asset Valuation  
2.	Ross Searle and Associates - Artwork  
3.	IDE MEMO - Asset Valuation 2019-2020  

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”

Report

Asset Valuations – Land, Buildings, and Infrastructure Assets

3608-24

Prepared for
Ipswich City Council

29 May 2020



Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

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Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

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1 Introduction

1.1 Overview and Scope

Cardno was commissioned by Ipswich City Council (ICC) to undertake the valuations of the following asset classes for 2019/20:

- > Land
- > Buildings and facilities
- > Parks and recreational facilities
- > Flood mitigation

Cardno was also commissioned to undertake an interim indexation for 2019/20 on the remaining asset classes, being:

- > Roads, bridges, and footpaths
- > Drainage assets

This report presents the valuation methodology and our underlying assumptions, which were adopted for the valuation and indexation of these assets.

1.2 Objective

The primary objective of this project is to comply with the legislative requirements for carrying out an annual assessment on the cost movements of ICC's assets and to produce a reliable opinion on the movement in costs of the nominated asset classes.

The objectives of revaluing ICC's assets are to:

- > Provide ICC with an updated asset register
- > Provide fair values as well as annual depreciation of assets owned by ICC as at 30th of June 2020
- > Carry out an annual assessment on the cost movements
- > Produce a reliable opinion on the movement in costs of the nominated asset classes
- > Place ICC in a position to pass external audit for asset valuation without qualification



2 Statutory and Legislation Framework for Valuation

In developing an appropriate methodology for valuation of ICC's assets, there is a range of statutory requirements relevant to public sector agencies, which need to be taken into consideration. These include:

- Queensland Local Government Act 2009
- Queensland Local Government Regulation 2012
- Australian Accounting Standards including AASB 116 Property Plant and Equipment;
- Australian Accounting Standards including AASB 13 Fair Value Measurement;
- Australian Accounting Standards including AASB 136 Impairments; and
- ICC's Asset Accounting Policy and Procedures.

2.1 Queensland Local Government Act 2009

Section 104: Financial management systems states that a local government is financially sustainable if it is able to maintain its financial capital and infrastructure capital over the long term

2.2 Queensland Local Government Regulation 2012

Section 206 states the following:

- The value of a local government's non-current physical assets must be worked out using prescribed accounting documents
- The local government must, by resolution, set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense
- The amount must be included in a note in the local government's general purpose financial statement
- For subsection (2), the following assets that are controlled by the local government do not have a value for a local government's general purpose financial statement
 - Land that is a reserve under the Land Act;
 - A road that is not owned by the local government

2.3 AASB 116 Property Plant and Equipment

2.3.1 Fair Value

Fair value is defined in AASB 116 as follows:

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. (See AASB 13 Fair Value Measurements.)"

"The amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction."

Where there is no active market for the assets because of their specialized nature, fair value is the depreciated replacement cost of a modern equivalent asset.

2.3.2 Revaluation Model Frequency

Section 31 of AASB 116 states the following:

After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.



AASB 116 does not require an entity to perform an annual comprehensive revaluation of non-current assets. However, each entity is required to assess annually whether there has been a material change in the fair value of non-current assets. This assessment can be based on appropriate indices or cost drivers. The review should be documented for audit purposes.

2.3.3 Depreciation

AASB116 defines depreciation as such:

"Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life".

AASB116 requires that each significant part of an item of property, plant and equipment be depreciated separately. Infrastructure assets are broken down into significant components with similar physical and operating characteristics. A separate useful life is applied to each component and they are depreciated separately.

The depreciable amount of an asset is allocated on a systematic basis over its useful life. The remaining useful life of an asset is to be reviewed at least at the end of each annual reporting period and, if expectations differ from previous estimates, and if impacts on the carrying amount are significant, appropriate adjustments to accounts are made.

2.4 AASB 13 – "Fair Value Measurement"

AASB 13 defines Fair value as follows:

"Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price). A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use."

AASB 13 identifies fair value hierarchy of three valuation input levels as follows:

- > Level 1 inputs are quoted prices in active markets for identical assets;
- > Level 2 inputs are inputs other than quoted market prices included within Level 1. Those inputs are observable to the asset either directly or indirectly; and
- > Level 3 inputs are unobservable inputs for the asset, such as where there is little or no market activity for the asset at the measurement date. Most public infrastructure is valued using this level of input.

AASB 13 also requires disclosure of the actual inputs used and their categorisation as level 1, 2 or 3 inputs of the valuation basis as Level 1, 2 or 3.

2.5 AASB 136 Impairment of Assets

AASB 136 requires that an entity assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.



3 Valuation Status

ICC undertakes valuations on a rolling basis. Table 3-1 details the valuation status of each asset class.

Rolling Valuation Program by Asset Class

Table 3-1 Valuation Program

Ref	Asset Class	2019/20	2020/21	2021/22	2022/23
(a)	Land	Formal Valuation	Desktop Valuation	Desktop Valuation	Desktop Valuation
(b)	Buildings and structures	Formal Valuation	Desktop Valuation	Desktop Valuation	Desktop Valuation
(c)	Flood mitigation	Formal Valuation	Desktop Valuation	Desktop Valuation	Desktop Valuation
(d)	Roads, bridges, and footpaths	Desktop Valuation	Formal Valuation	Desktop Valuation	Desktop Valuation
(e)	Flooding and drainage	Desktop Valuation	Desktop Valuation	Formal Valuation	Desktop Valuation



4 Valuation Methodology – Formal Valuation

4.1 Overview

The objective of the valuation methodology is to generate relevant and reliable information on which to base ICC's statutory reporting, financing decision-making, budgeting, business investments, and calculations of costs.

To achieve this, the methodology needs to ensure that the valuation has been objectively determined (preferably by reference to third party transactions or benchmarked against comparable assets) and is readily verifiable by auditors.

Nominated assets were valued in accordance with the requirements of the relevant accounting standards, and ICC's valuation principles. The valuations were carried out based on "Fair Value".

4.2 Highest and Best Use

ICC's assets have no market due to their specialised nature. As a result, their current use is their highest and best use.

4.3 Level of Input

As there is a significant level of professional judgement used in determining the valuation due to the level of unobservable data it has been determined that the overall data level applying to the valuation of ICC's assets is Level 3.

4.4 Valuation Methodology

The valuation methodology for the flooding and drainage assets is described in the following sections:

4.4.1 Collection and Review of Relevant Raw Data

ICC provided Cardno with the following data:

- > Current financial fixed asset register (FAR)
- > Technical Asset Register
- > Plans of individual flood mitigation assets

4.4.2 Update Unit Rates

Cardno's unit rates were updated at this stage of the project. The cost models were mostly derived from the following sources:

- > Cardno database
- > Scheduled rates for construction of asset or similar assets
- > Building Price Index tables
- > Recent contract and tender data
- > Rawlinson's Rates for Building and Construction

The costs exclude demolition and removal of debris.

4.4.3 Overheads

Valuation unit rates were increased by 20% to allow for project overheads including:



Table 4-1 Overhead costs - breakdown

Description	%
Survey, Environmental, Investigation	6.0%
Engineering Design	5.0%
Engineering Supervision	3.0%
Project Management	6.0%
TOTAL:	20.0%

4.4.4 Replacement Cost

Nominated assets were then valued in accordance with the requirements of relevant accounting standards (as described in Section 2).

The valuation date is 30 June 2020.

4.4.5 Useful Lives

Useful lives were reviewed and agreed on with ICC prior to application.

The adopted useful lives for the various asset types are included in Appendix B.

4.4.6 Condition Assessments

Site visits and visual condition assessments were undertaken on the majority of the buildings and a sample of the amenity blocks, sheds, and shelters.

The conditions ratings descriptions and their effect on the remaining useful lives are found in Table 4-2.

Table 4-2 Condition Ratings - Cardno

Condition Rating Scores		
Condition Score	Description	% Remaining Life
1.0 - 1.9	Excellent Condition Asset as new	95% - 81% of Useful Life
2.0 - 2.9	Very Good Condition Asset is reliable. Asset operates as intended and its appearance and structural integrity is up to the standard expected of an operating asset.	80% - 51% of Useful Life
3.0 - 3.9	Fair Condition Asset is reliable and operates as intended but shows deterioration in its appearance and structural integrity is questionable	50% - 21% of Useful Life
4.0 - 4.9	Poor Condition Asset still operates but does not meet intended duty or does not appear structurally sound.	20% - 6% of Useful Life
5.0	Unserviceable Asset not functioning/ needs immediate attention.	5% of Useful Life

4.4.7 Remaining Useful Life (RUL)

The remaining useful life (RUL) of each asset was calculated based on either the recent condition data or age.

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**4.4.8 Fair Value**

Fair values were calculated based on condition or age.

4.4.9 Depreciation and Non-Depreciable Components

Depreciation was based on straight line methodology. Roads formation and earth channels were not depreciated as they have an unlimited life.

4.4.10 Assumptions

Some assumptions were undertaken to complete the valuation. Those assumptions are clearly listed in the individual valuations files.

4.4.11 Land Valuations

Land valuations were undertaken by a registered land valuer. The land valuation report is found in Appendix C

4.4.12 Formal Valuation Results

Table 4-3 summarises the formal valuation results as at June 30, 2020. The final valuation spreadsheets have been electronically provided to ICC.

Table 4-3 Formal Valuation Results

Asset Class	Asset class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Land	Land	\$0	\$338,661,800	\$0	\$0
		\$0	\$338,661,800	\$0	\$0
Buildings and facilities	Building Structures	\$334,151,439	\$174,909,593	\$159,241,846	\$7,936,006
		\$334,151,439	\$174,909,593	\$159,241,846	\$7,936,006
Parks and recreational	Other Structures	\$261,245,279	\$171,943,058	\$89,302,221	\$8,858,634
	Bus Shelters	\$2,262,676	\$682,498	\$1,580,177	\$90,507
	Guardrails	\$4,203,686	\$2,364,121	\$1,839,564	\$168,147
	Signs	\$21,976,819	\$8,909,812	\$13,067,007	\$1,098,841
		\$289,688,459	\$183,899,490	\$105,788,969	\$10,216,129
Flood Mitigation	Detention & Bio Detention Basins	\$29,872,163	\$29,073,410	\$798,753	\$97,880
		\$29,872,163	\$29,073,410	\$798,753	\$97,880
Total - Formal Valuation		\$653,712,061	\$726,544,293	\$265,829,568	\$18,250,015



5 Valuation Methodology – Desktop Valuation

5.1 Overview

As per Table 3-1, the following asset classes formed part of the desktop valuation:

- > Roads, bridges, and footpaths
- > Drainage assets

Cardno analyses various indices as well as actual cost movements to base our professional judgement on. Our methodology to undertake the desktop valuation is described in the sections that follow.

5.2 Determining Appropriate Indices

Accounting and finance standards allow appropriate indices to be used between full revaluations. Such indices should take into account the effects of specific or general price levels, but also technological change and local conditions. In particular, the following items should be considered when selecting an index:

- > The type of assets to be revalued
- > Location of the assets
- > Timing of when the index will be available
- > Components used in arriving at the index

5.2.1 Building Price Index

This index has been developed by Rawlinson's over a number of years to reflect the movement of building and construction costs. It is based on the analysis of building and construction rates in the capital cities. BPI index is published at quarterly intervals so estimates are required of projected movements. Cardno makes these projections based on economic forecasts of likely cost index movements and analysis of tender trends. Prior to Covid-19, the overall anticipated movement in BPI during 2019-20 was 2.5%. This was revised in April 2020 to be 0% movement for 2019-20.

5.2.2 Implicit Price Deflator - Asset Revaluation Index

The Queensland Treasury's Office of Economics and Statistical Research produce this index on a quarterly basis. For the first two quarters of the 2019-20 financial year, the forecasted engineering index is 1.04% and non-residential index is 0.2%

5.2.3 Producer Price Index

The Producer Price Index is an index issued by the Australian Bureau of Statistics. This is another index that is commonly used for assessing cost movements. Cardno looks at this index in conjunction with other indices to form an opinion on cost movement trends. For the 2019-20 financial year, both the non-residential building construction and the roads and bridges index reflect movements less than 1%.

Table 5-1 summarises the movements in the sources discussed in the previous sections.

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Table 5-1 Sources of Indices

Source	Jun-19	Jun-20	Movement
			July 2019 to June 2020
Rawlinsons Building Price Index (BPI)*	122.95	122.95	1.000
Implicit Price Deflator **			
Non Residential	100.5	100.7	1.002
Engineering	105.4	106.5	1.010
Producer Price Index (ABS Catalogue 6427.00) ***			
Series A2333721X. Index Number 3020 Non-residential building construction Queensland	117.1	117.4	1.003
Series A2333727L. Index Number 3101 Road and bridge construction Queensland	115.6	115.7	1.001
Average			1.003

Footnotes:

* Index for June 2020 is anticipated.

** 2019-20 indices are available for two quarters (June to December 2019)

*** 2019-20 indices are available for three quarters (June 2019 to March 2020)

5.3 Cost Movement

To calculate accurate indices, the following approach was adopted:

- > Unit rates were updated
- > The updated 2020 rates were used in the valuation spreadsheets to derive the 2020 replacement cost and fair value
- > A reconciliation between the June 2020 results and either the last comprehensive valuation or the June 2019 figures was undertaken to derive the total percentage movement in replacement cost
- > Updated valuations were presented to Council to decide whether to reflect those movements.

5.4 Fair value

The methodology adopted for the 2020 non-comprehensive valuation component of this project is as follows:

- > Data collection: Cardno was provided with the most recent FAR/GASSET. Cardno was also provided with recent roads conditions available to Council.
- > Updated unit rates: The unit rates for asset type were then updated. The update was based on calibration to recent contract data or by applying relevant indices found in Table 5-1
- > Remaining useful lives: For the pavement component of the roads, a condition based remaining useful life was calculated based on the conditions provided by Council.
- > Valuation: The updated unit rates were then applied to the relevant asset types to derive the 2020 replacement cost. Although this is meant to be an indexation exercise, Cardno has been undertaking valuations for ICC for more than ten years and has all the files already set up, so it just as easy to update the replacement costs as such and present the overall movement to Council by asset type.
- > Reconciliation: A reconciliation was then done to assess the overall movement
- > Data was presented to ICC for review

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5.5 Results

Table 5-2 contains the results of the desktop valuation/ indexation as at 30 June 2020.

Table 5-2 Desktop Valuation/Indexation

Asset Class	Asset class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Roads, bridges and footpaths	Roads	\$707,298,199	\$467,946,814	\$239,351,386	\$16,818,615
	Vehicular Bridges	\$91,999,510	\$71,622,247	\$20,377,263	\$943,185
	Pedestrian Bridges	\$25,712,097	\$18,216,662	\$7,495,435	\$572,593
	Boardwalks	\$6,567,034	\$2,676,445	\$3,890,588	\$328,352
	Footpaths	\$222,757,531	\$176,572,341	\$46,185,190	\$3,844,643
	Kerb and channel	\$117,656,499	\$74,980,960	\$42,675,540	\$1,481,394
	Medians	\$17,003,368	\$13,137,370	\$3,865,998	\$220,611
	Signals	\$32,444,681	\$16,098,470	\$16,346,211	\$1,622,234
		\$1,221,438,919	\$841,251,308	\$380,187,611	\$25,831,627
Flooding & drainage	Drainage Mains	\$720,951,996	\$542,940,471	\$178,011,525	\$7,502,566
	Drainage Structures	\$150,005,502	\$115,117,507	\$34,887,995	\$1,556,536
	Open Drain Inverts	\$15,412,221	\$9,080,376	\$6,331,845	\$178,117
	Open Drains	\$17,501,963	\$17,183,105	\$318,858	\$61,109
		\$903,871,682	\$684,321,459	\$219,550,223	\$9,298,329
Total - Desktop Valuation		\$2,125,310,601	\$1,525,572,767	\$599,737,834	\$35,129,956

Item 2 / Attachment 1.



6 Valuation Results

Table 6-1 contains the results of the formal valuation and desktop valuation/ indexation as at 30 June 2020.

Table 6-1 Valuation Results

Asset Class	Asset class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Land	Land	\$0	\$338,661,800	\$0	\$0
		\$0	\$338,661,800	\$0	\$0
Buildings and facilities	Building Structures	\$334,151,439	\$174,909,593	\$159,241,846	\$7,936,006
		\$334,151,439	\$174,909,593	\$159,241,846	\$7,936,006
Parks and recreational	Other Structures	\$261,245,279	\$171,943,058	\$89,302,221	\$8,858,634
	Bus Shelters	\$2,262,676	\$682,498	\$1,580,177	\$90,507
	Guardrails	\$4,203,686	\$2,364,121	\$1,839,564	\$168,147
	Signs	\$21,976,819	\$8,909,812	\$13,067,007	\$1,098,841
		\$289,688,459	\$183,899,490	\$105,788,969	\$10,216,129
Flood Mitigation	Detention & Bio Detention Basins	\$29,872,163	\$29,073,410	\$798,753	\$97,880
		\$29,872,163	\$29,073,410	\$798,753	\$97,880
Total - Formal Valuation		\$653,712,061	\$726,544,293	\$265,829,568	\$18,250,015
Roads, bridges and footpaths	Roads	\$707,298,199	\$467,946,814	\$239,351,386	\$16,818,615
	Vehicular Bridges	\$91,999,510	\$71,622,247	\$20,377,263	\$943,185
	Pedestrian Bridges	\$25,712,097	\$18,216,662	\$7,495,435	\$572,593
	Boardwalks	\$6,567,034	\$2,676,445	\$3,890,588	\$328,352
	Footpaths	\$222,757,531	\$176,572,341	\$46,185,190	\$3,844,643
	Kerb and channel	\$117,656,499	\$74,980,960	\$42,675,540	\$1,481,394
	Medians	\$17,003,368	\$13,137,370	\$3,865,998	\$220,611
	Signals	\$32,444,681	\$16,098,470	\$16,346,211	\$1,622,234
		\$1,221,438,919	\$841,251,308	\$380,187,611	\$25,831,627
Flooding & drainage	Drainage Mains	\$720,951,996	\$542,940,471	\$178,011,525	\$7,502,566
	Drainage Structures	\$150,005,502	\$115,117,507	\$34,887,995	\$1,556,536
	Open Drain Inverts	\$15,412,221	\$9,080,376	\$6,331,845	\$178,117
	Open Drains	\$17,501,963	\$17,183,105	\$318,858	\$61,109
		\$903,871,682	\$684,321,459	\$219,550,223	\$9,298,329
Total - Desktop Valuation		\$2,125,310,601	\$1,525,572,767	\$599,737,834	\$35,129,956
Grand Total		\$2,779,022,662	\$2,252,117,060	\$865,567,402	\$53,379,971



7 Qualifications

Table 7-1 lists the qualifications of Cardno staff members who were involved in this project.

Table 7-1 Staff Qualifications

Name	Position	Qualification
Rula Atweh	Senior Financial Consultant	BSc Business Administration
Adrian Kho	Geotechnical Engineer	PhD, BEng Civil (Hons)
Trevor Chiang	Asset Management Engineer	BE Chemical Engineering (Hons)
Tom Sitprasert	Engineer	PhD Chemical Engineering, MEng, BEng (Hons) Mechanical

APPENDIX

A

UNIT RATES

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Unit rates - Bus Shelters	
Type	Unit rate incl. oh (\$ each)
Seat Only	\$1,208
Shelter Only	\$8,224

Unit rates - Guardrails	
Type	Unit rate incl. oh (\$ each)
Guardrail	\$209

Unit rates - Other Structures		
Adopted Asset Type	UOM	Unit rate (Incl. oh)
Lantern	No.	\$10,922.40
Light - Bollard	No.	\$2,760.00
Light - Inground	No.	\$1,998.00
Light - Others	No.	\$1,212.00
Light - Pole-mounted	No.	\$10,922.40
Light - Underwater	No.	\$2,197.80
Light - Wall-mounted	No.	\$1,212.00
Memorial/ Monument	No.	\$8,527.57
Seat - Concrete	No.	\$1,538.99
Seat - Metal	No.	\$1,215.78
Seat - Rock	No.	\$1,538.99
Seat - Timber	No.	\$1,404.84
Table - Concrete	No.	\$3,327.77
Table - Metal	No.	\$2,628.90
Table - Timber	No.	\$2,998.74
Table and Benches - Concrete	No.	\$3,327.77
Table and Benches - Metal	No.	\$2,628.90
Table and Benches - Timber	No.	\$2,998.74
Athletics Oval - Concrete	m2	\$198.00
Athletics Oval - Grass	m2	\$69.34
Baseball Diamond / Field - Grass	m2	\$69.34
Basketball Court - Asphalt	m2	\$175.88
Basketball Court - Concrete	m2	\$258.66
Basketball Court - Grass	m2	\$175.88
Bocce Court - Clay	m2	\$91.06
Bowling Green - Grass	m2	\$126.75
Combination Court - Asphalt	m2	\$134.60
Combination Court - Concrete	m2	\$198.00
Cricket Wicket - Clay	m2	\$91.06
Cricket Wicket - Concrete	m2	\$198.00
Cricket Wicket - Grass	m2	\$69.34
Cricket Wicket - Synthetic	m2	\$226.95
Croquet Lawn - Grass	m2	\$126.95
Netball Court - Asphalt	m2	\$149.69

Item 2 / Attachment 1.

Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Unit rates - Other Structures		
Adopted Asset Type	UOM	Unit rate (Incl. oh)
Netball Court - Concrete	m2	\$230.27
Skate Bowl - Concrete	m2	\$594.00
Softfall - Gravel	m2	\$117.00
Softfall - Rubber	m2	\$237.00
Softfall - Sand	m2	\$117.00
Softfall - Synthetic	m2	\$237.00
Softfall - Woodchip	m2	\$117.00
Sports Field - Grass	m2	\$69.34
Synthetic Grass	m2	\$144.45
Tennis Court - Asphalt	m2	\$78.25
Tennis Court - Clay	m2	\$91.06
Tennis Court - Concrete	m2	\$198.00
Tennis Court - Synthetic	m2	\$145.31
Bicycle Track - Bitumen	m2	\$43.46
Bicycle Track - Concrete	m2	\$184.52
Bicycle Track - Dirt	m2	\$28.12
Bollard - Concrete	No.	\$723.16
Bollard - Metal	No.	\$687.00
Bollard - Timber	No.	\$95.40
Cattle Grid - Steel	m2	\$1,400.48
Chicane - Steel	m	\$580.80
Chicane - Timber	m	\$112.80
Edging - Block	m	\$45.32
Edging - Concrete	m	\$53.28
Edging - Metal	m	\$52.00
Edging - Rubber	m	\$53.28
Edging - Rock	m	\$204.00
Edging - Timber	m	\$33.00
Fence - Concrete	m	\$141.24
Fence - Metal	m	\$157.20
Fence - Others	m	\$157.20
Fence - Timber	m	\$112.80
Gate - Metal	m	\$448.09
Gate - Others	m	\$448.09
Gate - Timber	m	\$448.09
Handrail - Metal	m	\$203.40
Handrail - Others	m	\$203.40
Handrail - Timber	m	\$111.28
Retaining Wall - Block	m	\$679.80
Retaining Wall - Concrete	m	\$799.20
Retaining Wall - Rock	m	\$765.00
Retaining Wall - Timber	m	\$495.00
Archway - Metal	No.	\$5,000.00
Archway - Timber	No.	\$5,000.00

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Unit rates - Other Structures		
Adopted Asset Type	UOM	Unit rate (Incl. oh)
BBQ - Electric/Gas	No.	\$6,037.20
BBQ - Fire/Wood	No.	\$6,037.20
Bicycle Rack - Metal	No.	\$3,573.71
Bin Enclosure - Metal	No.	\$3,446.40
Bin Enclosure - Plastic	No.	\$3,446.40
Boat Ramp - Concrete	m2	\$184.52
Carpark - Asphalt	m2	\$51.76
Carpark - Concrete	m2	\$184.52
Carpark - Gravel	m2	\$28.12
Dais - Steel	No.	\$5,000.00
Dais - Timber	No.	\$5,000.00
Deck - Concrete	m2	\$2,296.14
Deck - Timber	m2	\$1,590.45
Drinking Fountain - Metal	No.	\$3,833.52
Driveway - Asphalt	m2	\$51.76
Driveway - Concrete	m2	\$184.52
Driveway - Grass	m2	\$28.12
Driveway - Gravel	m2	\$28.12
Feature Wall - Concrete	m	\$799.20
Feature Wall - Metal	m	\$799.20
Feature Wall - Rock	m	\$799.20
Feature Wall - Timber	m	\$799.20
Flag Pole - Others	No.	\$1,734.00
Flag Pole - Steel	No.	\$1,734.00
Flag Pole - Timber	No.	\$1,734.00
Goal Post - AFL	No.	\$3,297.00
Goal Post - Basketball	No.	\$5,758.80
Goal Post - Netball	No.	\$5,758.80
Goal Post - Others	No.	\$3,981.72
Goal Post - Rugby	No.	\$2,277.00
Goal Post - Soccer	No.	\$2,817.00
Grandstand - Concrete	m2	\$1,264.02
Grandstand - Metal	No.	\$3,331.20
Grandstand - Others	No.	\$3,331.20
Grandstand - Timber	No.	\$3,331.20
Hardstand - Asphalt	m2	\$51.76
Hardstand - Concrete	m2	\$120.00
Hardstand - Dirt	m2	\$28.12
Hardstand - Gravel	m2	\$28.12
Hardstand - Paving	m2	\$122.77
Hardstand - Rock	m2	\$122.77
Rubbish Bin - Metal	No.	\$3,446.40
Rubbish Bin - Wheelie (240L) with stand	No.	\$0.00
Sandstone Block	No.	\$5,000.00

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Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Unit rates - Other Structures		
Adopted Asset Type	UOM	Unit rate (Incl. oh)
Scoreboard - Electrical	No.	\$15,293.99
Scoreboard - Steel	No.	\$15,293.99
Scoreboard - Timber	No.	\$3,784.19
Shade Sail	m2	\$125.44
Shelter/Rotunda	m2	\$1,061.79
Sport Structure - Long Jump Apron - Rubber	m2	\$208.07
Sport Structure - Long Jump Pit	m2	\$688.54
Sport Structure - Sight Board	No.	\$3,784.19
Sport Structure - Shot Put Circle	m2	\$120.00
Sports Field Light - Metal	No.	\$30,505.00
Sports Field Light - Timber	No.	\$30,505.00
Stage - Asphalt	m2	\$539.72
Stage - Concrete	m2	\$539.72
Stage - Stone	m2	\$539.72
Stage - Timber	m2	\$539.72
Statue/Sculpture - Concrete	No.	\$8,527.57
Statue/Sculpture - Metal	No.	\$8,527.57
Statue/Sculpture - Others	No.	\$8,527.57
Statue/Sculpture - Rock	No.	\$8,527.57
Statue/Sculpture - Timber	No.	\$8,527.57
Swimming Pool	m2	\$1,485.00
Water Feature - Concrete	m2	\$532.80
Water Tank - Concrete	No.	\$7,772.65
Water Tank - Metal	No.	\$7,772.65
Water Tank - Plastic	No.	\$5,940.40
Wheel Stop - Concrete	No.	\$104.88
Wheel Stop - Rubber	No.	\$104.88
Windmill - Steel	No.	\$3,238.32

Unit rates - Detention & Bio Detention Basins			
Items	UOM	Unit rate (excl. oh)	Comment
Basin			
Site preparation	m2	\$0.33	
Excavate	m3	\$17.65	
Excavated material as filling (on site)	m3	\$15.00	
Compacted clay liner	m3	\$4.45	
Overflow pit <1.5m	Each	\$3,543.96	Assume 1050 mm surface inlet pit
Overflow pit 1.5-3m	Each	\$5,187.46	Assume 1050 mm surface inlet pit
Overflow pit 3-4.5m	Each	\$6,675.46	Assume 1050 mm surface inlet pit
Filter Media			
Filter Media (Sandy loam)	m3	\$30.00	
Transition layer (Coarse sand)	m3	\$62.00	
Drainage Layer (Fine aggregate)	m3	\$45.00	

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Unit rates - Detention & Bio Detention Basins			
Items	UOM	Unit rate (excl. oh)	Comment
Perforated pipe (100 mm dia)	m	\$5.70	

APPENDIX

B

USEFUL LIVES

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Useful Lives - Bus Shelters	
Type	Useful life
Seat Only	25
Shelter and Seat	25

Useful Lives - Guardrails	
Type	Useful life
Guardrail	25

Useful Lives - Signs	
Type	Useful Life
Sign	20

Useful Lives - Building Structures	
Buildings/ components	Useful Life
Building - Finishes	30
Building - Services	30
Building - Fittings	30
Building - Substructure	60
Building - Superstructure	60
Building	50
Building - other	50
Amenities Block	40
Clubhouse	50
Community Centre	50
Residence	50
Shed	40
Shed - Metal	40
Shed - Timber	30
Shed - Concrete	50
Shed - Shade Cloth	15
Shelter - Metal	40
Shelter - Timber	30
Shelter - Concrete	50
Shelter - Shade Cloth	15
Shed - Metal Incl. floor	40
Shed - Timber Incl. floor	30
Shed - Concrete Incl. floor	50
Shelter - Metal Incl. floor	40
Shelter - Timber Incl. floor	30
Shelter - Concrete Incl. floor	50

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Useful Lives - Other Structures	
Adopted Asset Type	Useful life
Lantern	25
Light - Bollard	25
Light - Inground	25
Light - Others	25
Light - Pole-mounted	25
Light - Underwater	25
Light - Wall-mounted	25
Memorial/ Monument	100
Seat - Concrete	60
Seat - Metal	30
Seat - Rock	60
Seat - Timber	20
Table - Concrete	60
Table - Metal	30
Table - Timber	20
Table and Benches - Concrete	60
Table and Benches - Metal	30
Table and Benches - Timber	20
Athletics Oval - Concrete	60
Athletics Oval - Grass	40
Baseball Diamond / Field - Grass	40
Basketball Court - Asphalt	30
Basketball Court - Concrete	60
Basketball Court - Grass	40
Bocce Court - Clay	40
Bowling Green - Grass	40
Combination Court - Asphalt	30
Combination Court - Concrete	60
Cricket Wicket - Clay	40
Cricket Wicket - Concrete	60
Cricket Wicket - Grass	40
Cricket Wicket - Synthetic	20
Croquet Lawn - Grass	40
Netball Court - Asphalt	30
Netball Court - Concrete	60
Skate Bowl - Concrete	60
Softfall - Gravel	6
Softfall - Rubber	10
Softfall - Sand	6
Softfall - Synthetic	10
Softfall - Woodchip	6
Sports Field - Grass	40
Synthetic Grass	20
Tennis Court - Asphalt	30

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Useful Lives - Other Structures	
Adopted Asset Type	Useful life
Tennis Court - Clay	40
Tennis Court - Concrete	60
Tennis Court - Synthetic	20
Bicycle Track - Bitumen	30
Bicycle Track - Concrete	80
Bicycle Track - Dirt	10
Bollard - Concrete	60
Bollard - Metal	30
Bollard - Timber	20
Cattle Grid - Steel	25
Chicane - Steel	30
Chicane - Timber	20
Edging - Block	50
Edging - Concrete	60
Edging - Metal	30
Edging - Rubber	20
Edging - Rock	60
Edging - Timber	20
Fence - Concrete	60
Fence - Metal	30
Fence - Others	30
Fence - Timber	20
Gate - Metal	30
Gate - Others	30
Gate - Timber	20
Handrail - Metal	30
Handrail - Others	30
Handrail - Timber	20
Retaining Wall - Block	60
Retaining Wall - Concrete	100
Retaining Wall - Rock	60
Retaining Wall - Timber	30
Archway - Metal	30
Archway - Timber	20
BBQ - Electric/Gas	20
BBQ - Fire/Wood	15
Bicycle Rack - Metal	30
Bin Enclosure - Metal	20
Bin Enclosure - Plastic	15
Boat Ramp - Concrete	80
Carpark - Asphalt	30
Carpark - Concrete	80
Carpark - Gravel	10
Dais - Steel	50

Item 2 / Attachment 1.



Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Useful Lives - Other Structures	
Adopted Asset Type	Useful life
Dais - Timber	30
Deck - Concrete	60
Deck - Timber	30
Drinking Fountain - Metal	20
Driveway - Asphalt	30
Driveway - Concrete	80
Driveway - Grass	10
Driveway - Gravel	10
Feature Wall - Concrete	100
Feature Wall - Metal	80
Feature Wall - Rock	100
Feature Wall - Timber	30
Flag Pole - Others	25
Flag Pole - Steel	25
Flag Pole - Timber	20
Goal Post - AFL	30
Goal Post - Basketball	30
Goal Post - Netball	30
Goal Post - Others	30
Goal Post - Rugby	30
Goal Post - Soccer	30
Grandstand - Concrete	60
Grandstand - Metal	30
Grandstand - Others	30
Grandstand - Timber	20
Hardstand - Asphalt	30
Hardstand - Concrete	60
Hardstand - Dirt	10
Hardstand - Gravel	10
Hardstand - Paving	60
Hardstand - Rock	60
Rubbish Bin - Metal	20
Rubbish Bin - Wheelie (240L) with stand	20
Sandstone Block	100
Scoreboard - Electrical	20
Scoreboard - Steel	20
Scoreboard - Timber	15
Shade Sail	15
Shelter/Rotunda	30
Sport Structure - Long Jump Apron - Rubber	20
Sport Structure - Long Jump Pit	20
Sport Structure - Sight Board	15
Sport Structure - Shot Put Circle	60
Sports Field Light - Metal	25

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Report
Asset Valuations – Land, Buildings, and Infrastructure Assets

Useful Lives - Other Structures	
Adopted Asset Type	Useful life
Sports Field Light - Timber	25
Stage - Asphalt	30
Stage - Concrete	60
Stage - Stone	60
Stage - Timber	30
Statue/Sculpture - Concrete	60
Statue/Sculpture - Metal	60
Statue/Sculpture - Others	60
Statue/Sculpture - Rock	60
Statue/Sculpture - Timber	30
Swimming Pool	60
Lagoon/water feature	40
Water Feature - Concrete	60
Water Tank - Concrete	60
Water Tank - Metal	30
Water Tank - Plastic	20
Wheel Stop - Concrete	40
Wheel Stop - Rubber	30
Windmill - Steel	30

Useful Lives - Detention & Bio Detention Basins	
Type	Useful life
Overflow pit	100
Filter Media	25

APPENDIX

C

LAND VALUATION

PicklesValuations

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T. (02) 9704 6666 F. (02) 9704 6601
pickles.com.au

Valuation Report

Prepared for Ipswich City Council (ICC)

Reference Number: PV2020ICC

Report Date: 11 May 2020

Pickles

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1. Executive Summary

Instructing Party:	Cardno on behalf of Ipswich City Council (ICC).
Purpose:	Ipswich City Council (ICC) require a revaluation of its land assets for financial reporting purposes in accordance with AASB116 and AASB 13 as at 30 June 2020.
Property:	Ipswich City Council (ICC) assets comprising 1,372 land assets.
Date of Valuation:	30 th June 2020
Total Fair Value:	\$338,661,800
Disclaimer:	All values are provided exclusive of Goods and Services Tax (GST). This report has been prepared for use by ICC for the stated purpose and is not to be used by any party for any other purpose.

Pickles

2. Introduction

2.1 Introduction

Ipswich City Council (ICC) is seeking a revaluation of its land assets as at 30 June 2020 as per Australian Accounting Standards AASB 13 *Fair Value Measurement*, and AASB 116 *Property, Plant and Equipment*.

2.2 Instructions

As per email from Rula Atweh, Senior Financial Consultant, Cardno, to value land assets for Ipswich City Council.

2.3 Purpose of Valuation

Revaluation of Ipswich City Council land assets at fair value as at 30 June 2020. Pickles Valuations is to provide values of ICC assets to be reported in the entity's financial statements. It will comply with the Queensland Treasury and Trade (QTT)'s *Non-Current Asset Policies* for the Queensland Public Sector, in particular NCAP 3 – Valuation of Assets (NCAP 3); relevant Australian Equivalent International Financial Reporting Standards (IFRS) specifically the Australian Accounting Standard Boards (AASB) Standards AASB 13, AASB 116, and Ipswich City Council accounting policies.

2.4 Effective Date of Valuation

30 June 2020.

The effective date of valuation is the date at which the valuation opinion applies and only for the stated purpose. The effective date may be different to the date the report is produced.

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3. Procedure

3.1 Scope of Works

- i. Full revaluation of the asset class for the relevant year in accordance with the valuations schedule
 - The current quantity of assets to be valued for each asset class are detailed in the Annexure (Land approximately 1,400).
- ii. Annual desktop revaluation of all other assets classes to determine valuation increases since the last full revaluation.
- iii. The revaluation is to be conducted in accordance with:
 - Local Government Act 2009;
 - Local Government Regulation 2012;
 - Australian Accounting Standards:
 - AASB116 Property, Plant and Equipment
 - AASB13 Fair Value Measurement
 - ICC's Asset Accounting Policy and Procedures
- iv. These asset values, a description of the methodology used and any assumptions made should be present in both hard copy and electronic format (electronic Microsoft Office Windows readable format only).

The asset values are to be provided in dollar value, rounded to two decimal places

3.2 Deliverables

- i. A draft revaluation report (including desktop revaluations) by 9 April 2020, with the following details:
 - The written report provided in the electronic PDF format
 - The asset revaluations (dollar value change) in the electronic Microsoft Windows readable format (Excel)
- ii. A final revaluation report by 27 April 2020, with the following details:
 - The written report provided in the electronic PDF format and in hard copy
 - The asset revaluations (dollar value change) in the electronic Microsoft Windows readable format (Excel)
- iii. Data is provided with key valuation data.

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3.1 Inspection

Land assets were inspected at the same time buildings were inspected. Vacant land was inspected when in the same locality as the buildings. Additional resources used to identify and inspect land assets and sales was aerial photography on Google Maps, Google Earth, Street View and PriceFinder by Domain.

Pickles

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4. Property Description.

4.1 Location

The land parcels are located at various locations throughout the City of Ipswich. The City of Ipswich is a local government area approximately 1,094 km² located in the southwest adjacent to the Brisbane metropolitan area.

A brief description of the address, land tenure, zoning and area for each land asset is contained in the Fixed Asset Register.

Pickles

5. Valuation Considerations.

5.1 Fair Value

Ipswich City Council is required to value its assets using the Fair Value methodology in accordance with Australian Accounting Standard AASB 13 Fair Value Measurement, and the prescribed requirements of AASB 116 Property, Plant and Equipment

All revaluations must comply with the AASB 13 “fair value” definition (*“the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date”*) and associated valuation principles in AASB 13. This may, under many circumstances be its replacement or reproduction costs, its market value or the value of its future earnings in accordance with AASB116.

The revaluations must also take into account the relevant asset characteristics (including but not limited to the asset(s)’ physical attributes, legal restriction and commercial value (if any)).

Compliance is required with the following Australian Accounting Standards:

- AASB 13 Fair Value Measurement
- AASB 116 Property, Plant and Equipment

The valuation technique and process employed for valuing the ICC land assets is as follows:

Asset category: Land

Type of assets valued:	Land and donated land.
Valuation technique:	Market approach. Those assets from which prices and other relevant market data derived from observed transactions for the same or similar assets.
Fair value hierarchy level:	Level 2.
Fair Value inputs:	Sales transactions for similar assets with reference to observable market data derived from property sales data subscription services (Domain PriceFinder) Queensland’s Valuer-General land valuations, (Department of Natural Resources), land valuation data on the Queensland Globe, sales listings and property data generally available online and with local real estate agents.

Pickles

Land vested in and under control of Council held for public benefit (community service obligations) has been valued based on assumptions market participants would use when pricing the asset. Values have been extrapolated from land sales and adjusted to reflect these assumptions. Examples of community use assets include showgrounds, drainage reserves, parks, and open spaces etc.

NCAP 3 considers the nature of the restriction of an asset. Where a restriction is effectively a characteristic of the asset, market participants would take the restriction into account when pricing the asset, and so it should be taken into account in determining fair value. For example, if an asset is subject to legislative restriction that substantively prevents alternative uses of the asset, the highest and best use for the asset may be its current use. It is unlikely Ipswich City Council (Government) would lift restrictions on reserved land because the current use is considered the highest and best use and development opportunities are not legally permissible. Therefore, this has been taken into consideration when valuing this type of asset

5.2 Methodology and Valuation Approach

The valuation technique used to measure fair value should be appropriate for the circumstances, and one for which sufficient data is available considering highest and best use and the valuation premise. AASB 13 does not prescribe which valuation technique (s) must be used in a particular circumstance. It states an entity shall use valuation techniques that:

- are appropriate in the circumstances,
- one for which sufficient data is available to measure fair value, and
- maximises the use of observable inputs and minimises the use of unobservable inputs.

Pickles

AASB 116 and AASB 13 outline three valuation techniques for determining fair value which are summarised in the following table.

Valuation Technique	Relevant Circumstances	Methodology
Market Approach	Where there is an active and liquid market or there is existing market evidence for the sale of similar assets.	Market value of an asset is determined by comparison to actual sales data for the same or similar assets.
Cost Approach	Where no active and liquid market exists because of the specialised nature of the asset and the type of asset is rarely sold.	Depreciated current replacement cost (DRC) is the cost per unit of future economic benefit of the most appropriate modern replacement facility, adjusted for any differences in production capacity and useful life. In certain circumstances depreciated reproduction cost may be appropriate which involves establishing the cost of reproducing or replacing the future economic benefit of the asset.
Income Approach	Where the assets value is dependent on its cash generating capability (such as commercial buildings and business operations).	Fair value is determined based on a static capitalisation of an assets income at an appropriate capitalisation rate or a Discounted Cash Flow (DCF) where future income streams are discounted to a net present value (NPV) at an appropriate discount rate.

Pickles

Determination of Fair Value Measurement Approach

An entity shall use valuation techniques consistent with one or more of those approaches to measure fair value.

Although the income approach was considered for the purposes of this valuation the market approach was adopted because there were adequate and reliable sales data from observed market transactions for valuing the land.

Pickles

6. Valuation

Based on the information provided by Ipswich City Council and based on the sales evidence data available, the total fair value of the land assets contained in Ipswich City Councils Fixed Asset Register as at 30 June 2020 is:

Land-	\$329,667,800
Donated Land	\$ 8,994,000
Total Fair Value-	\$338,661,800.

For and on behalf of Pickles Valuations



Kim Adams BA, AAPI, CPV, ASA (M&TS)
QLD Registered Valuer No:2124
Certified Practising Valuer
Senior Valuer
Pickles Valuations

11 May 2020

Pickles

7. Qualifications

7.1 Impartiality

In respect of the Queensland Government, it is recognised that Pickles Valuations is in no position to obtain financial advantage from this opinion other than remuneration by way of normal professional fees and accordingly is not deemed to be a related party.

Furthermore, the valuers have no pecuniary interest that could reasonably be regarded as capable of impeding their respective ability to provide an unbiased opinion of value.

Pickles Valuations conducts its own research and analysis free of government interference and persuasion and consequently offers impartial advice and a confidential and professional valuation service.

7.2 Disclaimer

This opinion is for financial reporting purposes only and is not to be used by any party for any other purpose. The client agrees that in the event that it does communicate to a third party the whole or any part of this valuation, it shall take all reasonable steps to ensure that the third party receives the report on a confidential basis only for a use as stated in this disclaimer.

This opinion is for the exclusive use of the Ipswich City Council and is not to be used by any party for any other purpose. Neither the whole nor any part of the contents of this report, or copy thereof, shall be reproduced for any purpose other than stated in the report, nor shall it be made available to the media, another valuer or anyone else without the written consent of Pickles Valuations.

Neither the whole nor any part of this opinion nor any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.

This opinion has been prepared on the basis that full disclosure of all information and facts which may affect the opinion has been made to us, and that information provided for the purpose of this opinion is accurate and reliable.

Pickles

Valuation Uncertainty

The market that the property/asset is transacted and/or valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. As at the date of indexation we consider that there is a market uncertainty resulting in significant valuation uncertainty.

Market uncertainty is not measurable as the uncertainty arises from the inability to observe and reconcile the impact of the event(s) on market prices as at the valuation date.

The extent of the impact is unknown at this time and is therefore considered to represent market uncertainty as at the date of preparation of this protocol.

The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation). We do not accept responsibility or liability for any losses arising from such subsequent changes in value.

Given the valuation uncertainty noted, we recommend that the user(s) of this report review this valuation periodically.

Ross Searle and Associates

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8 April 2020

Barbara Watson | Principal Financial Accountant
Finance and Corporate Services Department
IPSWICH CITY COUNCIL
E barbara.watson@ipswich.qld.gov.au

Dear Barbara

Re: Valuation of works of art, Ipswich City Council Art Collection 2020 – final report

I have pleasure in submitting a written report on the valuation of the Ipswich City Council Art Collection. This valuation was completed by Ross Searle, Principal of Ross Searle and Associates under instruction from Ipswich City Council. I have no financial interest (past, present or prospective) in the assets covered in this report and this valuation is free of any bias. The report is the property of Ipswich City Council.

I report a Fair value of \$ 4,933,450.00 ex GST. In my opinion the reported values would not be significantly different at the end of the financial year, 30 June 2020.

Methodology

The valuation was carried out to comply with the revised standards of the Australian Accounting Standards Board (AASB) in relation to AASB 13 – Fair Value Measurement. I am familiar with these standards and have applied this methodology since the updated standards were adopted effective from financial years beginning on or after August 2015.

Definitions

For noting the current definition for Fair Value Measurement is;

“the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date” (AASB 13, para 9)

Heritage and cultural assets

Application of AASB 13 to particular types of physical non-current assets including heritage and cultural assets (hereafter referred to as cultural assets) requires a valuer to consider the following;

1. highest and best use and the asset's characteristics
2. the valuation technique and
3. the fair value hierarchy.

Method of valuation

1. In establishing value, this valuer used a desktop valuation method as per the instructions from Ipswich City Council. The valuer relied in part on the accuracy of any information including any documentation provided by Ipswich City Council regarding the assets to be valued.

Item 2 / Attachment 2.

2. Highest and best use is qualified by any restrictions on the use and disposal of cultural assets, as well as the risk that any alternative use is not mandated as part of the controlling entity's responsibilities, i.e. held in trust for the community. Cultural assets are assets held by entities because of their unique cultural, historical, cultural attributes. They assist the relevant entities in meeting their objectives in regard to exhibition, education, research and preservation, all of which are directed at providing a cultural service to the community.
3. A characteristic of many cultural assets is that they have few or no alternative uses because there are natural, legal and financial restrictions on their use and disposal. Therefore, for many cultural assets, the highest and best use is the current existing use.
4. There may be observable market prices for marketable cultural assets. Such assets are likely to be measured using the market approach including those held by Ipswich City Council.
5. The cultural assets that come under this valuation have been assessed at level 2 and 3 of the fair value hierarchy.

AASB116 Property, Plant and Equipment

As per the Australian Implementation Guidance under AASB116 Property, Plant and Equipment, there are four points of guidance relating to but not limited to not-for-profit public sector entities that hold heritage and cultural assets. This guidance accompanies, but is not part of, AASB 116. Essentially the Guidance relates to recognition and only to those cultural assets that can be reliably measured. These items are formally recognized.

It is assumed by this valuer that all artwork assets controlled by Ipswich City Council are formally recognized and accessioned (the process which formally acknowledges an artwork as part of a collection).

Value changes outside a normative range – sample selection

<u>FINANCE Tag Number</u>	<u>Asset Number</u>	<u>Description</u>	<u>Asset Fair Value as per FAR</u>	<u>Valuation</u>	<u>Variation</u>
2003.068	116196	Riverview: William Bustard	\$3,000.00	\$4,000.00	33%
2009.037	332687	Storm over the Darling Downs: William Bustard	\$2,800.00	\$3,500.00	25%
2017.043	501987	Mount Biggenden: William Bustard	\$1,500.00	\$2,500.00	67%
<u>Valuer report:</u> Valuation based on current market conditions and tested in secondary art market through quoted sales from Philip Bacon Galleries, Brisbane.					
1951.08	116484	White Gums: Albert Namatjira	\$14,000.00	\$18,000.00	29%
<u>Valuer report:</u> Valuation based on current market conditions and tested in secondary art market through quoted sales – auction sale quoted Australian Art Sales Digest, 26/11/2019.					
1985.01	116550	Field Painting Myth To Me: Scott Redford	\$7,000.00	\$8,000.00	14%
2002.36	342095	Painting 1: Scott Redford	\$6,000.00	\$7,000.00	17%
<u>Valuer report:</u> Valuation based on current market conditions and tested in primary art market through quoted sales at Fireworks Gallery, March 2020.					

Item 2 / Attachment 2.

2005.006	127028	Torana - Nelson Street: Ben Quilty	\$7,500.00	\$9,000.00	20%
<u>Valuer report:</u> Valuation based on current market conditions and tested in primary art market through quoted sales at Jan Murphy Gallery, March 2020.					
2011.011.A	339279	Bright Shadow: Gwyn Hanssen Pigott	\$18,000.00	\$20,000.00	11%
<u>Valuer report:</u> Valuation based on current market conditions and tested in secondary art market through quoted sales from Philip Bacon Galleries, Brisbane.					
2011.03	339328	Self portrait one of a dozen glimpses: Brett Whiteley	\$1,000.00	\$3,000.00	200%
<u>Valuer report:</u> Valuation based on current market conditions and tested in secondary art market through quoted sales – auction sale quoted Australian Art Sales Digest, 26/11/2019.					
2010.021	342128	Long Reef and Narrabeen Lakes from Elanora: Adrian Feint	\$1,200.00	\$1,500.00	25%
<u>Valuer report:</u> Valuation based on current market conditions and tested in secondary art market through quoted sales – auction sale quoted Australian Art Sales Digest, 26/06/2019.					
1992.06.1-9	351809	overwhatwecreatewe havenocontrol- Selenium: Carl Warner	\$5,000.00	\$6,750.00	35%
<u>Valuer report:</u> Valuation based on current market conditions and tested in primary art market through quoted sales at Jan Manton Gallery, March 2020.					

CERTIFICATE OF VALUE

Location:	Ipswich City Council
Asset description:	Selected art collection assets
Date of valuation:	30 June 2020

Ipswich City Council Art Collection valuation:	<u>Fair Value</u>
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Grand total:	\$ 4,933,450.00 ex GST
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Statement

This valuer has complied with the relevant accounting standards;

**AASB116 Property, Plant and Equipment
AASB13 Fair Value Measurement; and**

ICC's Asset Accounting Policy and Procedures

The value is reported ex GST. All data supplied to the valuer, the report and report data remains the property of Ipswich City Council.

Thank you for the opportunity to provide services to Ipswich City Council.

Yours sincerely



ROSS SEARLE
BA Uni of Qld MLitt JCU



MEMORANDUM IPSWICH CITY COUNCIL

Subject **Infrastructure Asset Valuation 2019-2020**

Acceptance is required by Manager, Finance for the review performed by Senior Planning Office (Asset Management) for the review and contribution for the 2019-2020 asset valuation.

RECOMMENDATION

It is recommended that the Manager, Finance:

- **accept** Senior Planning Officer (Asset Management)'s review, contribution to, and findings of the asset valuation by Cardno for the 2019-2020 financial year.

BACKGROUND

Data Supplied

- Cardno was provided full extracts, including key attributes of all infrastructure asset classes physical asset registers.
- Condition, and thereby remaining useful life, was determined by age as an indicator of asset condition for assets which were not inspected by external valuer, excluding Sealed Roads.
- In the case of Sealed Road assets, the Pavement Condition Index (PCI) was provided as an indicator for the condition of each road segment. The PCI is modelled by the Pavement Management System on the basis of observed physical surface defects. Where PCI is not available for particular segment of road, age was used as an indicator of asset condition.

KEY ISSUES

Methodology and Assumptions

- The methodology and assumptions applied to the 2019-2020 infrastructure asset valuation, and as outlined in Cardno's valuation report, were reviewed by Senior Planning Officer (Asset Management) and found to be consistent with, and appropriate to, the purpose and intent of the valuation. All findings and issues are captured in the asset valuation review notes (Refer to Attachment A).

Useful Lives and Unit Rates

- The useful lives and unit rates applied to the 2019-2020 infrastructure asset valuation, and as outlined in Cardno's valuation report, were reviewed by Senior Planning Officer (Asset Management) and found to be consistent with, and appropriate to, the purpose and intent of the valuation. All findings and issues are captured in the review notes (Refer to Attachment A).

- Cardno has been requested to provide additional details for the assumptions used for developing their unit rates in the valuation, in particular for the park and facilities assets. The additional details are proven to be very useful and has significantly improved the transparency of the unit rates.
- The unit rates are not directly compatible to council's estimating templates, as their methodology of calculation is different and includes indirects, margin, etc.
- A number of the unit rates provided are composite rates comprising areas of scope that we separate between items. However, the unit rates are reasonable and appropriate for the purpose of valuation.

Alignment of the Physical and Financial Asset Register

- A detail review and reconciliation was carried out for building and lighting assets between the Physical Asset Register (PAR) and Financial Asset Register (FAR). Any unmatched assets were then reviewed individually using NearMap or photos from inspections (Refer to Attachment B).
- Buildings which were previously valued as part of the land or other buildings are valued separately during this valuation and reconcile back to PAR.

CONSULTATION AND COLLABORATION

- Internal collaboration between asset management and finance has continue demonstrated to be a critical function to improve the quality of council's asset and financial information.
- Internal consultation between asset management and the estimator plays a pivotal role in understanding the assumptions for the unit rates.

Benson Au-Yeung

SENIOR PLANNING OFFICER (ASSET MANAGEMENT)

C/c MANAGER, ASSETS AND PORTFOLIO MANAGEMENT
C/c PRINCIPAL FINANCIAL ACCOUNTANT

Doc ID No: A6410533

ITEM: 3
SUBJECT: SECURITY SERVICES
AUTHOR: MANAGER, PROCUREMENT
DATE: 7 AUGUST 2020

EXECUTIVE SUMMARY

This is a report concerning the recommendation to award Tender 13697 Security Services and seeks the Council's approval to establish a Preferred Supplier Arrangement for the provision of the Council's day to day security requirements, including control room monitoring, security patrols (by foot and by vehicle), call-out (alarm response) and static guards with SECUREcorp (QLD) Pty Ltd. After undertaking an open tender and receiving several competitive offers, the Evaluation Panel has identified SECUREcorp (QLD) Pty Ltd as the recommended preferred supplier. SECUREcorp (QLD) Pty Ltd has demonstrated extensive experience providing the required services, offering an effective methodology which demonstrates a thorough understanding of the Council's requirements. SECUREcorp (QLD) Pty Ltd highlights strong support for employing local staff and supporting local business. Their offer is determined by the Evaluation Panel to offer the Council best value for money. The report recommends that Council enter into a contract with SECUREcorp (QLD) Pty Ltd for the Security Service for a period of two (2) years with the option to extend the contract by up to three (3) years for the sum of up to ten million, five hundred and thirteen thousand dollars GST exclusive (\$10,512,782)(total cost if all extensions are executed).

RECOMMENDATION

- A. That Tender No. 13697 for the provision of the Council's day to day security requirements including control room monitoring, security patrols (foot and vehicle), call-out (alarm response) and static guards be awarded to SECUREcorp (QLD) Pty Ltd.**
- B. That Council enter into a contract with SECUREcorp (QLD) Pty Ltd for the Security Service for a period of two (2) years with the option to extend the contract by up to three (3) years for the sum of up to ten million, five hundred and thirteen thousand dollars GST exclusive (\$10,512,782)(total cost if all extensions are executed).**
- C. That the Chief Executive Officer be authorised to negotiate and finalise the terms of the contract to be executed by Council and to do any other acts necessary to implement Council's decision in accordance with section 13(3) of the *Local Government Act 2009*.**

RELATED PARTIES

The Evaluation Panel declared no Conflicts of Interest; however, one of the evaluation members has advised of being employed by two of the tenderers. One of which was the SECUREcorp in 2012, this employee was also employed in 1995 by another of the Tenderers.

ADVANCE IPSWICH THEME

Caring for the community

PURPOSE OF REPORT/BACKGROUND

The Community Safety and Innovation Section of Ipswich City Council is responsible for the ongoing management of security services to the community of Ipswich. This service includes the operation and monitoring of Closed-Circuit Television (CCTV), intruder alarm response, access control, security patrols and general security requirements. Located in the heart of Ipswich, the Community Safety and Innovation Section manages over six-hundred cameras. These include public safety and security cameras from inside a secure facility, ensuring multiple assets of Ipswich City Council are monitored 24 hours a day, 7 days a week.

The Council released a Request for Tender 13697 Security Services on the 17 February 2020 to the open market which closed on 17 March 2020. Council received submissions from twenty-two contractors. The Evaluation Panel undertook an evaluation of the submissions as per Attachment 2: Evaluation Criteria and Methodology Plan.

LEGAL/POLICY BASIS

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

RISK MANAGEMENT IMPLICATIONS

The current agreement will expire on 22 September 2020, after exhausting all current extension options. The incumbent supplier is not the recommended supplier for the new arrangement. A new agreement is required to be in place, allowing sufficient time to take control of Security Services on the 23 September 2020, to allow for continuity of service to the community.

Tender planning established that in the absence of existing State Government or a Local Buy arrangement, there was no alternative sourcing option available to the Council. A detailed assessment of the risks associated with this arrangement is available in Attachment 1: Recommendation to Award 13697 Security Services.

FINANCIAL/RESOURCE IMPLICATIONS

The cost to manage the Council's day-to-day security requirements including control room monitoring, security patrols (by foot and by vehicle), call-out (alarm response) and static

guards under this arrangement are estimated to cost \$10,512,782.92 (Ex GST) for the total contract, including extensions.

The contract expenditure relates to programmed expenses, for the standard operation of the day to day security rostered needs and un-programmed expenditure which relates to call-out and alarm response services. Programmed service expenses are estimated to average \$2,000,000 (Ex GST) per annum, with un-programmed services expected to average \$100,000 (Ex GST) per annum.

The Community Safety and Innovation Section expect that the services required over the full term of the arrangement are likely to be varied based on operational demand. Rates are subject to increases per the Minimum Wage decision handed down by the Fair Work Australia Ombudsman on 01 July each year. Further details of the financial implications are available in Attachment 1: 13697 Security Services Recommendation to Award.

COMMUNITY AND OTHER CONSULTATION

Council did not undertake community consultation. The Council's Community Safety and Innovation Section in the Economic and Community Development Branch were consulted as the key internal stakeholders for the implementation and management of the arrangement, contributing to the development of specifications and providing representation and technical expertise for the Evaluation Panel. The Evaluation Panel and the Community Safety and Innovation Section have endorsed this report. The Community Safety and Innovation Section will be responsible for the operational aspects of his contract, participating in the transition and the ongoing contract management approach.

CONCLUSION

This report seeks the Council's approval to establish a Preferred Supplier Arrangement for the provision of the Council's day to day security requirements, including control room monitoring, security patrols (by foot and by vehicle), call-out (alarm response) and static guards with SECUREcorp (QLD) Pty Ltd. After undertaking an open tender and receiving several competitive offers, the Evaluation Panel has identified SECUREcorp (QLD) Pty Ltd as the recommended preferred supplier. SECUREcorp (QLD) Pty Ltd has demonstrated extensive experience providing the required services, offering an effective methodology which demonstrates a thorough understanding of the Council's requirements. SECUREcorp (QLD) Pty Ltd highlights strong support for employing local staff and supporting local business. Their offer is determined by the Evaluation Panel to offer the Council best value for money.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

	CONFIDENTIAL
1.	Security Services Recommendation to Award
2.	Evaluation Criteria and Methodology Plan

Richard White
MANAGER, PROCUREMENT

I concur with the recommendations contained in this report.

Ben Pole

GENERAL MANAGER - COMMUNITY, CULTURAL AND ECONOMIC DEVELOPMENT

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”