



ATTACHMENTS UNDER SEPARATE COVER

ITEM ATTACHMENT DETAILS

1. OFFICERS' REPORTS:

2021 Asset Revaluation

Attachment 1. Cardno QLD Pty Ltd Valuation Report 2020-2021 - Assets 2

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Report

Valuation of Infrastructure Assets 2020-21

3608-24 Phase 2

Prepared for
Ipswich City Council

10 June 2021





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Document Information

Prepared for Ipswich City Council

Project Name Valuation of Infrastructure
Assets 2020-21

File Reference ICC - Valuation of
Infrastructure Assets 2020-
21 (10.06.2021).docx

Job Reference 3608-24 Phase 2

Date 10 June 2021

Version Number 3

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Effective Date 10/06/2021

Approved By:

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Date Approved 10/06/2021

Document History

Version	Effective Date	Description of Revision	Prepared by	Reviewed by
1	02/06/2021	Draft 1.0	Tom Sitprasert	Rula Atweh
2	09/06/2021	Draft 2.0	Tom Sitprasert	Rula Atweh
3	10/06/2021	Draft 3.0	Tom Sitprasert	Rula Atweh

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Report
Valuation of Infrastructure Assets 2020-21

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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 roads and transport asset classes for 2020/21:

- > Roads
- > Vehicular and Pedestrian Bridges
- > Boardwalks
- > Footpaths
- > Kerb and channel
- > Medians
- > Traffic Signals
- > Guardrails
- > Bus Shelters
- > Traffic Signs
- > Traffic Calming Devices

Cardno was also commissioned to undertake an interim indexation for 2020/21 on the remaining asset classes, being:

- > Land
- > Buildings and structures
- > Parks and Recreation
- > Flood mitigation
- > Drainage network

This report presents the valuation methodology and the underlying assumptions that 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 2021
- > 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 that 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"

ASB 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 roads and transport 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
- > Recent conditions of roads (PCI)

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
- > Schedule of 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 as described in Table 4-1:



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 2021.

4.4.5 Useful Lives

Useful lives were reviewed and agreed on with ICC prior to application to the relevant asset types. The adopted useful lives for the various asset types are included in Appendix B.

4.4.6 Condition Assessments

ICC undertakes regular condition assessments on its roads network. The most recent condition ratings available to council were provided to Cardno. As part of the 2021 comprehensive revaluation, Cardno inspected a sample of the roads for which conditions were provided. The purpose of the inspection was to confirm the conditions available to council. The following tasks were undertaken by Cardno's engineer while on site:

- > Inspected a sample of roads
- > Inspected a sample of bridges
- > Collected conditions of the kerbs and channels as well as footpaths along the inspected roads.

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

4.4.7 Remaining Useful Life (RUL) and Fair Values

The remaining useful lives (RUL) and fair values of each asset was calculated based on condition (PCI, or Cardno's), replacement date obtained from replacement programs provided by ICC, or age. Table 4-2, Table 4-3 and Table 4-4 show the condition scoring and their effect on the remaining useful life.

Table 4-2 Condition Ratings – PCI

Condition Index	Remaining Useful Life %
10	97.00%
9	83.00%
8	77.00%
7	66.00%
6	56.00%
5	48.00%
4	35.00%
3	27.50%
2	18.33%
1	9.17%
0	0.00%



Table 4-3 Condition Ratings – PCI (Rating descriptions)

Pavement Condition Index - Condition Rating	
PCI Scale	Road condition
8.5 to 10.0	Excellent
7.0 to 8.5	Very good
5.5 to 7.0	Good
4.0 to 5.5	Fair
2.5 to 4.0	Poor
1.0 to 2.5	Very poor
≤ 0 to 1.0	Failed

Table 4-4 Condition Ratings - Cardno

Score	Condition Rating	% Remaining Life
1.00	Excellent	95%
1.25		91%
1.50		88%
1.75		84%
2.00	Very Good	80%
2.25		73%
2.50		65%
2.75		58%
3.00	Fair	50%
3.25		43%
3.50		35%
3.75		28%
4.00	Poor	20%
4.25		16%
4.50		13%
4.75		9%
5.00	Unserviceable	5%

4.4.8 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.

4.4.9 Assumptions

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

4.4.10 Formal Valuation Results

Table 4-5 summarises the formal valuation results as at June 30, 2021. The final valuation spreadsheets have been electronically provided to ICC.

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Report
Valuation of Infrastructure Assets 2020-21

Table 4-5 Formal Valuation Results

Asset Class	Asset Class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Roads and Transport	Roads	\$889,482,205	\$633,514,597	\$255,967,608	\$16,663,958
	Vehicular Bridges	\$106,809,622	\$76,045,586	\$30,764,036	\$1,088,967
	Pedestrian Bridges	\$22,371,434	\$16,517,037	\$5,854,397	\$525,328
	Boardwalks	\$6,760,642	\$2,627,486	\$4,133,156	\$338,032
	Footpaths	\$243,661,489	\$192,178,745	\$51,482,744	\$4,202,384
	Kerb and channel	\$124,159,763	\$79,681,561	\$44,478,202	\$1,562,457
	Medians	\$19,816,581	\$14,455,069	\$5,361,512	\$303,002
	Signals	\$33,680,068	\$16,299,876	\$17,380,192	\$1,684,003
	Guardrails	\$4,509,198	\$2,410,106	\$2,099,092	\$180,368
	Bus Shelters	\$2,374,849	\$744,541	\$1,630,308	\$94,994
	Signs	\$22,490,958	\$8,922,138	\$13,568,820	\$1,124,548
	Traffic Calming Devices*	\$241,418	\$178,364	\$63,054	\$16,088
Total - Formal Valuation		\$1,476,358,227	\$1,043,575,105	\$432,783,121	\$27,784,130

Remark (*) is a formal valuation of an additional asset previously not valued in the valuation of 2020.



5 Valuation Methodology – Desktop Valuation

5.1 Overview

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

- > Land
- > Buildings and structures
- > Parks and Recreation
- > Flood mitigation
- > Drainage network

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

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 retrospectively at quarterly intervals so estimates are required of projected movements.

5.2.2 Implicit Price Deflator - Asset Revaluation Index

The Implicit Price Deflator is the estimate of an average price level relative to the price level in a chosen base period. Queensland Treasury's Office of Economics and Statistical Research produces the Implicit Price Deflator Index on a quarterly basis.

5.2.3 Producer Price Index

Producer Price Index: The Producer Price Index, Australia is an index issued by the Australian Bureau of Statistics. It 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.

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



Table 5-1 Sources of Indices

Source	Jun-20	Jun-21	Movement
			July 2020 to June 2021
Rawlinsons Building Price Index (BPI)*	124.47	127.92	1.028
Implicit Price Deflator **			
Non Residential	100.40	100.90	1.005
Engineering	102.10	102.00	0.999
Producer Price Index (ABS Catalogue 6427.00)			
Series A2333721X. Index Number 3020 Non-residential building construction Queensland	117.40	118.00	1.005
Series A2333727L. Index Number 3101 Road and bridge construction Queensland	114.80	115.70	1.008
Average			1.009

Footnotes:

* Index for June 2021 is anticipated.

** 2020-21 indices are available for one quarter (July to December 2020)

5.3 Cost Movement

To calculate more accurate indices, the following approach was adopted:

- > Unit rates were updated
- > The updated 2021 rates were used in the valuation spreadsheets to derive the 2021 replacement cost and fair value
- > A reconciliation between the June 2021 results and either the last comprehensive valuation or the June 2020 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 2021 non-comprehensive valuation component of this project is as follows:

- > Data collection: Cardno was provided with the most recent FAR/GASSET including additions to June 2021
- > 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 those assets inspected in 2020 (such as buildings), RUL was based on the 2020 condition based RUL less one year. Age based remaining useful lives were applied for all remaining assets.
- > Valuation: The updated unit rates were then applied to the relevant asset types to derive the 2021 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 is just as easy to update the replacement costs 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

5.5 Land Assets

The land cost movement analysis was undertaken by the registered land valuer, Pickles. They were of the opinion that the land values did not change during 2020-21.



Appendix C contains the methodology adopted by Pickles as well as their recommendations.

5.6 Results

Table 5-2 contains the results of the desktop valuation/ indexation as at 30 June 2021.

Table 5-2 Desktop Valuation/Indexation

Asset Class	Asset Class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Land	Donated Land	\$0	\$6,305,000	\$0	\$0
	FAR Land	\$0	\$329,667,800	\$0	\$0
		\$0	\$335,972,800	\$0	\$0
Buildings and Facilities	-				
	Building Structures	\$302,756,082	\$149,292,497	\$153,463,585	\$7,149,808
		\$302,756,082	\$149,292,497	\$153,463,585	\$7,149,808
Parks and Recreational	Other Structures	\$105,372,952	\$60,941,561	\$44,431,391	\$3,214,246
	Boundary Element	\$78,453,393	\$52,225,896	\$26,227,497	\$1,989,699
	Park and Street Furniture	\$5,007,576	\$2,701,163	\$2,306,413	\$169,313
	Playing Surfaces	\$76,343,041	\$47,449,244	\$28,893,796	\$3,354,604
	Public lighting	\$48,812,590	\$40,002,749	\$8,809,841	\$1,952,504
	Memorials*	\$1,207,750	\$875,738	\$332,013	\$12,078
		\$315,197,302	\$204,196,351	\$111,000,951	\$10,692,443
Flood Mitigation	Detention & Bio Detention Basins	\$29,142,353	\$28,251,600	\$890,753	\$96,805
	Drainage Pit*	\$7,127,586	\$6,836,014	\$291,572	\$71,276
		\$36,269,939	\$35,087,614	\$1,182,325	\$168,080
Piped and Open Drain Network	Drainage Mains	\$748,684,569	\$562,685,123	\$185,999,446	\$7,786,175
	Drainage Structures	\$155,803,407	\$119,201,093	\$36,602,314	\$1,614,830
	Open Drain Inverts	\$15,505,094	\$9,619,643	\$5,885,451	\$178,954
	Open Drains	\$18,419,862	\$18,064,254	\$355,608	\$59,822
		\$938,412,932	\$709,570,114	\$228,842,819	\$9,639,780
Total - Desktop Valuation		\$1,592,636,256	\$1,434,119,376	\$494,489,679	\$27,650,112

Remark (*) is a formal valuation of an additional asset previously not valued in the valuation of 2020.



6 Valuation Results

Table 6-1 contains the results of the formal valuation and desktop valuation/ indexation as at 30 June 2021.

Table 6-1 Valuation Results

Asset Class	Asset Class	Replacement Cost (incl. OH)	Fair Value	Accumulated Depreciation	Future Annual Depreciation
Roads and Transport	Roads	\$889,482,205	\$633,514,597	\$255,967,608	\$16,663,958
	Vehicular Bridges	\$106,809,622	\$76,045,586	\$30,764,036	\$1,088,967
	Pedestrian Bridges	\$22,371,434	\$16,517,037	\$5,854,397	\$525,328
	Boardwalks	\$6,760,642	\$2,627,486	\$4,133,156	\$338,032
	Footpaths	\$243,661,489	\$192,178,745	\$51,482,744	\$4,202,384
	Kerb and channel	\$124,159,763	\$79,681,561	\$44,478,202	\$1,562,457
	Medians	\$19,816,581	\$14,455,069	\$5,361,512	\$303,002
	Signals	\$33,680,068	\$16,299,876	\$17,380,192	\$1,684,003
	Guardrails	\$4,509,198	\$2,410,106	\$2,099,092	\$180,368
	Bus Shelters	\$2,374,849	\$744,541	\$1,630,308	\$94,994
	Signs	\$22,490,958	\$8,922,138	\$13,568,820	\$1,124,548
	Traffic Calming Devices*	\$241,418	\$178,364	\$63,054	\$16,088
		\$1,476,358,227	\$1,043,575,105	\$432,783,121	\$27,784,130
Total - Formal Valuation		\$1,476,358,227	\$1,043,575,105	\$432,783,121	\$27,784,130
Land	Donated Land	\$0	\$6,305,000	\$0	\$0
	FAR Land	\$0	\$329,667,800	\$0	\$0
		\$0	\$335,972,800	\$0	\$0
Buildings and Facilities	-				
	Building Structures	\$302,756,082	\$149,292,497	\$153,463,585	\$7,149,808
		\$302,756,082	\$149,292,497	\$153,463,585	\$7,149,808
Parks and Recreational	Other Structures	\$105,372,952	\$60,941,561	\$44,431,391	\$3,214,246
	Boundary Element	\$78,453,393	\$52,225,896	\$26,227,497	\$1,989,699
	Park and Street Furniture	\$5,007,576	\$2,701,163	\$2,306,413	\$169,313
	Playing Surfaces	\$76,343,041	\$47,449,244	\$28,893,796	\$3,354,604
	Public lighting	\$48,812,590	\$40,002,749	\$8,809,841	\$1,952,504
	Memorials*	\$1,207,750	\$875,738	\$332,013	\$12,078
		\$315,197,302	\$204,196,351	\$111,000,951	\$10,692,443
Flood Mitigation	Detention & Bio Detention Basins	\$29,142,353	\$28,251,600	\$890,753	\$96,805
	Drainage Pit*	\$7,127,586	\$6,836,014	\$291,572	\$71,276
		\$36,269,939	\$35,087,614	\$1,182,325	\$168,080
Piped and Open Drain Network	Drainage Mains	\$748,684,569	\$562,685,123	\$185,999,446	\$7,786,175
	Drainage Structures	\$155,803,407	\$119,201,093	\$36,602,314	\$1,614,830
	Open Drain Inverts	\$15,505,094	\$9,619,643	\$5,885,451	\$178,954
	Open Drains	\$18,419,862	\$18,064,254	\$355,608	\$59,822
		\$938,412,932	\$709,570,114	\$228,842,819	\$9,639,780
Total - Desktop Valuation		\$1,592,636,256	\$1,434,119,376	\$494,489,679	\$27,650,112
Grand Total		\$3,068,994,482	\$2,477,694,482	\$927,272,801	\$55,434,242

Remark (*) is a formal valuation of an additional asset previously not valued in the valuation of 2020.



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)
Tom Sitprasert	Engineer	PhD ChemE, MEng, BEng (Hons) Mechanical
James Calos	Graduate Civil Engineer	BEng Civil (Hons), BA English Literature

APPENDIX

A

UNIT RATES

Item / Attachment 1.



Report
Valuation of Infrastructure Assets 2020-21

Unit rates - Roads			
Item	Sub-item	UOM	Unit rates
Surfacing	10mm Asphalt Concrete	m2	\$6.06
Surfacing	25mm Asphalt Concrete	m2	\$15.14
Surfacing	30mm Asphalt Concrete	m2	\$18.17
Surfacing	40mm Asphalt Concrete	m2	\$24.22
Surfacing	50mm Asphalt Concrete	m2	\$30.28
Surfacing	60mm Asphalt Concrete	m2	\$36.34
Surfacing	75mm Asphalt Concrete	m2	\$45.42
Surfacing	125mm Asphalt Concrete	m2	\$75.70
Surfacing	150mm Asphalt Concrete	m2	\$90.84
Surfacing	250mm Asphalt Concrete	m2	\$151.40
Surfacing	2 Coat Seal	m2	\$9.50
Surfacing	Spray Seal	m2	\$8.16
Surfacing	Brick Pavers	m2	\$103.39
Surfacing	Reinforced Concrete - 150mm	m2	\$176.90
Surfacing	Reinforced Concrete - 200mm	m2	\$235.87
Pavement	Cement Treated Base 3%	m3	\$140.39
Pavement	Cement Treated Base 4%	m3	\$152.09
Pavement	Lime Treated Base 3%	m3	\$154.43
Pavement	CBR 80	m3	\$141.35
Pavement	CBR 45	m3	\$130.74
Pavement	CBR 15	m3	\$109.67
Pavement	Lean Mix Concrete	m3	\$198.90
Pavement	Asphalt	m3	\$605.61
Pavement	Fine Crushed Rock	m3	\$137.56
Formation	Sealed	m2	\$17.97
Formation	Unsealed	m2	\$8.98

Unit rates - Footpaths		
Type	UOM	Unit rates
Footpath - Asphalt	m2	\$67.79
Footpath - Concrete	m2	\$107.58
Footpath - Polyurethane	m2	\$107.85
Footpath - Concrete - Stencilled	m2	\$118.33
Footpath - Gravel	m2	\$17.98
Footpath - Pavers	m2	\$102.70
Footpath - Concrete - Coloured	m2	\$129.09
Footpath - Exposed aggregate	m2	\$161.36
Footpath - Asphalt - Coloured	m2	\$81.35
Tactile indicators - Polyurethane	m2	\$381.08
Tactile indicators - Concrete	m2	\$1,348.61
Tactile indicators - Steel	m2	\$941.40
Kerb ramp - Concrete	Each	\$828.42
Kerb ramp - Asphalt	Each	\$421.19
Kerb ramp - Exposed Aggregate	Each	\$911.26
Stairs - Concrete	m2	\$3,330.00
Stairs - Steel	m2	\$2,696.43
Stairs - Timber	m2	\$1,508.21
Steps - Concrete	m2	\$107.18
Steps - Pavers	m2	\$102.02
Steps - Rock	m2	\$117.74
Ramp - Timber	m2	\$111.60
Ramp - Concrete	m2	\$206.80
Ramp - Steel	m2	\$291.60

Item / Attachment 1.

Report
Valuation of Infrastructure Assets 2020-21

Unit rates - Kerb and channel			
Type	Type	UOM	Unit rates
Barrier Type	B1	m	\$56.33
	B2	m	\$44.17
	B3	m	\$46.07
	B4	m	\$20.45
	B5	m	\$38.48
Median	Median	m	\$39.53
Invert	Invert	m	\$87.57
Edge restraint	ER1	m	\$23.72
	ER2	m	\$55.76
	ER3	m	\$43.62
	ER4	m	\$46.91
	ER5	m	\$47.23
Mountable	M1	m	\$57.09
	M2	m	\$70.51
	M3	m	\$47.22
	M4	m	\$36.48
	M5	m	\$41.55
	M6	m	\$61.14
Semi-mountable	SM1	m	\$64.56
	SM2	m	\$44.17
	SM3	m	\$56.71
	SM4	m	\$26.99
	SM5	m	\$36.48
Non Standard	NS	m	\$57.01

Unit rates - Medians			
Item		UOM	Unit rates
Kerb		m	\$41.55
Brick pavers		m2	\$94.78
Asphalt		m2	\$90.84
Landscape		m2	\$0.00
Grass		m2	\$23.04
Concrete - Precast		m2	\$83.38
Concrete - Insitu		m2	\$122.07

Unit rates - Boardwalks			
Material Type		UOM	Unit rates
Boardwalk - Timber		m2	\$1,440.00

Unit rates - Guardrails			
Type		UOM	Unit rates
Guardrail		m	\$209.08

Unit rates - Bus Shelters			
Type		UOM	Unit rate
Seat		Each	\$1,248.00
Shelter		Each	\$8,529.33

Item / Attachment 1.



Report
Valuation of Infrastructure Assets 2020-21

Unit rates - Traffic Signals		
Approaches	UOM	Unit rate
1	Each	\$205,787.23
2	Each	\$226,365.96
3	Each	\$265,531.91
4	Each	\$292,085.11

Unit rates - Traffic Calming Devices		
Type	UOM	Unit rate
Speed Hump - Asphalt	m2	\$74.18
Speed Hump - Pavers	m2	\$117.01

APPENDIX

B

USEFUL LIVES



Useful Lives - Roads		
Item	Sub-item	Useful Life
Surfacing	10mm Asphalt Concrete	20
Surfacing	25mm Asphalt Concrete	20
Surfacing	30mm Asphalt Concrete	20
Surfacing	40mm Asphalt Concrete	20
Surfacing	50mm Asphalt Concrete	20
Surfacing	60mm Asphalt Concrete	20
Surfacing	75mm Asphalt Concrete	20
Surfacing	125mm Asphalt Concrete	20
Surfacing	150mm Asphalt Concrete	20
Surfacing	250mm Asphalt Concrete	20
Surfacing	2 Coat Seal	15
Surfacing	Spray Seal	15
Surfacing	Brick Pavers	50
Surfacing	Reinforced Concrete - 150mm	80
Surfacing	Reinforced Concrete - 200mm	80
Pavement	Cement Treated Base 3%	80 for sealed and 20 for unsealed
Pavement	Cement Treated Base 4%	
Pavement	Lime Treated Base 3%	
Pavement	CBR 80	
Pavement	CBR 45	
Pavement	CBR 15	
Pavement	Lean Mix Concrete	
Pavement	Asphalt	
Pavement	Fine Crushed Rock	
Formation	Sealed	100
Formation	Unsealed	100

Useful Lives - Vehicular Bridges					
Code	Bridge Type	Substructure	Girders	Deck/Units	Useful Life
RBCCDU	Road Bridge	Concrete	Concrete	Deck Units	100
RBCCD	Road Bridge	Concrete	Concrete	Concrete	100
RBCSD	Road Bridge	Concrete	Steel	Concrete	80
RBTTTP	Road Bridge	Timber	Timber	Timber Planks	75
RBSSD	Road Bridge	Steel	Steel	Concrete	80
RBAC	Road Bridge	Concrete (Arch)		Concrete	80
RBCD	Road Bridge	Concrete (Culvert)		Concrete	80

Useful Lives - Pedestrian Bridges					
Code	Bridge Type	Substructure	Girders	Deck/Units	Useful Life
PBSSD	Pedestrian Bridge	Steel	Steel	Concrete	50
PBSCD	Pedestrian Bridge	Steel	Concrete	Concrete	50
PBCCD	Pedestrian Bridge	Concrete	Concrete	Concrete	100
PBCSD	Pedestrian Bridge	Concrete	Steel	Concrete	50
PBCSTP	Pedestrian Bridge	Concrete	Steel	Timber Planks	50
PBCTTP	Pedestrian Bridge	Concrete	Timber	Timber Planks	40
PBSTTP	Pedestrian Bridge	Steel	Timber	Timber Planks	40
PBSTD	Pedestrian Bridge	Steel	Timber	Concrete	40
PBTTP	Pedestrian Bridge	Timber	Timber	Timber Planks	30
PBCD	Pedestrian Bridge	Concrete (Culvert)		Concrete	80
PBCS	Pedestrian Bridge	Concrete (Slab)			80
PBCA	Pedestrian Bridge	Concrete (Arch)			80



Useful Lives - Boardwalks	
Material Type	Useful Life
Boardwalk - Timber	20

Useful Lives - Footpaths	
Type	Useful Life
Footpath - Asphalt	30
Footpath - Concrete	60
Footpath - Polyurethane	20
Footpath - Concrete - Stencilled	60
Footpath - Gravel	10
Footpath - Pavers	50
Footpath - Concrete - Coloured	60
Footpath - Exposed aggregate	60
Footpath - Asphalt - Coloured	30
Tactile indicators - Polyurethane	10
Tactile indicators - Concrete	50
Tactile indicators - Steel	30
Kerb ramp - Concrete	60
Kerb ramp - Asphalt	30
Kerb ramp - Exposed Aggregate	60
Stairs - Concrete	60
Stairs - Steel	50
Stairs - Timber	30
Steps - Concrete	60
Steps - Pavers	50
Steps - Rock	70
Ramp - Timber	30
Ramp - Concrete	60
Ramp - Steel	50

Useful Lives - Kerb and channel	
Material Type	Useful Life
Concrete - Precast	80
Concrete - Insitu	80
Asphalt	60
Rock	80
Rubber	60

Useful Lives - Medians	
Item	Useful Life
Kerb	60
Brick pavers	60
Asphalt	30
Landscape	60
Grass	30
Concrete - Precast	80
Concrete - Insitu	80

Useful Lives - Guardrails	
Type	Useful life
Guardrail	25



Useful Lives - Traffic Signals	
Approaches	Useful Life
1	20
2	20
3	20
4	20

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

Useful Lives - Signs	
Type	Useful life
Signs	20

Useful Lives - Traffic Calming Devices	
Type	Useful life
Speed Hump - Asphalt	15
Speed Hump - Pavers	50

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



Useful Lives - Other Structures	
Type	Useful life
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
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



Useful Lives - Other Structures	
Type	Useful life
Sport Structure - Shot Put Circle	60
Sports Field Light - Metal	25
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
Lectern	20
Sport Structure - Disc Golf Basket	10
Sport Structure - Tennis Net	10
Water Tap	20
Weighbridge	40
Windsock	10

Useful Lives - Boundary Element	
Type	Useful life
Racing Track - Bitumen	30
Racing Track - Concrete	80
Racing 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



Useful Lives - Boundary Element	
Type	Useful life
Handrail - Timber	20
Retaining Wall - Block	60
Retaining Wall - Concrete	100
Retaining Wall - Rock	60
Retaining Wall - Timber	30
Landscaping	100
Footpath - concrete	60

Useful Lives - Park and Street Furniture	
Type	Useful life
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

Useful Lives - Playing Surfaces	
Type	Useful life
Athletics Oval - Concrete	60
Athletics Oval - Grass	40
Baseball Diamond / Field - Grass	40
Basketball Court - Asphalt	30
Basketball Court - Concrete	60
Handball Court - Concrete	60
Basketball Court - Grass	40
Bocce Court - Clay	40
Bowling Green - Grass	40
Combination Court - Asphalt	30
Combination Court - Concrete	60
Combination Court - Grass	40
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
Tennis Court - Clay	40
Tennis Court - Concrete	60



Useful Lives - Playing Surfaces	
Type	Useful life
Athletics Oval - Concrete	60
Tennis Court - Synthetic	20

Useful Lives - Public lighting	
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

Useful Lives - Memorials	
Type	Useful life
Memorials	100

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

Useful Lives - Drainage Pit	
Type	Useful life
Surface Inlet Pit	100

Useful Lives - Drainage Mains		
Material	Description	Useful Life
AC	Asbestos Cement	60
BRICK	Brick	60
CI	Cast Iron	60
CONC	Concrete	100
DICL	Ductile Iron Cement Lined	70
FRC	Fibre Reinforced Concrete	100
HDPE	High-Density PolyEthylene	80
MSCL	Mild Steel Cement Lined	80
POLY	PolyEthylene	80
PVC	Poly Vinyl Chloride	70
PVC-M	Modified Poly Vinyl Chloride	70
RCBC	Reinforced Concrete Box Culvert	100
RCP	Reinforced Concrete Pipe	100
STEEL	Steel	80
uPVC	Unplasticised Poly Vinyl Chloride	70
VC	Vitreous Clay	90

Useful Lives - Drainage Structures	
Type	Useful Life
Gross Pollutant Trap	70
Headwall Structural	100

Item / Attachment 1.



Report
Valuation of Infrastructure Assets 2020-21

Useful Lives - Drainage Structures	
Type	Useful Life
Kerb Inlet Pit	100
Manhole	100
Surface Inlet Pit	100
Trash Rack	20
Valve Pit	100

Useful Lives - Open Drain Inverts	
Type	Useful Life
Concrete	80
Rock	100

Useful Lives - Open Drains	
Type	Useful Life
Concrete	100
Earth	150
Rock	100

APPENDIX

C

LAND INDEXATION

PicklesValuations

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pickles.com.au

Ipswich City Council Indexation Report

Indexation of Ipswich City Council's Land

Under Instructions from: Cardno

In the Matter of: Ipswich City Council (ICC)

Reference Number: PV2021ICC

Report Date: 23 April 2021



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Pickles

Executive Summary

Instructing Party: Cardno on behalf of Ipswich City Council (ICC).

Purpose: Ipswich City Council (ICC) requires indexation of the Shire's land values from 1 July 2020 to 30 June 2021.

Recommended Index:

Asset Class	Valuation	Index Applied
Land	1 July 2020 to 30 June 2021	0%

Pickles

Valuation Methodology

1.1 Instructions

As per email dated 23/4/2021 from Rula Atweh, Senior Financial Consultant, Cardno, to apply an indexation Ipswich City Council (ICC) land values from 1 July 2020 to 30 June 2021.

1.2 Accounting Treatment

According to the Non-Current Asset Policies for the Queensland Public Sector NCAP 3 Valuation of Assets issued by Queensland Treasury the accounting treatment for revaluation of asset classes incorporates either or both of the following methods:

- specific valuations undertaken by an independent professional valuer (or other relevant professional) or internal expert; and
- use of appropriate and relevant indices

Indexation should be undertaken:

- to the extent that the individual asset has been subject to specific valuation within the previous five years; AND
- where the cumulative percentage change (refer below examples) in the relevant index has been more than 5% since the last revaluation (either by specific valuation or indexation); AND
- where indicators do not exist that the asset class has experienced a significant and volatile change in value since the last revaluation (either by specific valuation or indexation).

Pickles

Indices

1.3 Appropriate Indices

According to NCAP 3 Queensland government organisations available to provide advice on relevant and appropriate indices include (but are not limited to): -

- State Valuation Service (SVS);
- the Economic Statistics Section, Queensland Government Statistician's Office, Queensland Treasury and Trade. The Queensland Government Statistician's website.

The use of indices may be limited by the availability and timeliness of an index appropriate to a particular type of asset. As far as possible, indices used must maximise the use of observable data and minimise the use of unobservable data. Indices applied to asset values should ideally be consistent with the underlying data inputs used for the last specific valuation.

Indices applied to asset values should ideally be consistent with the underlying data inputs used for the last specific valuation. For example:

- If the last valuation was based on market selling prices for similar assets, subsequent indices should also reflect changes in market selling process for similar assets. With regard to land market movements are determined having regard to the review of land values undertaken for each local government area by the Valuer General; and
- If the last valuation used a depreciated replacement cost technique, subsequent indices should reflect changes in construction costs for similar assets. In this respect specialised buildings may be indexed by Building Price Index (BPI) based on recent tenders for typical specialised buildings.

1.4 Indices movement

Land (Based on market selling price)

On 31 March 2021, the Valuer-General issued land valuations for 25 local government areas in Queensland. The new land valuations are effective from 30 June 2021. Ipswich City Council was not valued.

Local government area (LGA)	2017	2018	2019	2020	2021
Total number of LGAs valued in year	28/62	22/62	18/62	21/62	25/62
Ipswich City Council	12.6	NV	8.8	NV	NV

Pickles

The Department of Resources issued a statement in December 2020 for the land valuations in Queensland in 2021. It stated "valuations are issued annually across the state, except in unusual circumstances or where it is determined there has been insufficient market movement in a local government area to warrant a new valuation. In LGAs where new valuations are not issued in 2021, the most recent annual valuation will remain effective."

When undertaking the market surveys, Queensland's State Valuation Service has looked at a number of factors, including property sales, to determine if market movement has occurred since the last annual valuation. The Valuer-General said the impact of the COVID-19 pandemic this year was a major consideration when determining the property market and any movement in each local government area. "While transaction numbers have reduced from previous levels, the residential sector has been largely resilient with values remaining steady or improving," the Valuer-General said.

The Queensland Government Statistician's Office Queensland Regional Profile for Ipswich City Council provides vacant land sales data sourced from the Queensland Valuation and Sales (QVAS) database as collected by the Queensland Department of Natural Resources and Mines (DNRM), Office of the Valuer-General. Vacant residential land has been defined as vacant - large house sites, vacant urban land and vacant rural land between 140m² and 2,500m² within planning zones. Data is updated quarterly with a release approximately 4 months after the reporting period.

The Median sale price for vacant land in Ipswich City Council LGA for the 12 months ending 30 September 2020 was \$206,650 based on 1,232 vacant land sales.

Pricefinder is a property platform providing property data and analytics. The median sales price for vacant land sales between 140m² and 2,500m² for Ipswich City Council LGA based on data from PriceFinder (Domain) as at July 2020 was \$215,000 based on 326 vacant land sales and as at August 2020 was \$205,000 based on 171 sales. The most current median sales price for vacant land for Ipswich City Council LGA based on data from PriceFinder (Domain) as at March 2021 is \$205,000 (3 month moving average) based on only 13 vacant land sales – a significant reduction in number of sales. The variation in the median sale price from DNRM ending 30th September 2020 and Pricefinder's median sale price in March 2021 is only \$1,650. The chart below indicates little price movement in the median sales price for vacant land in Ipswich from July 2020 to April 2021.

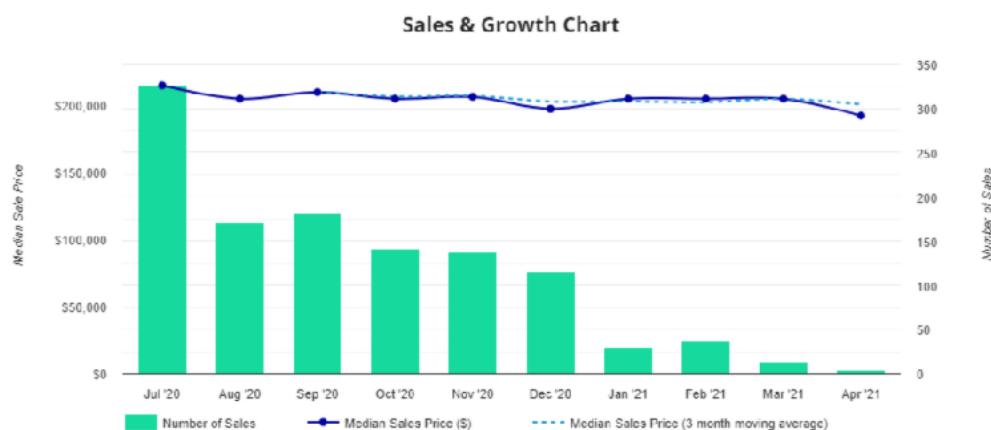
Criteria Summary

# Results	1157
Criteria	IPSWICH CITY
Sale Date	01/07/2020 to 27/04/2021
Sale Price	\$1.00 to \$1,000,000.00
Land Size	140 m ² to 2,500 m ²
Property Type	Vacant Land

Search Statistics

	Sale Price	Days to Sell	Area
Highest	\$714,900	445	2,426 m ²
Lowest	\$0	2	145 m ²
Average	\$212,225	130	480 m ²
Median	\$209,750	104	440 m ²
Total	\$245,544,002	8690	55.58 ha

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Source:Pricefinder.com.au

Based on the available data the indexation for Ipswich City Council's land values from 1 July 2020 to 30 June 2021 is considered to be 0%.

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Ipswich City Council Indices

AASB 13 requires disclosures about any changes in valuation techniques during the reporting period and information about new valuation techniques. For the purpose of this disclosure, the application of indices between specific valuations should not be regarded as a change of valuation technique.

To ensure consistency in fair value hierarchy categorisation between specific valuations and indexation, it is QTT's policy that the application of indices not change the fair value level that applied as at the last specific valuation (e.g. if a valuation at the last specific valuation was categorised as level 2 inputs, subsequent indexation of that value would also be level 2).

Based on the available statistical data the indices for Ipswich City Council land values is shown in the table below.

Asset Class	Valuation	Index Applied
Land	1 July 2020 to 30 June 2021	0%

According to Non-Current Asset Policies for the Queensland Public Sector NCAP 3 Valuation of Assets issued by Queensland Treasury agencies are encouraged to obtain and recognise asset revaluations well prior to financial year end. It is acceptable for the date of recognition of revaluations to be earlier than year end. However, asset values recognised still need to materially reflect fair value at year end and for this reason agencies are expected to take reasonable steps (possibly by subsequent liaison with valuers) to ensure fair values recognised earlier remain stable at year end.

For and on behalf of Pickles Valuations



Kim Adams BA, AAPI, CPV, ASA (M&TS)
Certified Practising Valuer
Senior Valuer
Pickles Valuations

27 April 2021

Pickles

Qualifications

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.

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.

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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.