

City Management, Finance and Community Engagement Committee	
Mtg Date: 20.03. 2018	OAR: YES
Authorisation: Gary Kellar	

23 February 2018

MEMORANDUM

TO: CHIEF EXECUTIVE OFFICER

FROM: CHIEF OPERATING OFFICER
(ARTS, SOCIAL DEVELOPMENT AND COMMUNITY ENGAGEMENT)

RE: TI-TREE BIOENERGY (FORMERLY VEOLIA ENVIRONMENTAL SERVICES)
CONTRIBUTIONS

INTRODUCTION:

This is a report by the Chief Operating Officer (Arts, Social Development and Community Engagement) dated 23 February 2018 concerning the management of contributions from Ti-Tree Bioenergy formerly known as Veolia Environmental Services and Collex.

BACKGROUND:

On 29 May 2002, a Court Order was handed down by the Planning and Environment Court in respect to a development application for a Waste Disposal Operation and Ancillary Activities at the Collex site at Willowbank. The Court Order set out the requirement for the payment of certain contributions towards the mitigation of any and all 'perceived' or 'real' impacts (locally or city-wide) that may arise from the development.

The initial contribution was paid to Council in January 2003 in accordance with the 2003 development approval (refer Attachment A). From that point, contributions have been made annually for the period 1 July to 30 June based on the tonnage of waste received at the site, or \$100,000.00, whichever is greater.

Council, at its Ordinary Meeting of 24 November 2004¹ (minutes attached as Attachment B), adopted that the annual lump payment from Collex (now known as Ti-Tree Bioenergy) be divided equally into twelve (12) allocations within the following categories:

- Ten (10) Divisional Allocations
- One (1) Citywide Allocation
- Division 10 for specific projects nominated by the Willowbank Area Group (WAG)

¹ clause 09.02 of the City Management Finance Committee 2004(10)

In August 2004, Council adopted the utilisation of Procedure 09/04 (*Allocation of Community Donations*) to provide a process to distribute the annual payment of the Local Environmental Improvements Contribution by Collex Pty Ltd (now known as Ti-Tree Bioenergy). Subsequently another procedure titled *Distribution of Payments Willowbank Area Group Collex Annual Payment*) was developed in 2005, outlining the process to distribute the annual payment, including the role and responsibilities of the Willowbank Area Group. (See Attachment C for latest version).

Willowbank Area Group (WAG) administers a local environmental grants program, whereby the Group makes an initial assessment of applications, which are then approved by the CEO and Mayor.

On 22 February 2018, a Council nominated working group met to discuss the purpose and distribution of funding from the contributions. The outcomes of that discussion are outlined in this paper.

CONCLUSIONS:

The current 12-way distribution of funds potentially dilutes the benefits deliverable by Council, as per the intent of the Court Order, which is to mitigate impacts that may arise from the development at Willowbank. Council has an opportunity to streamline management of funds while creating a centralised program of work that targets improved environmental and social outcomes across the City. It is appropriate that this program be developed in consultation with the Chair of the Conservation and Environment Committee and the relevant Divisional Councillor.

The delivery of local, small scale environmental projects coordinated (directly or indirectly) by the Willowbank Area Group provide a targeted focus for the delivery of relevant projects by local community organisations. It is proposed that the current funding arrangements for WAG continue.

BENEFITS TO COMMUNITY AND CUSTOMERS:





Centralisation of contributions paid by Ti-Tree Bioenergy for delivery of a targeted environment and social program aligns to Advance Ipswich and the Corporate Plan 2017–2022, by contributing to one or more of the following Goals, Strategies and Actions, including:

- Develop and implement an integrated approach to the planning and management of nature conservation matters in partnership with community, private land owners and government agencies.
- Improve environmental awareness, education and compliance
- Implement initiatives that strengthen governance, skills and knowledge

FINANCIAL IMPLICATIONS:

The 2017-2018 budget contains \$12,378 within each of the ten divisional community donation accounts and the city wide community donation account. In past years, an adjustment has been processed as part of the budget review in order to fully allocate actual revenue received by Ti-Tree Bioenergy in the current financial year. It is proposed that this adjustment not proceed, thereby generating no impact to the current budget.

ATTACHMENTS:

Name of Attachment	Attachment
Attachment A Conditions of the Consent Order for the Waste Disposal Facility at Willowbank	 Attachment A
Attachment B Ipswich City Council Minutes of Ordinary Meeting 24 November 2004	 Attachment B
Attachment C Procedure: Distribution of Annual Veolia Environmental Services Funding for Grants Nominated by the Willowbank Area Group Inc	 Attachment C
Confidential Background Papers	
Legal Advice – Interpretation of Approval	 Attachment D

RECOMMENDATIONS:

- A. That the previous decision of Council, as per Recommendation A of Item No. 09.02 of the City Management and Finance Committee, 2004(10) of 16 November 2004 and adopted at the Council Ordinary Meeting of 24 November 2004, detailed in Attachment B, be repealed.
- B. That one twelfth of the funding available from the Collex planning approval condition order be available for the Division 10 community donation account to support projects recommended by the Willowbank Area Group Inc which meet the outcomes prescribed by the Court Order handed down by the Planning and Environment Court on 29 May 2002, with unspent funds as at financial year end to be rolled over to the following year's budgeted funds.
- C. That Council review and update its agreement with the Willowbank Area Group and relevant governance documentation to ensure that assessment criteria for the expenditure of funds align to the prescribed outcomes in the Court Order handed down by the Planning and Environment Court on 29 May 2002.

- D. That 11/12th of all future contributions from Ti-Tree Bioenergy fund a centralised, targeted environment and social program of work to meet the outcomes prescribed by the Court Order handed down by the Planning and Environment Court on 29 May 2002.
- E. That the balance between allocated 2017-2018 budget (Ti-Tree Bioenergy component in community donations accounts) and actual revenue received by Ti-Tree Bioenergy in the 2017-2018 financial year be allocated to expenditure under a targeted environment and social program of work.
- F. That all unspent funds relating to the centralised, targeted environment and social program of work be rolled over into future years' operational budget to ensure that Council continues to meet the outcomes prescribed by the Court Order handed down by the Planning and Environment Court on 29 May 2002.

Caroline McMahon

CHIEF OPERATING OFFICER

(ARTS, SOCIAL DEVELOPMENT AND COMMUNITY ENGAGEMENT)