



GENERAL MEETING MINUTES

**HELD AT THE COUNCIL CHAMBERS - CIVIC CENTRE
101 GOONDOON STREET, GLADSTONE**

On Tuesday 2 November 2021

Commencing at 9.00am

**Leisa Dowling
CHIEF EXECUTIVE OFFICER**

Table of Contents

ITEM	PAGE
G/0.3.2. APOLOGIES AND LEAVE OF ABSENCE	4
G/0.3.3. MESSAGES OF CONDOLENCE.....	5
G/0.3.4. DECLARATION OF INTERESTS.....	5
G/1. MAYORAL STATEMENT OF CURRENT ISSUES.....	6
G/2. CONFIRMATION OF MINUTES.....	7
G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 19 OCTOBER 2021	7
G/3. OFFICERS' REPORTS.....	8
G/3.1. 2020/21 ANNUAL REPORT	8
G/3.2. 2021/22 OPERATIONAL PLAN - QUARTER ONE REPORT	9
G/3.3. QUEENSLAND AUDIT OFFICE CLOSING REPORT	10
G/3.4. REVIEW OF COUNCILLOR REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES POLICY.....	11
G/3.5. 60-22 BIOSOLIDS REMOVAL AND REUSE EMERGENCY WORKS.....	12
G/3.6. TENDER 51-22 RPQS SURVEY SERVICES.....	13
G/3.7. SUMMER BIOSECURITY PROGRAM SURVEILLANCE 2021	14
G/3.8. APPROVED PLACE NAMES REGISTER - NEVILLE GREGORY.....	15
G/4. DEPUTATIONS.....	16
G/5. COUNCILLORS REPORT	17
G/5.1. LGAQ WASTE FORUM - CONFERENCE REPORT	17
G/6. URGENT BUSINESS	20
G/7. NOTICE OF MOTION	20
G/8. CONFIDENTIAL ITEMS.....	20

GENERAL MEETING AGENDA 2 NOVEMBER 2021

Elected Members

Councillor - Mayor M J Burnett
Councillor G G Churchill
Councillor K Goodluck
Councillor R A Hansen
Councillor C A Trevor
Councillor N Muszkat
Councillor C Cameron
Councillor D Branthwaite

Officers

Mrs L Dowling (Chief Executive Officer)
Mrs R Millett (Executive Secretary)
Mrs B Saunders (Manager Governance and Risk)
Mr M Holmes (General Manager Finance, Governance and Risk)
Mr M Francis (General Manager Strategic Asset Performance)
Ms C Quinn (General Manager Strategy and Transformation)
Ms K Lee (General Manager Community Development and Events)
Mr J Tumbers (General Manager Operations)
Mr R Huth (General Manager Customer Experience)
Mr T Mienie (General Manager People, Culture and Safety) (via teams)
Ms S Hunter (Manager Strategy and Improvement)
Ms K Wockner (Manager Contracts and Procurement)

G/0.3.2. APOLOGIES AND LEAVE OF ABSENCE

GM/21/4618 Council Resolution:

Moved Cr Goodluck
Seconded Cr Cameron

That an apology for Councillor O'Grady be received.

CARRIED

G/0.3.3. MESSAGES OF CONDOLENCE

Nil.

G/0.3.4. DECLARATION OF INTERESTS

Nil.

G/1. MAYORAL STATEMENT OF CURRENT ISSUES

The first thing I would like to discuss is the Local Government Association Queensland (LGAQ) 125th Annual Conference which was held in Mackay recently. I would like to take the opportunity to thank Greg Hallam, for his 29 years of service to LGAQ and 40 years of service to Local Government. Alison Smith is the new CEO of LGAQ. Thank you Greg for everything you have done for local government across Queensland and across Australia. He has also been the voice of reason and wisdom at the Australian Local Government Association board meetings for many years.

We were very proud to support our neighbouring councils across Central Queensland with the motions that were put forward and passed at conference. We also put forward a motion which Cr Goodluck will speak to in general business, which was also passed. Thank you to all the Councillors who attended.

At the conference, Councillor Rick Hansen was acknowledged for his 15 years of service to local government and I have a certificate to present to Cr Hansen today. I would like to thank Rick for your service to the Gladstone Region, and local government in general and on behalf of the LGAQ, congratulations.

I will wrap up by acknowledging the year 12's that will soon be graduating. Congratulations to all the year 12 graduating students and to everyone who is participating in the school awards ceremonies right across the Gladstone Region.

G/2. CONFIRMATION OF MINUTES

G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 19 OCTOBER 2021

Responsible Officer: Chief Executive Officer

Council Meeting Date: 2 November 2021

File Ref: CM7.2

Purpose:

Confirmation of the minutes of the General Meeting held on 19 October 2021.

Officer's Recommendation:

That the minutes of the General Meeting of Council held on 19 October 2021 be confirmed.

GM/21/4619 Council Resolution:

Moved Cr Churchill

Seconded Cr Branthwaite

That the Officer's Recommendation be adopted.

CARRIED

G/3. OFFICERS' REPORTS

G/3.1. 2020/21 ANNUAL REPORT

Responsible Officer: General Manager Strategy and Transformation

Council Meeting Date: 2 November 2021

File Ref: CM 18.1

Purpose:

Seeks Council endorsement of the Gladstone Regional Council 2020/21 Annual Report.

Officer's Recommendation:

That the 2020/21 Gladstone Regional Council Annual Report be adopted as tabled (refer Addendum 1).

GM/21/4620 Council Resolution:

Moved Cr Churchill
Seconded Cr Hansen

That the Officer's Recommendation be adopted.

CARRIED

G/3.2. 2021/22 OPERATIONAL PLAN - QUARTER ONE REPORT

Responsible Officer: General Manager Strategy & Transformation

Council Meeting Date: 2021/22 Operational Plan – Quarter One Report

File Ref: CM14.2

Purpose:

To present Council with the first quarterly performance report for the 2021/22 Operational Plan.

Officer's Recommendation:

That Council note the 2021/22 Operational Plan First Quarter Report.

GM/21/4621 Council Resolution:

Moved Cr Cameron
Seconded Cr Branthwaite

That the Officer's Recommendation be adopted.

CARRIED

G/3.3. QUEENSLAND AUDIT OFFICE CLOSING REPORT

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 2 November 2021

File Ref: FM4.3

Purpose:

To present a copy of the final Queensland Audit Office (QAO) reports to ensure transparency and accountability of Council regarding audit findings.

Officer's Recommendation:

That Council note the final QAO reports in accordance with Section 213 of the *Local Government Regulation 2012*.

GM/21/4622 Council Resolution:

Moved Cr Hansen
Seconded Cr Muszkat

That the Officer's Recommendation be adopted.

CARRIED

G/3.4. REVIEW OF COUNCILLOR REIMBURSEMENT OF EXPENSES AND PROVISION OF FACILITIES POLICY

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 2 November 2021

File Ref: CM28.2

Purpose:

The purpose of this report is for Council to consider a proposed revised Councillor Expenses Reimbursement and Provision of Facilities Policy.

Officer's Recommendation:

That Council:

1. Repeal P-2018-31 - Councillor Expenses Reimbursement and Provision of Facilities Policy; and
2. Adopt P-2021-18 - Councillor Expenses Reimbursement and Provision of Facilities Policy as Addendum 2.

GM/21/4623 Council Resolution:

Moved Cr Cameron
Seconded Cr Churchill

That the Officer's Recommendation be adopted.

CARRIED

G/3.5. 60-22 BIOSOLIDS REMOVAL AND REUSE EMERGENCY WORKS

Responsible Officer: General Manager Operations

Council Meeting Date: 2 November 2021

File Ref: PE1.1

Purpose:

This report seeks resolution from Council, in accordance with Council's register of financial delegations, to approve expenditure for Biosolids Removal and Reuse Emergency Works.

Officer's Recommendation:

That Council retrospectively:

1. Endorse the expenditure for Biosolids Removal and Reuse Emergency Works; and
2. Authorise the Chief Executive Officer to enter into a contract with Arkwood (Gloucester) Pty Limited and Remondis Australia Pty Ltd Trading as RA JV for 60-22 Biosolids Removal and Reuse Emergency Works.

GM/21/4624 Council Resolution:

Moved Cr Hansen
Seconded Cr Branthwaite

That the Officer's Recommendation be adopted.

CARRIED

G/3.6. TENDER 51-22 RPQS SURVEY SERVICES

Responsible Officer: General Manager Operations

Council Meeting Date: 2 November 2021

File Ref: PE1.1

Purpose:

This report seeks resolution from Council to enter into service provider agreements for the provision of Survey Services under a Register of Pre-Qualified Suppliers.

Officer's Recommendation:

That Council:

1. Endorse the tender evaluation panel's recommendation and appoint the following five (5) service providers:
 - AAM Pty Ltd;
 - Fredriksen Maclean & Associates;
 - JFP Urban Consultants;
 - Masters Surveying; and
 - Northgroup Consulting.

2. Authorise the Chief Executive officer to enter into service provider agreements for an initial term of two (2) years with the option to extend the arrangements for three (3) further periods of one (1) year each at Council's discretion with the above service providers.

GM/21/4625 Council Resolution:

Moved Cr Cameron

Seconded Cr Muszkat

That the Officer's Recommendation be adopted.

CARRIED

G/3.7. SUMMER BIOSECURITY PROGRAM SURVEILLANCE 2021

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 2 November 2021

File Ref: EM12.6

Purpose:

To seek Council approval by resolution to implement a (Summer) Biosecurity Surveillance Program under the *Biosecurity Act 2014 (Qld)* to monitor the compliance of landholders with restricted and prohibited matter of African Tulip Tree, Bellyache bush, Giant Rat's Tail Grass, Groundsel Bush, Harrisia Cactus, Mesquite, Parkinsonia, Parthenium, Prickly Acacia and Rubber Vine in the Gladstone Region.

Officer's Recommendation:

That in accordance with section 235 of the *Biosecurity Act 2014*, Council authorise the attached Biosecurity Surveillance Program (Summer) for the period 30 November 2021 to 30 April 2022.

GM/21/4626 Council Resolution:

Moved Cr Goodluck

Seconded Cr Trevor

That the Officer's Recommendation be adopted.

CARRIED

G/3.8. APPROVED PLACE NAMES REGISTER - NEVILLE GREGORY

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 2 November 2021

File Ref: CR13.1

Purpose:

The purpose of this report is to allow Council to consider a request to add 'Neville Gregory' to the Approved Place Names Register for future use to name a Council Asset.

Officer's Recommendation:

That Council approve the application to add 'Neville Gregory' to the Approved Place Names Register.

GM/21/4627 Council Resolution:

Moved Cr Trevor
Seconded Cr Cameron

That Council approve the application to add 'Neville Gregory' to the Approved Place Names Register and attach the newspaper article provided in the submission to the minutes (refer Addendum 3).

CARRIED

G/4. DEPUTATIONS

Nil.

G/5. COUNCILLORS REPORT

G/5.1. LGAQ WASTE FORUM - CONFERENCE REPORT

Responsible Officer: Chief Executive Officer

Council Meeting Date: 2 November 2021

File Ref: CM6.1 or CM7.1

Purpose:

Councillor Branthwaite and Councillor Hansen recently attended the LGAQ Waste Forum in Brisbane. Cr Hansen has forwarded most of the presentations from the Forum to Councillors, Chief Executive Officer and General Manager Operations.

Councillor's Recommendation:

That Council accept the LGAQ Waste Forum Brisbane 27th - 28th September 2021 report.

GM/21/4628 Council Resolution:

Moved Cr Muszkat
Seconded Cr Cameron

That the Officer's Recommendation be adopted.

CARRIED

GENERAL MEETING AGENDA 2 NOVEMBER 2021

Councillor Rick Hansen mentioned that the Gladstone Area Promotion and Development Ltd (GAPDL) held their annual general meeting (AGM) last Thursday and advised that after 18 years of service to the community through GAPDL, Lee Zimmerle stood down from the chair position. Cr Hansen congratulated Lee on her service. Cr Hansen further advised that Robert Gibb has stepped into the chair position and Marilyn Steel from QGC has been appointed as the industry representative. Cr Hansen noted that there was a surplus budget delivered again this year.

Councillor Glenn Churchill mentioned that councillors had recently attended a number of AGM's and community events, including the State QCWA conference and AGM, the Boyne Valley Community Discovery Centre, Evenglow AGM and noted that a brief report will be presented to a future meeting.

Councillor Natalia Muszkat wished the QCWA Tannum Sands Branch a happy 50th birthday.

Cr Muszkat mentioned that the PopCon event held on the weekend was a wonderful event and Cr Hansen congratulated everybody involved in the event.

Cr Muszkat further mentioned that she had met with students of Gladstone West State School who were competing in the Gladstone First Lego League on Saturday 6 November 2021 and wished all of the students the best of luck. Cr Muszkat noted that she had encouraged the students to present their skills to a future Council meeting.

Councillor Kahn Goodluck advised that at the LGAQ conference, one motion was put forward by Council, and was supported by the conference floor. Cr Goodluck advised that the motion was in regards to working more closely with the Department of Transport and Main Roads on heavy vehicle freight access in and out of Gladstone. Cr Goodluck noted that advice received from the Gladstone Port Corporation was that they estimated approximately 1,500 plus wind towers will be coming through the port and in and out of the city over the next 10 years. Cr Goodluck noted that each wind tower would be approximately 200m tall and broken down into 13 sections, with 80m long blades and highlighted that there are some infrastructure challenges in getting these products in and out of the city. Cr Goodluck noted that Council is looking forward to working more closely with the Department of Transport and Main Roads over the coming months to address these issues.

Cr Goodluck noted that the LGAQ conference was very informative and broadens councillors horizons on the issues and challenges faced by different local government areas in the state. Cr Goodluck further noted that the conference provided an opportunity to meet with other Mayors and councillors to discuss opportunities and advocate for large projects, such as the Inland Rail project. Cr Goodluck congratulated Cr Hansen for 15 years of service to local government.

Cr Goodluck mentioned that Mayor Burnett was acknowledged for his 21 years of service to local government at the LGAQ conference and presented Mayor Burnett with a certificate, noting that Mayor Burnett was one of the few long serving councillors (over 21 years) in Queensland. Cr Goodluck congratulated Mayor Burnett and thanked him for his service.

Mayor Burnett mentioned that Remembrance Day is next Thursday, 11 November 2021 and there a number of Remembrance Day services being held around the region that councillors will be attending and encouraged the community to attend where possible as well.

GENERAL MEETING AGENDA 2 NOVEMBER 2021

Mayor Burnett mentioned the Community Fun Day for the opening of the Philip Street Communities and Families Precinct on Saturday 13 November 2021 from 1:00pm - 4:00pm and invited everyone to come and visit the amazing facility. Mayor Burnett also mentioned that there were a number of events happening on Saturday 13 November 2021 including Tannum Kindy celebrating their 40th birthday; the Baffle Art Group have their Annual Art Exhibition from 6:30pm; it is National Recycling week that week also and finally McHappy Day. Mayor Burnett noted the important work and support that the Ronald McDonald House Charities provides to families requiring accommodation while children are undergoing treatment in a nearby hospital and encouraged everyone to purchase a Big Mac or Helping Hand on McHappy Day, with all proceeds going to the Ronald McDonald House Charities. Mayor Burnett thanked the Ronald McDonald House Charities for the work they do.

Mayor Burnett mentioned that the Melbourne Cup is on today and wished everybody participating good luck.

G/6. URGENT BUSINESS

Nil.

G/7. NOTICE OF MOTION

Nil.

G/8. CONFIDENTIAL ITEMS

Nil.

There being no further business the Mayor formally closed the meeting.

THE MEETING CLOSED AT 10:02am

CERTIFICATION

I hereby confirm that I have read the minutes and they are a true and correct record of the proceedings of the meeting. I certify that these 276 pages form the official copy of Gladstone Regional Council General Meeting Minutes of the 2 November 2021.

.....
Mayor Matt Burnett

..... / /
Date

ATTACHMENTS
Addendum 1



2020/21
Annual Report
Our Community. Our Future.





OUR FRONT COVER

We are proud to truly value inclusiveness and equality. The report cover photo features Gooreng Gooreng representative Annie Johnson who facilitated our Cultural Awareness Tours across our region in June 2021. The tours provided an opportunity for residents to learn about scarred trees, natural medicines, language, culture and much more through the lens of our First Nations people. By educating our community about our region's past, we're empowered to build stronger relationships in the future. See page 38 for more information on this story.

GET IN TOUCH

Call us: (07) 4970 0700

For hearing and speech difficulties contact Council through the National Relay Service:

Speak and Listen: 1300 555 727

Type and Listen: 133 677

Internet Relay users: www.relayservice.gov.au

Email us: info@gladstone.qld.gov.au

Check out our website:
www.gladstone.qld.gov.au

Follow us

Facebook
Instagram
Twitter
LinkedIn
YouTube

Send us mail:

Gladstone Regional Council
PO Box 29
Gladstone QLD 4680

While care has been taken to ensure all content is complete and accurate, Gladstone Regional Council provides no guarantee that this report is without error and none of the material in this publication may be reproduced without the permission of the Chief Executive Officer. Gladstone Regional Council takes no responsibility for any reliance on information within this report. © 2021 Gladstone Regional Council.

VISIT US

Agnes Water Rural Transaction Centre

71 Springs Road, Agnes Water Q 4677

Ph: (07) 4902 1515

Open Monday to Friday - 9am to 4.30pm
(cashiers close at 4.30pm daily)

Boyne Tannum Community Centre

Cnr Wyndham & Hayes Avenues,

Boyne Island Q 4680

Ph: (07) 4971 9700

Open Monday to Friday - 9am to 5.30pm
(cashiers close at 4.45pm daily)

Calliope Library and Transaction Centre

3 Don Cameron Drive, Calliope Q 4680

Ph: (07) 4975 8105

Open Monday to Friday - 8.30am to 5pm
(cashiers close at 4.45pm daily)

Gladstone Office

101 Goondoon Street, Gladstone Q 4680

Ph: (07) 4970 0700

Open Monday to Friday - 8.30am to 5pm
(cashiers close at 4.45pm daily)

Miriam Vale Office

41 Blomfield Street, Miriam Vale Q 4677

Ph: (07) 4970 0700

Open Monday to Friday - 8.30am to 5pm
(cashiers close at 4.45pm daily)

Mount Larcom Rural Transaction Centre

47 Raglan Street, Mount Larcom Q 4695

Ph: (07) 4975 1205

Open Monday to Friday - 9am to 1pm and
2pm to 5pm

WE'RE LISTENING

We want to hear your thoughts about this Annual Report.

Have we produced a report that reflects what you want to know? Help us improve by writing to us or using the feedback form inside the back cover.

You can forward your feedback in three different ways:

1. Email info@gladstone.qld.gov.au with subject: Annual Report
2. Drop off to your nearest Council Customer Service Centre
3. Send mail to:

Chief Executive Officer
Gladstone Regional Council
PO Box 29, Gladstone QLD 4680



ACKNOWLEDGEMENT OF COUNTRY

Gladstone Regional Council would like to acknowledge the traditional custodians of this land, the Byellee (Bailai), the Gooreng Gooreng, the Gurang and the Taribelang Bunda people.

We pay respect to their Elders past, present and emerging.

We would also like to extend that respect to other Aboriginal and Torres Strait Islander people in our region.

To learn more about the story of this Scarred Tree see page 29.

CONTENTS

Acknowledgement
of Traditional Owners
and Country 3

SECTION 1

**Introduction and
Highlights 6**

Introduction 6

Theme and How to
Read this Report 8-9

Our Region 10-17

Our Vision and Values 18-19

Financial Summary 20-21

Performance Overview 22

Looking Ahead 23

Message from the Mayor 24

Message from the CEO 25

Reconciliation
and Celebration 26-29

Community
Engagement 30-35

Successes and
Challenges in 2020/21 36-41

Responding
to COVID-19 42-49

Council in the news 50-51

Significant
Events 2020/21 52-53

Awards and
Commendations 54-55

SECTION 2

Our Council 56

Councillor Profiles 58-63

Councillor Governance 64-67

 Councillor Committee 64

 Council Meetings 65

 Councillor
 Remuneration 65

 Councillor Overseas
 Travel 65

 Councillor Expense and
 Provision of Facilities 66

Youth Council 68-69

Organisation Structure 70

Corporate Governance 72-73



Risk Management /Business Continuity 74

Smart Asset Management 74-75

Executive Leadership Team 76-78

 Senior Management Remuneration 79

 Executive Leadership Team Overseas Travel 79

Business Unit Overviews 80-101

Our People 102-105

Our Apprentice and Trainees Program 106-107

Our Community Volunteers 108-111

**SECTION 3
Operational and Core Service Performance Outcomes 112**

Performance Reporting 114-115

CONNECT 116-123

INNOVATE 124-129

DIVERSIFY 130-133

COVID Recovery Plan 134-135

**SECTION 4
Governance and Disclosures 136**

Governance 138-141

Disclosures 142-143

**SECTION 5
Financial Performance 144**

Community Financial Report 146-151

Consolidated Financial Statement 152-229

**SECTION 6
References 230**

Glossary of Terms 232-234

List of Acronyms and Abbreviations 236-237

List of Figures and Tables 238-239

Legislative Index 240-243

Feedback Form 244

Subject Index 246-247



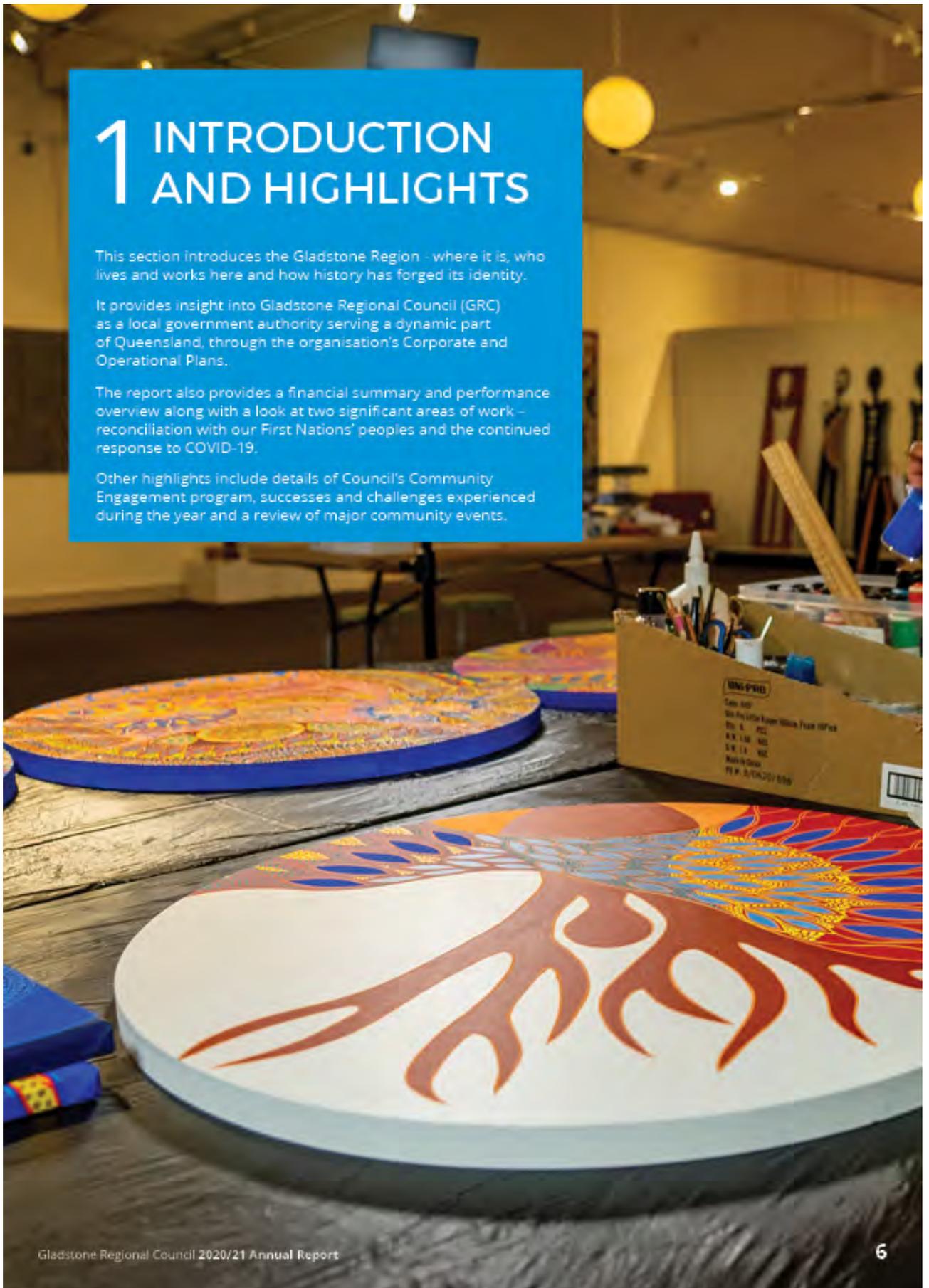
1 INTRODUCTION AND HIGHLIGHTS

This section introduces the Gladstone Region - where it is, who lives and works here and how history has forged its identity.

It provides insight into Gladstone Regional Council (GRC) as a local government authority serving a dynamic part of Queensland, through the organisation's Corporate and Operational Plans.

The report also provides a financial summary and performance overview along with a look at two significant areas of work - reconciliation with our First Nations' peoples and the continued response to COVID-19.

Other highlights include details of Council's Community Engagement program, successes and challenges experienced during the year and a review of major community events.





INTRODUCTION AND HIGHLIGHTS 01

THEME AND HOW TO READ THIS REPORT

The theme for this year's Annual Report is 'Our Community, Our Future'.

It reflects on 12 months of Council decision making for current and future generations that provides opportunities for an inclusive, engaged community, while continuing to meet people's needs through value for money services.

This report is a legislative requirement under the *Local Government Act 2009*. It is a key tool used to inform our community and stakeholders about Council's performance, achievements and challenges during the 2020/21 financial year. These areas are measured against objectives set out in the Operational Plan and Budget.



“ Our Community Our Future means the future ahead is extremely bright with sound financial decisions, good planning and excellent engagement with our community. ”

Cr Darryl Branthwaite

THE ANNUAL REPORT FEATURES THE FOLLOWING MAJOR SECTIONS



1. INTRODUCTION AND HIGHLIGHTS

This section introduces the Gladstone Region - where it is, who lives and works here and how history has forged its identity. It provides insight into Council as a local government authority serving a dynamic part of Queensland, through the organisation's Corporate and Operational Plans.



2. OUR COUNCIL

This section provides information about our Mayor and Councillors and introduces our Executive Leadership Team and organisational structure. It includes our business unit overviews for 2020/21 and key data on our people. It also introduces our Youth Council as well as our volunteers.



3. OPERATIONAL AND CORE SERVICE PERFORMANCE OUTCOMES

This section details the actions we delivered on the strategic goals set in these plans and links these outputs to our vision to Connect, Innovate, Diversify.



4. GOVERNANCE AND DISCLOSURES

This section details the statutory annual reporting requirements that have not already been included elsewhere in the Annual Report. This includes information on our investment in the community, our concessions provided to rates and charges as well as how we respond to complaints and requests for information.



5. FINANCIAL PERFORMANCE

This section details our Community Financial Report which provides an overview of our key financial outcomes. This section also includes our consolidated financial statements.



6. REFERENCES

This section provides context to the terminology used throughout the report to assist the reader with understanding specific definitions. Glossary of terms, list of acronyms and abbreviations, list of figures and tables, legislative index and subject index is included to help the reader better understand the report.





OUR REGION

From Kroombit Tops in the west to the coral lagoons of the Southern Great Barrier Reef, the Gladstone Region's landscape is as varied as its capacity for economic development.

The region has a population of about 63,000 people and covers 10,500 square kilometres.

It has a strong record of job creation and investment opportunities, with relaxed living, recreational and tourism options enhancing its appeal and potential for future growth.

In recent decades, the economy has been built around heavy industry with access to a deep-water harbour for export trade.

The region has two of the world's largest alumina refineries, the Boyne Island Aluminium Smelter and the Liquefied Natural Gas (LNG) industry on nearby Curtis Island.

After a period of economic slowdown and the world-wide pandemic, it is now looking to recover and revive its communities for a brighter future.

Industry, along with an engaged community, will be at the centre of this revival.

Several renewable energy projects embracing hydrogen, biofuels, solar energy and new waste management practices have been proposed for the Gladstone State Development Area.

Their go-ahead would position the city of Gladstone as a renewable energy hub, taking the economy in an exciting, new direction.

Away from industry, the Gladstone Region features plenty of green open space, including the nationally recognised Gladstone Tondoon Botanic Gardens, award-winning playgrounds, and other coastal locations where sailing and boating activities are popular.

Residents and visitors can see historical sites, go bush walking, mountain climbing or snorkel the reef to experience the outdoor environment.

The region's strength is a great sense of community with a 'can do' attitude. This, combined with well-developed infrastructure and services, supports our local communities to thrive.



OUR POPULATION



63,412
residents, 2.5% of Regional
QLD's total population



35 years
median resident age



14%
people born overseas



2.3%
identify as Aboriginal
and/or Torres Strait Islander



5.5%
of population require daily
assistance due to disability



18.2%
residents volunteer

MUST DO'S



Easter in Gladstone
Easter Long Weekend



Boyne Tannum HookUp
May Long Weekend



Mount Larcom Show
June



THE GLADSTONE REGION IS HOME TO



29
state forests



13
conservation parks



834
native animal species



416
native bird species



2829
native plant species



65
rare or threatened animal species



southernmost coral cay of
the Great Barrier Reef



pristine coasts
and islands

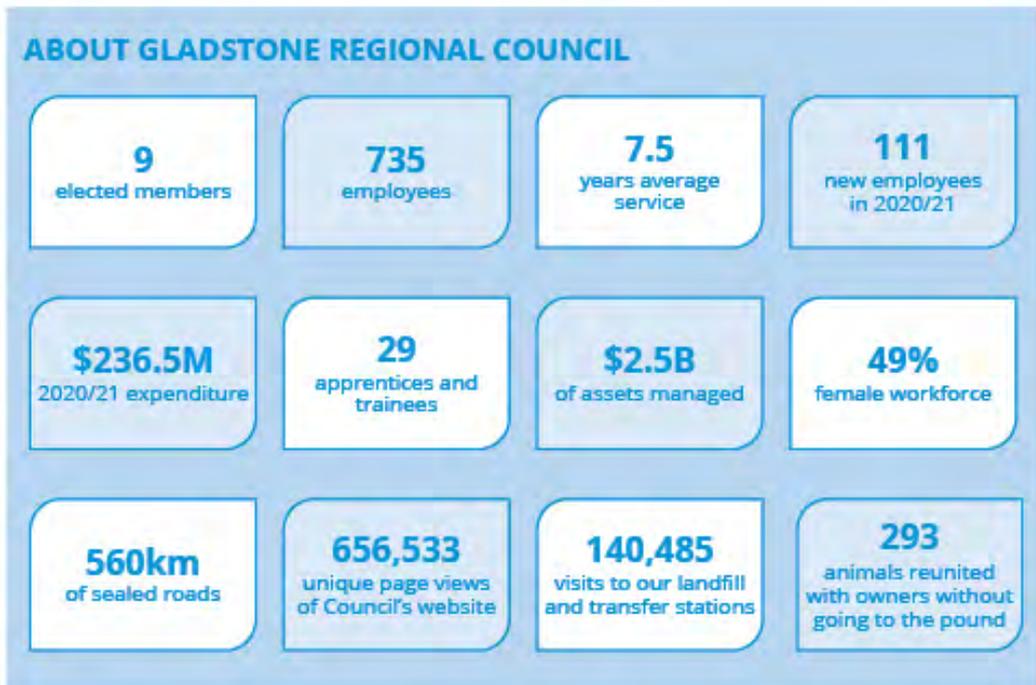


beautiful parklands
and forests



diverse habitats
ready to explore

INTRODUCTION AND HIGHLIGHTS 01



OUR FACILITIES AND VENUES



1
art gallery and museum



3
BMX dirt tracks



1
botanic garden



3
dog exercise areas



1
entertainment and
convention centre



15
exercise parks



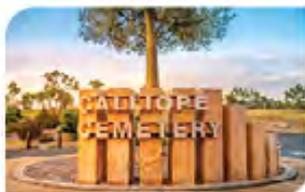
186
reserves



7
skate parks



60
playgrounds



13
cemeteries



14
community halls



6
libraries and
1 mobile library



2
pump tracks



11
waste transfer stations
and 1 landfill facility



7
wastewater
treatment plants



NRG Gladstone Power Station at dusk.

WHO WE WORK WITH IN OUR COMMUNITY

The Gladstone Region is a great place to live, work, play, stay and invest. Our region is home to more than 63,000 people who all have a different story to tell and whose values we consider when making decisions as an organisation.

Our region includes communities in the urban centres of Gladstone and Tannum Sands/Boyne Island, plus the smaller towns of Agnes Water, Ambrose, Baffle Creek, Benaraby, Bororen, Builyan, Calliope, Lowmead, Miriam Vale, Mount Larcom, Many Peaks, Nagoorin, Raglan, Rosedale, Seventeen Seventy, Turkey Beach, Ubobo and Yarwun. Our region is also home to small communities on Curtis Island and Facing Island.

We seek to listen and deliver to our community based on our Corporate Plan and Operational Plan.

Some of our key community stakeholders include:

- Aboriginal and Torres Strait Islander groups and organisations
- Arts and recreation groups
- Businesses
- Charities and Not For Profit Organisations
- Community groups
- Customers, ratepayers and residents
- Emergency services and support agencies
- Environmental bodies and groups
- Federal and State Government agencies
- Gladstone Airport
- Human and social services
- Industries
- Local Chamber of Commerce
- Media outlets
- Primary producers (particularly beef cattle and timber)
- Resident and ratepayer associations
- School, daycare, kindy and outside school hours care coordinators
- Sporting clubs
- Tourism, promotion, development and event organisations
- Visitors and tourists
- Volunteers

OUR HISTORY

	1802		1863		1873		1896		1906		1961
	<ul style="list-style-type: none"> • The traditional custodians of the lands that make up the Gladstone Region are the Byellee, Gooreng Gooreng, Gurang and Taribelang Bunda people. • In 1802, English navigator Captain Matthew Flinders recorded the first European sighting of Gladstone Harbour. The settlement was named after the British Chancellor of the Exchequer, William Ewart Gladstone, when it became a municipality in 1863. 									<ul style="list-style-type: none"> • Miriam Vale was the administrative centre of the former Miriam Vale Shire and was named after a pastoral leasehold first occupied in 1854 by Arthur Chauvel. He named the property after his sister, Miriam Sally Emily. • Calliope started as Queensland's first officially proclaimed goldfield in 1863. • Agnes Water was named after a coastal schooner, the Agnes, lost at sea in 1873. • For more than a century, the city of Gladstone has grown and prospered around different industries. These included the early meatworks in 1896, the Port Curtis Dairy Cooperative in 1906, the first coal exports in 1961 and the establishment of Queensland Alumina Limited's (QAL) alumina refinery on the old meatworks' site in 1963. 	



OUR ECONOMIC PROFILE 2020/21



\$5.35B in Gross Regional Product (GRP)

Supported an estimated **29,072 regional jobs** representing 3.1% of regional Queensland's economy in terms of GRP and **2.4% in terms of local jobs**.



Average of **566,000 visitors** to the region per annum
3,701 local businesses



Top **four** employers provide
Manufacturing **4,513 jobs** (15.5%), Construction **3,251 jobs** (11.2%),
Retail **2,821 jobs** (9.7%), Transport & Logistics **2,510 jobs** (8.6%)



There are nearly **7,100** residents aged **over 65** living in the region,
most residing in Agnes Water and West Gladstone.

There are **16,125 families** living in the suburbs of the Gladstone Region of which
46% are couples with children.

Approximately **300 babies** are born in Gladstone each year.

1963

1970'S

1976

1980'S

2008

2010

2017

- The deepwater port facilities' expansion through the **1970's** and **1980's** launched an era of industrial development and economic prosperity. This involved a range of exports, including coal and aluminium, and from **2010** onwards, the development of the Liquid Natural Gas (LNG) industry.
- The Gladstone Region Local Government Area (LGA) includes the city of Gladstone (proclaimed in **1976**), nearby rural townships of Calliope, Mount Larcom and Miriam Vale, and the coastal locations of the twin towns of Boyne Island and Tannum Sands and the surf locations at Agnes Water and Seventeen Seventy. The diverse region also extends inland to the Boyne Valley area and includes the localities of Nagoorin, Ubobo, Builian and Many Peaks. The LGA is also gateway to the famous Heron Island, Lady Musgrave island, Lady Elliot Island and has residents on Curtis and Facing Islands. There are also many smaller localities including Ambrose, Baffle Creek, Benaraby, Bororen, Lowmead, Raglan, Rosedale, Rules Beach, Targinnie, Turkey Beach and Yarwun.
- In **2008**, three Local Government Areas – Gladstone City, Calliope Shire and Miriam Vale Shire – amalgamated to form GRC.
- In November **2017**, the Federal Court of Australia recognised the area's Traditional Owners as the true custodians of over 420,594 hectares of lands and waters in the Gladstone and Bundaberg regions, through the Native Title Consent Determination.



VISION

Connect. Innovate. Diversify.

VALUES

Safe

We are uncompromising in our commitment to safety, which is reflected in our attitude, our decisions and our actions.

Ethical

We operate with transparency, openness and accountability at the fore.

Responsive

We respond by being present, proactive and solutions-focused, and we deliver on our commitments.

Visionary

We plan as future-thinkers and opportunity-seekers and we have the courage to shape a better future for our community.

Inclusive

We create and value diversity and we actively demonstrate our commitment to equality and inclusivity.

Community

We care about each other and our environment and we recognise that community is the core of our business.

Efficient

We deliver; we challenge the status quo and we continually find better ways to reduce cost and improve services.



Pandanus Dieback community education and plant out session at Agnes Water.

COUNCIL PLANS



Corporate Plan

The 2018-2023 Corporate Plan sets out Gladstone Regional Council's commitment to a dynamic, proud and diverse future for the Gladstone Region. It serves as the primary strategic planning document to guide us in learning about the needs of our community and future-proofing our organisation to deliver on those needs. Our Corporate Plan defines our strategic direction through our vision and strategic goals.



Operational Plan

An Operational Plan is developed each year and breaks down the actions, outputs and measures that enable the organisation to deliver on the goals set in our Corporate Plan. Detailed performance is outlined within each of the nine strategic goals in the Operational and Core Service Performance Outcomes section from page 112.

INTRODUCTION AND HIGHLIGHTS 01

FINANCIAL SUMMARY

Summary of key financial information for 2020/21.

Detailed financial information can be found in the Community Financial Report on pages 144-151 and financial statements on pages 152-229.



Council is committed to the responsible use of funds to meet the needs of our community now and into the future. Our current financial position ensures Council is in a position to do this.

Looking forward to 2021/22

Our existing stable financial position has allowed us to respond to community needs through a record \$273.2M Budget.

PERFORMANCE HIGHLIGHTS

Delivered
\$70.6M
 capital works program

109%
 of the target for
 financial completions

1 out of 3
 sustainability targets met
 Please refer to page 146
 for further details

Where the money was spent

Total Expenditure in 2020/21 was \$236.5M. This included \$72.3M in employee benefits – predominately wages and superannuation costs, \$87.9M in material and services for our operational and maintenance works, \$23.8M in finance costs including an Early Repayment Adjustment expense of \$17M associated with refinancing our QTC loans and \$39.8M for depreciation and amortisation. \$70.6M was also expended on our Capital Works Program.

Where the money came from

Total revenue in 2020/21 was \$232M with \$153M generated from rates and charges, \$21.5M received in fees and charges, \$32.7M from Federal and State Government grants and subsidies, an increase of 83% from 2019/20. An additional \$24.8M came from other sources.

MAJOR PROJECTS AND PROGRAMS IN 2020/21



\$12.7M

Philip Street Families and
 Communities Precinct Stage 1



\$8.1M

Fleet Replacement



\$1.4M

Gladstone Aquatic Centre
 Rejuvenation and Upgrade



\$3.7M

Benaraby Landfill - Stage 3
 Landfill Cell Development



\$1.7M

Gladstone Tondoon Botanic
 Gardens External Lighting Upgrade



\$1.9M

Blain Drive, Gladstone -
 Pavement Renewal



\$1.8M

Gravel Road Resheeting
 across the region



\$2.2M

Ferris Hill
 Reservoir Renewal



\$2.3M

Boyne Island Waste Water Treatment
 Plant - Belt Press and Shed

INTRODUCTION AND HIGHLIGHTS 01

PERFORMANCE OVERVIEW
2020/21 STRATEGIC GOALS OUTCOME SUMMARY



Each year, the successful delivery of Operational Plan actions moves us closer to achieving our strategic goals set out in our 2018-2023 Corporate Plan. This is the third Operational Plan outworked from our five-year Corporate Plan. The below table provides an overview of our 2020/21 performance. Detailed information about our outcomes can be found on pages 112-133.

STRATEGIC GOALS OUTCOMES

	Actions completed	KPIs
1. Engaged, involved and proud community	1 / 2	2 / 2
2. Healthy environment, healthy community	1 / 1	0 / 1
3. Our people, our values	3 / 3	2 / 2
4. Ethical and responsible government	1 / 1	0 / 1
5. Outstanding customer service	1 / 1	1 / 2
6. Smart asset management	0 / 1*	1 / 1
7. Operational excellence	2 / 2	1 / 1
8. Grow the region	2 / 2	1 / 1
9. Smart investment	1 / 2*	1 / 1

**Incomplete actions from these strategic goals were reviewed and amended and scheduled within the 7.1 Maximizing Delivery of Works action to progress at a pace determined by that activity.*

LOOKING AHEAD 2021/22

Budget

The theme of the 2021/22 Operational Plan and Budget is Collective Delivery. The focus is on working collectively to deliver services to our communities, building community capacity and supporting economic growth and development of the Gladstone Region. The intentions of the budget are to ensure continued recovery of our region from the impacts of the COVID-19 pandemic, while providing essential infrastructure and services for our community in a responsible and cost-effective manner. The 2021/22 budget sets clear economic objectives to facilitate sustainable, financially and environmentally responsible initiatives that will enable our community and economy to prosper.

Corporate Plan refresh

In 2021 we approached the halfway mark of our 2018-2023 Corporate Plan. At this time we were experiencing disruption to our economic climate in the midst of the COVID-19 pandemic. This sparked a review of the Corporate Plan

which involved considering factors such as population growth, the role of industry in our region, service expectations and potential for future disasters or pandemic events. As a result, our Corporate Plan and strategic goals were refined and refreshed, with our refreshed 2021-2026 Corporate Plan now available on Council's website under Plans and Reports. The refreshed Corporate Plan ensures that Council continues focusing effort towards building a dynamic, resilient and diverse future that our community can thrive in.

Culture

Our culture is about how we do things as an organisation. In 2020/21 Council started a journey to measure and improve workplace culture with a survey conducted to assess our ideal culture. A survey aiming to understand our current culture will be conducted in 2021/22. By measuring and defining what our ideal and current culture looks like, we can identify levers for improving employee experience and organisational performance.

2021/22 CAPITAL EXPENDITURE AT A GLANCE

\$73.4M

total capital works projects

\$17.2M

capital sewerage projects

\$14.0M

capital roads projects

\$10.7M

capital water projects

\$7.3M

capital bridge upgrades, renewals and replacements

\$4.2M

capital parks and environment projects

“

Our Community Our Future represents the long-term vision and strategic planning of our inclusive community.

”

Cr Chris Trevor

INTRODUCTION AND HIGHLIGHTS 01

MESSAGE FROM OUR MAYOR



The 2020/21 financial year presented Council with a mixture of highlights and challenges, but it was our ability to remain connected during the last 12 months that has impressed me.

Our vision to 'Connect, Innovate, Diversify,' was evident as we continued to meet the challenges of COVID-19, with some thinking outside of the box required, in order to adapt to a new way of life.

July 2020 saw the reopening of many of our community facilities as Covid restrictions eased however some innovative thinking was required in order to meet the requirements of the new normal.

At the heart of this innovation was diversifying the way we held community events.

Drive-in Movies at Kirkwood, the Air Beats open air concert and the continuation of livestreamed Council meetings met Covid Safe requirements while delivering memorable experiences for residents and ratepayers.

Our ability to continue to upgrade our roads, water and sewerage infrastructure with a combination of budgeted and external funding from the State and Federal Governments demonstrates Council's continued strategy to

improve our region's infrastructure through external funding, not ratepayer dollars.

Council's 2020/21 Budget saw Council freeze all rates and charges for Rural, Residential, Commercial and Light Industrial land categories, the first time this has happened in my 21 years in Local Government.

This was done to meet the challenges of COVID-19 and the impact that it was having on our community and economy.

“
Our Community Our
Future is about making
the best decisions for our
community now and for
the next generation.”

There are plenty of highlights to look forward to during the coming year, such as the activation of the Philip Street Communities and Families Precinct, the opening of the Boyne Burnett Inland Rail Trail and progressing with plans to build an aquatic facility for the Boyne-Tannum community.

Council will continue to work together with industry and business to diversify our economy and further solidify our status as the powerhouse of Queensland, with fantastic initiatives such as Hydrogen and Inland Rail.

We have achieved so much in 2020/21 and I look forward to what Gladstone Regional Council can deliver in 2021/22.

Mayor Matt Burnett
Gladstone Regional Council

MESSAGE FROM OUR CEO



I'm pleased to report to our community that our organisation celebrated many successes in 2020/21 despite continued global and national uncertainty due to COVID-19.

Despite this uncertainty, Council's workforce demonstrated their resilience by adapting to a new normal and carried on delivering for the people of the Gladstone Region.

One example of successfully delivering for our region was our capital works program.

In 2020/21, Council successfully focused on fully delivering its \$64 million capital program.

This is the first time we have achieved 100 per cent delivery as Gladstone Regional Council, which is testament to our change in focus from just a budget, to a budget and program delivery.

Our vision to Connect, Innovate, Diversify, remained at the forefront of our thinking and this was evident as we continued in our transformation journey.

The implementation of 'Tiger Teams' – bringing different teams from different business units together to create synergies and increase work efficiencies – has helped transform our projects at the frontline.

The Tiger Team concept was used by NASA during the Apollo 13 mission with specialised teams finding solutions to safely return astronauts to Earth.

And while our capital projects are more grounded than those of astronauts, this concept has helped our teams shoot for the stars in terms of efficiency, connecting with each other and delivering our programs in full.

It has also been pleasing to see a significant improvement in our safety performance, particularly when comparing Lost Time Injuries (LTI) from previous financial years.

Only three LTI were recorded during 2020/21, down from four in 2019/20, however these numbers have dropped dramatically since 2018/19 (15 LTI).

This reduction in LTI has also decreased our insurance premium – which is tied to improved safety performance and improved injury management – by more than \$125,000 since 2019.

The challenge we have is to maintain this great level of performance, which I am confident we can achieve.

The 2020/21 financial year was also the last under our 2018-2023 Corporate Plan. This plan needed refreshing due to several factors such as the changing economic climate, service expectations and the impacts of the COVID-19 pandemic.

“
Our Community Our Future means working hand in hand with our community today to shape the region that our future generations deserve.”

This refresh also meant the 2020/21 Operational Plan was the last to fall under the 2018-2023 Corporate Plan, with future Operational Plans to better represent our new shift in focus.

Our new 2021-2026 Corporate Plan will ensure a multi-year emphasis on further enhancing connections with our

community, providing value for money for our ratepayers and meeting community expectations in the way we serve.

Ultimately, our people remain at the heart of what we do, and we want our people to feel well looked after and valued so they can provide the best possible service to our community.

We want to foster a culture where people are proud to tell others where they work, in an organisation they believe in and one that delivers on what's important to them.

I look forward to continuing to see Gladstone Regional Council work together as one team in 2020/21, adapting and responding to meet the challenges and triumphs that the next 12 months bring.

Leisa Dowling
Chief Executive Officer, Gladstone Regional Council

INTRODUCTION AND HIGHLIGHTS 01

gladstoneregiontours.com.au #industrytours #boynevalley

RECONCILIATION AND CELEBRATION



Innovate RAP program

Council developed a second Reconciliation Action Plan (RAP) program – Innovate RAP – during the year, with Reconciliation Australia endorsing it in December 2020.

A RAP program provides a specific framework to support and advance reconciliation, while we work alongside our First Nations people.

The strategic document supports Council's business plan and outlines practical actions for both our staff and stakeholders within the Gladstone Region's communities.

Council's Innovate RAP documents what is occurring and highlights our future planning.

Commitments will allow the organisation to be aspirational and innovative, so we can better understand our ability to influence and find the best way to advance reconciliation.

The Innovate RAP outlines the actions Council will undertake over the next two years until January 2023, to support our lasting and meaningful relationships, encourage respect and promote opportunities for Aboriginal and Torres Strait Islanders in our region.

The following actions have been completed under the Innovate RAP:

- Increased employee understanding of the purpose and significance behind the cultural protocols - Acknowledgement of Country and Welcome to Country
- A Welcome to Country has been incorporated at significant regional events, and at minimum an Acknowledgement of Country has been provided at Council events and sponsored events where appropriate
- Council's Aboriginal and Torres Strait Islander Cultural Protocol Event Policy was reviewed
- Identified eight RAP Champions across the organisation
- Created an Aboriginal and/or Torres Strait Islander profile from the results of the 2016 Census
- Consulted with GRC representatives and First Nations Byeliee, Gooreng Gooreng, Gurang and Taribelang Bunda peoples to identify key places for the provision of informative signage
- Engaged local Traditional Owners to develop face to face Cultural Awareness training for Councillors and our Executive Leadership Team. Engage local Traditional Owners to contribute to the development of a possible online cultural awareness training module for employees.



Community members attend free Cultural Awareness Tour.

Reconciliation Action Plan (RAP) champions set up

In February this year, eight employees came forward from all business units across Council to form an internal RAP Champions Group.

RAP Champions are active and positive leaders for reconciliation across our organisation.

They will help their colleagues understand and embrace the RAP actions throughout the two-year life of the plan.

Champions will be provided with cultural awareness training, as well as in-depth knowledge and support about the RAP to help translate the vision into practical actions that are relevant and meaningful for First Nations people.

The group is responsible for:

- sharing information
- leading and hosting events
- advocating within the business.



Patricia Coleman (Trisha) Byellee (Bailai)

Trisha Coleman is a Byellee artist, passionate about the Kardabai Region (Gladstone).

She has represented Byellee country, life and language through her intricate dot and line work, using different colours to show the beauty of things important to her and the Byellee Nation.

Much of her artwork features sea creatures such as the painting, Turtles 1996, because she feels a kinship with the ocean and connections with her people who have a seafaring background.

Trisha also focuses on land creatures and the earth using earthy and ochre colours, connecting her to the land where she comes from.

She enjoys painting as she can communicate her stories and culture, which she is very proud of.

Trisha's work is hung regularly in the Gladstone Regional Art Gallery and Museum (GRAGM) and she often runs workshops during National Aborigines and Islanders Day Observance Committee (NAIDOC) Week.



Innovate RAP booklet

Council produced a special booklet to mark Reconciliation Australia's endorsement of our Innovate RAP.

The publication featured the work of Byellee artist, Patricia Coleman, a woman of Aboriginal, Torres Strait and South Sea Islander heritage, who was born and raised in Gladstone.

The booklet included messages from the Mayor, the RAP Reference Group and Reconciliation Australia, as well as outlining past achievements, future commitments and culturally significant dates.



Welcome and Acknowledgement to Country brochure

Council also developed a small brochure that included a protocol to assist employees in formally acknowledging the traditional owners of the land on which we operate.

These wallet-size booklets show the difference between a Welcome to Country and Acknowledgement of Country, and are available for all employees.



Cultural Awareness training

In March of this year, Cultural Awareness training was delivered to Councillors, the Executive Leadership Team, RAP Champions and employees.

Gurang Elder, Uncle Shayne Blackman and Port Curtis Coral Coast Trust General Manager Daniel Reeves initiated a discussion with Councillors and the Executive Team, sharing the history of the First Nations people in the Gladstone Region, their challenges and opportunities for the future.

The conversations were meaningful and provided a deeper understanding of the generational impacts First Nations people have endured on the journey to reconciliation.

An internal online training course was also developed to provide ongoing cultural awareness training to Council employees.





PCCC signage

Welcome to Port Curtis Coral Coast (PCCC) Country signage was approved and installed at entry points into the Gladstone Region.

Funding came from the State Government's Works for Queensland funding allocation.



Reconciliation Week

We celebrated National Reconciliation Week from 27 May to 3 June with the theme *More than a word. Reconciliation takes action.*

A range of activities were held, including information sessions, to continue the awareness of our reconciliation history.

More than 40 employees and guests learned about major events like National Sorry Day, Mabo Day and the 1967 Referendum from sister Annette Rutherford.

Annette drew on personal experiences about the Stolen Generation to explain the raw emotion that is still experienced today by First Nations people.

Council delivered four, free, sold-out Cultural Awareness Tours in June to give the community an opportunity to learn more about the Traditional Owners and their deep connection to country.



Scarred trees relocated

Council's Tree Assessment Officer and the Port Curtis Coral Coast Cultural Heritage Coordinator worked together with our Operations crews in January this year, to carefully relocate two scarred trees found at the Benaraby Landfill site.

Scarred trees are important because they bear the scars of cultural activities from the past including the purposeful removal of bark to make canoes or other items.

 [Benaraby Landfill - scarred trees relocation](#)

The scarred trees are now temporarily showcased on site at the landfill. Visitors are welcome to call in for a visit and reflect on our region's rich, cultural history. The scarred trees will soon be relocated to Lions Park, Gladstone for the community to enjoy.



The Cultural Awareness Tour provided an opportunity to learn through the lens of our First Nations people.



INTRODUCTION AND HIGHLIGHTS 01

COMMUNITY ENGAGEMENT

ENGAGING WITH OUR COMMUNITY

In 2019 Council took important steps to improve community participation in its decision making by adopting a new Community Engagement Policy and Corporate Standard. Following the governance improvements, Council has launched Conversations, our online engagement platform which has been in use since November 2019.

The 2020/21 financial year saw a significant increase in community members engaging with the Conversations platform, as well as our broader engagement presence across the region, while also adhering to COVID-19 health advice and regulations.

More than 70 different face-to-face elements of engagement took place across the region, including:

- **Our Coast, Our Future.** Online workshops, face-to-face and virtual community open houses in Gladstone, Agnes Water, Boyne Island and Tannum Sands.
- **Cassy Lives Skate Park Pop-ups** on location, PCYC skate parks, promotion at Youth Council meetings, door knocking at nearby businesses.
- **Agnes Water Beach visitor carpark** Information sessions and community engagement sessions held in Agnes Water.
- **Biosecurity Plan 2021-2025 Pop-ups** in Boyne Valley, Mount Larcom, Miriam Vale and Calliope. Promotion at Reconciliation Action Plan (RAP) Reference Group meeting.
- **Gladstone Region Economic Development Strategy Workshops** held in Rosedale, Agnes Water, Calliope and Gladstone, as well as a pop-ups at markets in Gladstone and promotion at Interagency, Youth Council and RAP reference group meetings.
- **Our Creek, Our Resilience (Baffle Creek)** Workshops in Baffle Creek, Lowmead and Agnes Water.



- Conversations 1st Birthday Market stall with an interactive survey at various events including Calliope Historical Village, Christmas in the Country (Boyne Valley), Discovery Coast Rotary Markets (Seventeen Seventy), Tondoon Botanic Gardens Rotary Markets (Gladstone) and Sundown Markets (Gladstone).
- Boyne Burnett Inland Rail Trail Pop-ups at Calliope markets, Nagoorin and Bullyan State Schools. Community open houses at Bullyan Community Hall and Boyne Valley Community Discovery Centre and various site visits for targeted stakeholders.

LOOKING AHEAD

In the next 12 months Council will be working to deliver several exciting engagement projects, including:

- A co-design engagement plan for our First Nations' stakeholders and organisations which is one of our Reconciliation Action Plan (2021-2023) deliverables.
- The Recreational Vehicle (RV) Project which aims to understand the communities needs and expectations regarding RV friendly parking in our region, which will inform future planning in this space.
- Developing the Community Voice. This is an integral part of Philip Street Communities and Families Precinct where community members will have an opportunity to provide feedback about the operations and service provision as part of the precinct's governance framework.

INTRODUCTION AND HIGHLIGHTS 01

Who do we engage with and how?

Council follows the International Association for Public Participation (IAP2) engagement framework which promotes the integration of community engagement in decision-making.

IAP2 Spectrum of Public Participation

		INCREASING IMPACT ON THE DECISION 				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PRIORITISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

© IAP2 International Federation 2018. All rights reserved.





IAP2 SPECTRUM	WAYS WE ENGAGE	
Inform	<ul style="list-style-type: none"> • Council's Conversations Platform • Conversations e-newsletter • Social Media • Information sessions • Community Advisory Committees • Correspondence • Webinars • Annual Report • Radio advertisements • Door knocking • Marketing collateral 	<ul style="list-style-type: none"> • Direct mail • Media releases • Project pop-ups across the region • Project updates • Events and festivals (pop ups at events and markets) • Council committees (Youth Council, RAP Reference Group, Interagency) • Council General Meetings • Notice boards and project conflutes and posters • Community education • Editorials
Consult	<ul style="list-style-type: none"> • Hard copy, phone and online surveys • Open-house engagement sessions • Community Advisory Committees • Targeted consultations • Interviews • Voting • Public submissions • Project benchmarking 	<ul style="list-style-type: none"> • Events and festivals (pop ups at events and markets) • Reference panels • Face to face meetings • Online meetings • Council committees (Youth Council, RAP Reference Group, Interagency) • Interactive surveys (e.g. Dotmocracy) • Correspondence
Involve	<ul style="list-style-type: none"> • Project working groups • Idea-sharing 	<ul style="list-style-type: none"> • Focus groups
Workshops	<ul style="list-style-type: none"> • Open-house engagement sessions • Social mapping • Interactive surveys • Site visits/tours • Hard copy, phone and online surveys • Feedback surveys 	<ul style="list-style-type: none"> • Online meetings and workshops • Reference panels • Q&A • Targeted consultation • Advisory committees • Content sharing on the Conversations platform
Collaborate	<ul style="list-style-type: none"> • Co-design • Hard copy, phone and online surveys • Feedback survey (on draft concept designs, strategies and others) 	<ul style="list-style-type: none"> • Face to face and virtual workshops • Advisory committees • Reference Panels
Empower	<ul style="list-style-type: none"> • Co-design • Reference panels 	<ul style="list-style-type: none"> • Voting • Advisory committees

INTRODUCTION AND HIGHLIGHTS 01

Community Engagement Highlights



**Our Coast, Our Future,
(April 2020 – January 2021)**

Following a lengthy engagement process our long-term Coastal Hazard Adaptation Strategy was developed, which will allow our community to manage and adapt to changes to the coastline.

The strategy, adopted in March 2021, includes community feedback, gained through surveys, open-house engagement sessions, virtual and face-to-face workshops, a photo competition and pop-ups across the region.

Since the engagement for the project launched, 10,305 people visited the project page on Conversations, and at close of the last feedback survey, 354 contributions were received from 224 contributors.



**Boyne Burnett
Inland Rail Trail
(April 2021 – ongoing)**

The Gladstone Region community, particularly residents in the surrounding areas of the proposed Rail Trail, have been invited to shape the concept design of the trail by sharing their thoughts, ideas and concerns about the trail, and later providing feedback on the draft concept design.

During the first engagement phase in April/May 2021 the project had 1955 views, with 426 contributions from 114 contributors.



**Boyne Island/Tannum
Sands Irrigation Works
(November 2020 - ongoing)**

This was the first time Council had given stakeholders an opportunity to co-design the scope of works for an infrastructure project.

This targeted collaboration project aimed to engage with key stakeholder groups from Boyne Island and Tannum Sands Sports Grounds, Boyne Island and Tannum Sands Golf Club and the Dennis Park Sports Complex, to shape the scope of works and design of the irrigation system for their sporting grounds.

The sporting clubs were involved throughout this engagement, including the scheduling of the engagement sessions. They were invited to an online Q&A session and participated in a face-to-face workshop to discuss the scope and suggested amendments. In addition, site visits and meetings at the sports grounds were held with each stakeholder. All stakeholders will have an opportunity to ask questions about the draft concept design, prior to the document progressing to Council for adoption.

**Did you know we liaise with 179
Sport and Recreation groups in the
Gladstone Region?**

Council launched 24 community engagement projects on the Conversations platform from 1 July 2020 to 30 June 2021.

Conversations – the place to have your say!

Community engagements to keep our community informed, or to guide operational matters

- The 45th Rio Tinto Martin Hanson Memorial Art Awards 2020
- Construction Trades Tender Information Session
- CBD Civic Precinct Footpath Renewal Project
- Lowmead Bridges Replacement
- National Volunteers Week Survey
- Conversations 1st Birthday – how to improve our engagements
- Mental Health First Aid
- National Tree Day

Community engagements where the community shaped decision making

- Agnes Water Beach Visitor Carpark
- Cassy Lives Skate Park
- Biosecurity Plan 2021-2025
- Asset Surveys – Parks and Open Spaces
- Our Creek, Our Resilience – Baffle Creek Catchment
- Community Investment Program - Engagement for Policy Review
- Gladstone Region Economic Development Strategy
- Boyne Island and Tannum Sands Irrigation Works
- Gladstone Aquatic Centre – Aquatic Play Park Upgrade

- 2020/21 Playground Replacement Program
- Gladstone Coal Exporters Sports Complex (Marley Brown Oval)
- New Auckland Road Connections
- Youth Council Portal
- Mental Health First Aid
- Youth Ally Project
- Boyne Burnett Inland Rail Trail

Conversations Platform in numbers

YEAR	VIEWS	VISITS	VISITORS	CONTRIBUTIONS	CONTRIBUTORS	FOLLOWERS	NEW MEMBERS
November 2019 - 30 June 2020	25,773	13,254	8,790	1,949	784	112	664
1 July 2020 - 30 June 2021	72,315	36,015	23,897	3,449	1,666	311	1,132
Increase %	187%	181%	181%	118%	142%	185%	144%

Top visited projects 2020/21

PROJECT	VISITATION %	VISIT	VISITORS
Philip Street Communities and Families Precinct	15.8%	5,688	4,674
Our Coast, Our Future	12.8%	4,616	3,059
Agnes Water Beach Visitor Carpark	6.7%	2,429	1,720
Cassy Lives Skate Park	6.6%	2,382	2,082
Boyne Burnett Inland Rail Trail	6.2%	2,248	1,648

SUCCESSES AND CHALLENGES



SUCCESS: Philip Street Communities and Families Precinct



The Philip Street Communities and Families Precinct has been designed to strengthen Gladstone’s community and social service sector by clustering people and organisations together, to not only improve and enhance service delivery outcomes, and wellbeing of Gladstone Region residents.

The precinct offers a unique opportunity for service providers, organisations and community groups to move beyond simply being located together to collaboration, where organisations plan and evaluate together, working towards shared goals.

This unique operating model creates opportunities for connection, wellbeing and lifelong learning and is the first of its kind to operate under this truly collaborative model in Australia.

The precinct’s dedicated formal Advisory Committee advises Council on strategic planning, management and service delivery to make sure the community’s voice is heard and services, programs and activities are designed and responsive to community needs.

The Salvation Army Gladstone, Council’s Engagement and Partnerships team, Gladstone’s Neighbourhood Centre and GAPDL Communities for Children will all be based at the precinct.

The Philip Street Communities and Families Precinct has been funded by the Australian Government’s Regional Jobs and Investment Packages, the Queensland Government’s Department of Communities, Housing and Digital Economy, Gladstone Regional Council and the Gladstone Foundation, in partnership with The Salvation Army.

2020/21 Milestones

- June 2021.....EOI sought for social enterprise food vendor
- May 2021.....Advisory Committee named
- April 2021.....EOI sought for Advisory Committee
- March 2021.....Traditional Owner language used to formally name buildings
- December 2020.....EOI sought for organisations and groups for tenancy
- October 2020.....Construction milestone completed: bulk earthworks Stage 1b
- August 2020.....Construction milestone completed: Stage 1a
- July 2020.....Construction milestone completed: cut to fill earthworks Stage 1a

SUCCESS: Launched School Holiday Program



For the first time, Council combined the school holiday activities hosted by our facilities (Gladstone Regional Libraries, Gladstone Regional Art Gallery and Museum, Tondoon Botanic Gardens and Gladstone Entertainment Convention Centre) into a consolidated School Holiday Program.

Terms One and Two saw a combined total of 85 activities available throughout the region, with 4175 kids beating the school holiday boredom.

The overall success of the program, combined with positive feedback from the community, solidifies the need for a holistic Council School Holiday Program, and Council will continue the combined approach for Terms Three and Four in 2021.

SUCCESS: Spike in building applications



The rate of building applications in the area experienced a short-lived spike in the first quarter of 2021, although it had been steadily climbing since May 2020.

While the pandemic impacted many parts of the economy, the residential construction industry's increase in applications was buoyed by the 'Renovating a Home and Homebuilder' and 'Regional Home Building Boost' grants made available by the State Government as part of the COVID-19 economic recovery.

Between February and May 2021, there was a 57 per cent increase in building approvals compared to the same period in 2020.

This resulted in more than \$142M of building work approved in our region during the 2020/21 financial year, an increase of \$23M on the previous financial year with the flow on economic benefits continuing to be realised throughout the community as construction continues.

SUCCESS: Funding helps grow our region



Council successfully secured \$27,069,404 worth of funding in the 2020/21 financial year.

Sourcing alternative revenue supports one of Council's strategic goals, encouraging strong partnerships and assistance through grants, subsidies and other government and non-government funding programs.

Seeking specific funding for our capital projects enables Council to improve our region's infrastructure through external funding, not ratepayer dollars.

Strong cross-business collaboration has made it easier for our teams to identify smart investments for our community, prepare successful applications, manage funding partnerships and efficiently submit grant acquittals.

In 2020/21 Council managed 101 funded projects, including multi-year projects carried over from the previous year, and projects continuing into next year.

These ranged from priority local road projects to footpaths and community infrastructure projects, funded roles for an Illegal Dumping Local Law Officer and a Neighbourhood Centre Coordinator, a major community light show event, Luminous, Australia Day event support, mental health support activities, disaster recovery and resilience projects, library grants and design projects.

Council further secured COVID-19 stimulus packages to fund vital infrastructure, create jobs and help the region recover from the global pandemic.

These included \$5.2M of COVID Works for Queensland funding and \$4.3M funding through the Federal Government's Local Roads and Community Infrastructure Program.

INTRODUCTION AND HIGHLIGHTS 01

SUCCESS: Free community tours deepen connection to country



The Gladstone Region is an area of great social, cultural and spiritual importance to the Traditional Owners of the First Nations people and we were proud to provide free Cultural Awareness tours for our community to learn more about our shared history.

Thanks to funding from the Department of Communities, Disability Services and Seniors to enhance resilience and recovery from the 2018 bushfires, we provided several sold-out tours across the region, with locations including Agnes Water, Baffle Creek, Mount Larcom, Boyne Valley and Taunton.

The tour provided more than 100 community members an opportunity to learn about scarred trees, natural medicines, language, culture and much more through the lens of the First Nation people.

We remain committed to building stronger relationships with the Aboriginal and Torres Strait Islander community now and into the future.

SUCCESS: Digitising field-based employees



Council began a three-year program to roll-out iPads with Computerised Maintenance Management System (CMMS) software installed.

This software enables field-based employees to work smarter and more efficiently with a database of information about Council's maintenance operations available at the touch of a button.

Sixty iPads were distributed over the financial year mostly to employees working in Parks and Water Program Delivery.

Intensive training was provided to help employees use this technology which provides a digital way of recording the necessary asset maintenance, removing the need for traditional paperwork.

It also enables the consolidation of asset lists, maintenance programs and work packs into TechnologyOne.

This new approach provides a streamlined way for field-based employees to receive their workorders, undertake and record their work and provides access to Council's intranet and other systems.

Next year an additional 100 employees will be trained and equipped, with a further 80 to 90 to follow in the 2022/23 financial year.

SUCCESS: Legally Blonde The Musical unites the community



Performed across five nights (25-27 February and 5-6 March) in front of a combined audience of 2945 people, Legally Blonde The Musical, presented by CQ Today, left a lasting impression on attendees who did not object, and left the Gladstone Entertainment Convention Centre with a glowing smile on their face.

Piecing together a community musical is no easy feat, even for experienced local Director, Jeannine Butler. The show required a combined effort from the 40 cast members, 23 people production team, 24 backstage crew members, 13 orchestra members, GECC

staff, Friends of the Theatre and 20 local business sponsors, to make each night run as smoothly as possible.

Rehearsals took up to 10 hours per week - a significant commitment from each cast and crew member, who had to balance their day-to-day lives and work commitments. The audience verdict was overwhelmingly positive and found the production guilty for being one of the best community musicals to date.

SUCCESS: Team effort to keep Facing Island pristine



In partnership with Gidarjil Development Corporation and Curtis Ferry Services, Council welcomed 10 Skilling Queenslanders for Work trainees and their Supervisor to The Oaks Campground on Facing Island over a six-month period to improve the campground amenity values and increase biodiversity.

The trainees successfully completed revegetation, marine debris removal and weed control, removing Mossman River Grass, Pink Periwinkle and Agave, and planted native vines, grasses, trees and shrubs around the Oaks Campground and foredune area.

We will continue to maintain the popular Oaks Campground for our community and tourists in the future.

SUCCESS: Grass trees return home to Philip Street



When preparation work first began for the Philip Street Communities and Families Precinct site in 2019, hundreds of Grass Trees were carefully relocated to Council's Lyons Street Depot.

These endangered native species were removed by Council's Horticulture Team in August 2019 to allow for construction to begin.

Manoeuvring around existing trees, creeks, gullies, erosion and the safety of the Grass Trees provided a challenge for all involved.

The team successfully carried out the project with the trees potted into special woven plastic bags designed for growing trees and moved to their temporary home at Lyons Street.

Three of the 400 species were planted in front of the depot, while others, after waiting patiently, have now been returned and replanted at the Philip Street Families and Community Precinct.

Transplanting native Grass Trees is a complex task, and it is a credit to Council's horticulture team that this exercise was undertaken successfully and without damage or loss of the trees.

SUCCESS: Tiger Team focus on solutions to complete work



In 2020/21, Council successfully focused on fully delivering its \$64M capital program.

Looking at what work had been difficult to complete in previous years and finding ways to address this, helped determine action needed.

Teams from across Council collectively worked in 'Tiger Teams' for a fast, intensive way to develop outcomes.

The Tiger Team concept was used by NASA during the troubled Apollo 13 mission with specialised teams finding solutions to safely return astronauts to Earth.

Companies world-wide have since used this approach to move forward with complex matters.

Hearing from our teams impacted, offered insight into what was happening, what was and was not working, showed pain points and highlighted potential improvements.

Small groups were empowered to define the plan to enable Council to deliver to the community what we said we would do.

Improvements have been identified and actions continue to be implemented to make it easier for our people and to deliver for our ratepayers.

INTRODUCTION AND HIGHLIGHTS 01

SUCCESS: Program refreshes our playgrounds



Council is committed to identifying when our assets need to be upgraded or replaced, to meet community needs and the region's growth.

Focus is also on positive engagement processes, with our community encouraged to provide feedback and contribute to community decisions.

In early 2021, Council sought online feedback about our region's parks and open spaces, including existing infrastructure.

This led to Council's 2020/21 playground replacement program with most works supported by \$427,200 of funding through the Queensland Government's 2020/21 COVID Works for Queensland Program.

Playgrounds have been replaced at Gladstone's Goonananga Park and Toonee Park; Air Sea Rescue Park, Seventeen Seventy; Frank and Francie Hart Park, Curtis Island with upgrades at Turkey Beach Park, Turkey Beach; Memorial Park, Gladstone and Bunting Park, Calliope.

Works varied from removal or upgrade of existing playground equipment, installation of new play elements and replacement soft fall, topsoil and turf.

After listening to our community, swings, slides, spring toys and climbing apparatus were chosen, guided by engagement feedback and their appeal to different ages.

CHALLENGE: Regional councils unite to tackle Illegal Dumping



Illegal dumping and littering are a concern for Council and a community awareness campaign, 'Don't Dump in my Backyard' was launched in late 2020.

After investigating more than 134 reported offences of illegal dumping in 14 months, across 2019 and 2020, Council was successful in securing funding from the Queensland Government's Department of Environmental Science which allowed collaboration with several neighbouring councils, including Livingston Shire Council, Central Highlands Regional Council and Rockhampton Regional Council, to

unite against littering and illegal dumping in our communities and environments.

Council delivered a dedicated four-month campaign with the objectives to raise awareness of the effects of littering and illegal dumping and reduce the amount of litter and waste in the natural environment.

Through the collaboration of Councils Local Laws, Environment and Conservation teams, and other neighbouring Councils, we were proud to provide local schools with educational materials and fun learning opportunities to better understand the effects of littering and illegal dumping.

CHALLENGE: Dump point supports tourism growth market



To support the growth of the Recreational Vehicle (RV) market a Dump-Ezy dump point was installed in Gladstone, directing travellers off the Bruce Highway and into the heart of our region.

The central location of the dump point promotes exploration of the surrounding area and economic stimulation through the support of shopping centres, food outlets, support services and petrol stations.

The RV market has increased significantly in recent years due to ongoing COVID-19 restrictions and limitations to travel.

Council will continue to work with the community and travellers to deliver on the Gladstone Region Recreational Vehicle Strategy, endorsed in 2019, to support the growth of the RV market.

CHALLENGE: Benaraby Landfill fire inspires new process



In September 2020 a bush fire impacted the Benaraby Landfill and ignited various stockpiles of mulch, woodchip and timber within the facility.

Council responded quickly by contacting emergency services, implemented actions, including area patrols to quickly contain the fire and directed all customers to other regional transfer stations to limit disruption to waste services.

Council employees assisted emergency services personnel to contain the blaze which also included the use of waterbombing aircraft.

Timely communications were delivered to the community advising of the fire and encouraging nearby residents to close windows and doors and keep medications close by if suffering from a respiratory condition.

These actions reinforce Council's top priority being the safety of the community, our people and the environment.

We recognised the opportunity to improve processes and since then, have:

- reviewed and improved fire breaks around Benaraby Landfill
- replaced an existing watercart at Benaraby Landfill for one with improved response capability
- created and progressed a capital project for installation of fire water tanks at Benaraby Landfill
- undertaken campaigns to manage levels of stockpiled mulch, including offering periods where fees and charges are removed to provide assisted loading at Gladstone Transfer Station. This is in addition to, providing mulch free to domestic customers for self-loading at times outside of dedicated campaigns.

Encouraging use of the mulch further helps manage the amount of green waste accepted at our region's waste facilities and assists plant growth while promoting positive 'water wise' practices to reduce garden moisture loss.





USE OF QR CODES

In response to the COVID-19 pandemic, at the end of March 2021, Council began rolling out to its facilities the recently launched Queensland Government Check in Qld app – a contactless, free, secure and convenient way to sign in.

Employees were asked to download the app on to their personal phones and our Strategic Information, Communications and Technology (SICT) team loaded it on to all Council-issued devices.

Members of the public visiting Council facilities have also been encouraged to use the app upon entry with notices prominently displaying the QR code.

The Check in Qld app was designed to make contact tracing quicker and easier for Queensland Health and was aimed at the hospitality sector, other businesses and a range of locations where crowds of people would gather.





COUNCIL KEEPING THE COMMUNITY SAFE DURING COVID-19

In early 2021 Council ensured emergency face masks were available for community members in need.

Gladstone Region Councillors were deployed to deliver boxes of masks and hand sanitisers across the region including Council locations, community centres and aged care centres.

Locations across Gladstone, Agnes Water, Boyne/Tannum, Calliope, Miriam Vale and Mount Larcom received these vital supplies, made accessible through the Local Disaster Management Group (LDMG) courtesy of Queensland Health. Gladstone Region Mayor, Matt Burnett, delivered regular video updates to the Gladstone Region keeping the community informed with COVID-19 updates, information and advice.

The setup of fever clinics also saw Council officers, across several business units, support Queensland Health and Queensland Police Services to operationalise fever clinics for the community.

The speed at which the fever clinics were set up and opened highlights the positive outcomes of agencies working collaboratively during the COVID-19 response.

Despite the challenges that COVID-19 kept presenting, Council created a specialised COVID-19 Operational Continuity Plan as part of an overarching Business Continuity Plan which outlined how Council will maintain delivery of critical functions for the community.





Local musician Hayley Marsten performing at Air Beats.

RESTRICTIONS INSPIRE OUR PEOPLE TO CREATE EXCITING NEW EVENTS

The COVID-19 health emergency caused many events to be cancelled or postponed due to the imposed restrictions of large gatherings.

While it was disappointing that some events were cancelled, the health and safety of our community was paramount.

Our teams took this opportunity to think of new ways to entertain and engage our community and two signature events were created.

In September 2020, more than 300 people enjoyed the nostalgia of the Drive-in Movies.

Seven movies were screened with movies chosen to suit all ages. Movies included The Intern, Aquaman, Blended, Crazy Rich Asians, Creed, Fantastic Beasts and Where to Find Them and Instant Family.

The weekend of 20 and 21 November saw Gladstone make a new beat. Inspired by an event in the UK, our Events and Entertainment team created a brand-new event in a matter of weeks.

Air Beats Open Air Concert was a first in Queensland where purpose-built party spaces were created to provide social groups of up to five people an exclusive party space.

More than 1000 people attended the event over two nights which saw Queensland band Sheppard headline, supported by several local musicians.

The day prior to the event, the restrictions were eased allowing attendees to dance together closer to the stage.

The successful event partnered with local community groups, not for profits and volunteers, and provided a unique opportunity to local musicians and performers.

It was a privilege to support the recovery of the entertainment industry during the midst of a global pandemic.

Our Community Events team are committed to creating memorable experiences that unite our community.

The events impacted were:

2020

- Luminous (cancelled)
- Ecofest (online event)
- PopCon (cancelled)
- Queensland Symphony Orchestra (restricted attendance)
- Seniors Week (online events)
- Drive in Movies (new event created)
- Air Beats Open Air Concert (new event created)

2021

- Festival of Summer (restricted attendance)
- Australia Day Celebrations, Australia Day Awards & Citizenship Ceremony (restricted attendance)
- Sport and Active Living Expo (restricted attendance)
- Easter in Gladstone
Gladstone Regional Council's B2G Village Opening Party (cancelled),
B2G Village Yachtsman's Long Lunch (postponed),
B2G Village Seafood Festival (postponed),
B2G Village Line Crossing Party (postponed)

IT SOLUTIONS ENABLE COUNCIL TO WORK REMOTELY

Council employees have been able to successfully work remotely throughout the pandemic thanks to the hard work of Council's Strategic Information Communications and Technology (ICT) team.

ICT deployed Microsoft Teams throughout the whole organisation at the end of March 2020, enabling video conferencing and providing a collaboration space to help teams stay organised.

Work included applying Microsoft Teams licenses to all users, testing, and the training of ICT Service Desk employees.

To facilitate remote working ICT ordered and deployed 42 laptops/tablets, reconfigured 50 laptops from other areas and repurposed 26 second-hand Samsung iPhones for Virtual Private Network (VPN) authentication.

Capacity for Virtual Desktop Infrastructure (VDI) and VPN was increased dramatically, and by early April, more than 300 users were operating remotely through these technologies.

Employees were permitted to borrow docking stations, monitors, keyboards and mice from their office space, which meant additional tracking and then recovery of equipment by ICT as employees returned to the office in stages by 13 July 2020.

Due to new social distancing requirements, ICT was also involved in numerous user/computer relocations to facilitate this return to work.

LIBRARY - VIRTUAL BABY TIME

The well-attended Baby Time program involves weekly free sessions held at Gladstone Regional Libraries for parents/caregivers and their babies from 0-12 months to build strong foundations for their child's future development.

COVID-19 forced the libraries to rethink their delivery methods during lockdown by engaging and continuing the Baby Time service through their virtual channels with fortnightly 30-minute videos recorded on site by staff.

It was also a way of bringing Council programs and other community services to people in their own homes.

The virtual delivery of this program was not only welcomed by our region but viewed nationwide as a result of being shared on the State Library of Queensland website.

Post lockdown, returning parents provided staff with feedback on how the videos were welcomed into their homes and viewed repeatedly during the continuously evolving and uncertain times.

Gladstone Regional Libraries are passionate about keeping our community connected.





Council employees unload face masks donated by the State Government

ECONOMIC IMPACT

The regional impact of COVID-19 was forecast to be significant and long lasting, but the region's resilience, particularly in Gladstone, presented opportunities to build on regional specialisations and major industrial facilities.

Economic modelling indicated:

- The Gladstone Region ranked as one of the most impacted regional Queensland LGA's
- Its Gross Regional Product (GRP) in the June quarter 2020 was 12.3 per cent lower than the average quarter in 2018/19
- The \$172M quarterly fall in GRP reversed the upward trend experienced over the past three years
- Job numbers were expected to be 2396 or 8.2 per cent lower than the previous year with another 1,139 or 3.9 per cent of workers losing their jobs but receiving JobKeeper payments.

In March 2020, an action plan was developed to drive the economic recovery. The \$1.07M COVID Recovery Plan consisted of 58 initiatives developed in consultation with our community and represented Council's commitment to support the Gladstone Region through the pandemic. It was divided into three parts: Economic, Tourism and Community.

The focus areas involved:

- Advocating and lobbying with State Government to ensure the Gladstone Region's importance to the state and local economy was acknowledged when considering policy and procedural implications
- Business and industry support through

Council's comprehensive community response package, including fee reduction and deferral

- Ongoing funding opportunities to support grant writing capacity in the region
- Partnered with local organisations to fund programs to drive local economic recovery, local buying and capacity reinstatement
- Investment attraction collateral and a campaign launched to highlight the Gladstone Region's resilience and that it remained open for business.

All the initiatives were 100 per cent delivered during the reporting period and went a long way to mitigating the effects of COVID-19 on the local community and economy.

Highlights included:

- A freeze on general rate increases for the 2020/21
- Rise-Up Community Grants program
- Commercial rent concessions on Council leased facilities
- A freeze on interest on outstanding rates and charges.

Our advocacy during this period also resulted in an additional \$5.2M external funding from the State Government to support critical community infrastructure through the COVID Works for Queensland Funding Round.

Investment in the Gladstone Regional Strategic Projects and endorsement of policy priorities will see the region play a leading role in the ongoing economic recovery of Queensland and Australia.



 Thank you to all essential service workers



INTRODUCTION AND HIGHLIGHTS 01

RETURN TO THE OFFICE

In March 2020 Council employees who were able to perform their work remotely were supported by the organisation to work from home.

By mid-June, as the number of COVID-19 cases significantly declined, plans were put in place for employees to return to work.

The main challenge was introducing a social distancing strategy to estimate the capacity of rooms and common areas throughout Council to allow for the four-square metre density requirement.

This same strategy was also applied to all Council facilities and venues in order to keep our community safe.

Work-stations throughout Council were reconfigured to ensure they were adequately socially distanced.

Other measures put in place covered minimal movement between sites including vehicle capacity and use, tracking movement using fob devices and QR codes, hand washing and sanitiser use, the provision of masks and cleaning meeting rooms after use.

Employees were also provided with training on the new COVID-19 safety arrangements when they returned to the workplace through an online learning course for office-based employees and a toolbox talk for field-based staff.

There was a staged return to the office and other Council buildings and by mid-July all employees had returned.

Case Study - Providing customer services during COVID-19 lockdowns

The Gladstone based Customer Solutions team coped well with working remotely during the pandemic with service levels improving.

The team were able to use their own mobiles from home to answer customer calls which were directed via Council's cloud-based phone system and they were able to access Council's computer systems remotely.

To keep everybody connected regular online meetings were held via Microsoft Teams and morale was kept up with fun activities like silly sock and funny shirt competitions!

From July most of the Customer Solutions team returned back to their Gladstone office, which had been socially distanced, but some have continued to work remotely on a part-time basis.

Customer Solutions handled over 124,000 interactions in 2020/21 with 84 per cent resolved at first point.



Customer service employees distribute free face masks across the region.



YOUTH COUNCIL REMAIN ENGAGED DURING PANDEMIC

With the majority of the 2020 committee completing their final year of school, the initial stages of the COVID-19 pandemic heightened some already pre-existing emotions.

Though a resilient group of young people, they took the pandemic in their stride and continued their fortnightly meetings online, holding five virtual meetings.

Initially, there were challenges associated with keeping the young people engaged and contributing equally while being able to hide behind a digital screen.

After introducing ice breaker challenges the committee started to become more comfortable with the new normal.

With the COVID-19 restrictions easing for Queenslanders, the group could proceed with their meetings in person from mid-June finding new and exciting ways to engage with the young people in our region.

Council's Avenue to Awareness event, traditionally held in a physical capacity to raise awareness for youth mental health, was delivered virtually and livestreamed on Council's YouTube channel and website. To meet our 2021 Youth Council, see page 69.

COUNCIL MEETING LIVE STREAM

The 2020/21 financial year saw Council begin live streaming of its General Meeting held on the first and third Tuesday of each month.

Council Chambers were swapped for the Gladstone Entertainment Convention Centre in April 2020 to accommodate for social distancing and capacity requirements related to COVID-19 health directives.

These health directives prevented the public from attending General Meetings, but people from anywhere in the world had the opportunity to watch democracy in action by simply tuning in online to watch these meetings.

Council held 27 meetings during 2020/21 with most audiences viewing meetings via Facebook or YouTube.

This equated to 2015 viewing hours (almost 84 days) with 67 per cent of people watching via Facebook.

Council held 27 meetings equating to 2015 viewing hours (almost 84 days) with 67 per cent of people watching via Facebook.

INTRODUCTION AND HIGHLIGHTS 01

COUNCIL IN THE NEWS

The media landscape in Central Queensland has changed significantly in the past 12 months. The final hardcopy edition of *The Observer* hit the shelves on 28 June 2020, ending a legacy stretching more than 150 years.

The *Observer* switched to online only to begin the 2020/21 financial year, but by June 2021 its masthead had moved under the banner of *The Courier Mail*.

The newspaper void was eventually filled by *CQ Today*, a weekly paper that launched on 22 October 2020. This was followed by the launch of *Gladstone Today*, on 8 July 2021.

The changes did not end there, with COVID-19 and general cost cutting affecting local television production as well. This caused a shake up to the way *Nine News* and *WIN News* delivered their bulletins to Central Queenslanders.

Channel 7 continued their weekly 6pm bulletin but without a dedicated reporter on the ground in Gladstone. This placed greater emphasis on Council producing its own content to supply to media organisations based in Rockhampton and beyond.



'Infested' parcel of land in Gladstone transformed

An area once infested with invasive pest weeds and the occasional stray golf ball now has a new lease on life thanks to conservation work undertaken by Gladstone Regional Council. A 1100 sqm parcel of land running adjacent to Auckland Creek, near Sandpiper Avenue at New Auckland and located only a chip shot away from the 14th green of Gladstone Golf Club, is now home to more than 370 native plants.

Published: The Observer, 8 August 2020.



Gladstone Regional Council renews partnership with Great Barrier Reef Marina Park Authority

Gladstone Regional Council renewed its partnership with the Great Barrier Reef Marine Park Authority to be a Reef Guardian Council for the 2020-2024 period. Council has supported the Reef Guardian Council program since 2009 allowing them to partner with other councils to drive local action and empower catchment communities to support a healthy Great Barrier Reef.

Published: The National Tribune, 11 September 2020.



Wind back the clock as drive-in movies return to Gladstone

The nostalgia of drive-in movies made a return as Gladstone Regional Council, in partnership with Gladstone Cinemas, proudly presented a weekend of Drive-In Movies at Kirkwood Shopping Centre.

Published: The Observer, 13 September 2020.



Air Beats hailed a success

Modelled off an outdoor concert held in England in August 2020, Gladstone Regional Council ensured Gladstone was the first city in Australia – and possibly the southern hemisphere – to host this unique socially-distanced concert. 'Air Beats' was headlined by Brisbane band Sheppard with local musicians in support and attracted a healthy crowd of more than 1100 people across two nights.

Published: The Observer, 26 November 2020.

Gladstone News, 3 December 2020.



Hello, we are RV Friendly

Gladstone Regional Council's commitment to growing the Recreational Vehicle (RV) market took another step forward in February 2021 with the installation of a Dump-Ezy dump point in Gladstone. The dump point, located along Cemetery Road, allows RV users a place to dispose of their grey water and black water waste.
Published: 4 March 2021, CQ Today (Gladstone).



Gladstone Regional Council welcomed the apprentices and trainees this week

The enthusiasm of the 16 new apprentices and trainees was evident as GRC Chief Executive Officer Leisa Dowling and Mayor Matt Burnett wished them luck before the group gathered at Gladstone Entertainment Convention Centre to pose for a photo to mark the occasion.
Published: 4 March 2021, The Observer.



Free mental health course to teach skills, support others

Gladstone Neighbourhood Centre, supported by Gladstone Regional Council, provided a free Mental Health First Aid course designed to teach people the required skills in order to give mental health 'first aid' to others who may be struggling.
Published: 10 March 2021, The Observer. 9 March 2021, Get Regional CQ Today - 19 March 2021.



Memorandum of understanding signals

Gladstone Hydrogen Ecosystem start

Hydrogen in the Gladstone Region is one-step closer, with the historic signing of a Memorandum of Understanding for a Gladstone H2 Ecosystem. Sumitomo Australia, Gladstone Ports Corporation, Gladstone Regional Council, Australian Gas Networks as part of the Australian Gas Infrastructure Group and CQUniversity Australia joined forces to explore opportunities to develop a hydrogen ecosystem in Gladstone. The ecosystem will initially pursue domestic offtake and mobility solutions before moving to enable largescale export.
Published: 17 March 2021, The Observer, 7 News Central Queensland.



Why Gladstone industries invested \$250K to help region's sectors

Gladstone Regional Council and the region's major industries have come together to continue supporting our region's recovery from the effects of the COVID-19 pandemic. The Together Gladstone fund will support the region's social, tourism and economic sectors through targeted investment decisions from now until 31 December 2021. Financial contributors Boyne Smelters Limited, ConocoPhillips as downstream operator of Australia Pacific LNG, Queensland Alumina, Rio Tinto Yarwun, Santos GLNG, Shell's QGC Business and other local industries will work together with Gladstone Regional Council to administer the fund.
Published: 29 June 2021, The Observer.

INTRODUCTION AND HIGHLIGHTS III

SIGNIFICANT EVENTS 2020/21

9 July

Queensland Premier Anastacia Palaszczuk visits several Gladstone Regional Council facilities to benefit from \$5.2M in funding from the Queensland Government's COVID Works for Queensland program

14 July

Stage 1 of Calliope Cemetery Upgrade completed



14 July

Gladstone Entertainment Convention Centre reopens after COVID closure

27 July

Council conservation crew plant hundreds of native plants at New Auckland



20 August

Philip Street Communities and Families Precinct Stage 1a completed - cut to fill earthworks



21 August

Virtual Mayor's Seniors Week Morning Tea

24 August

Work commenced on Gladstone Aquatic Centre upgrade



11 September

Don't Dump in our Backyard Campaign launched

11-13 September

Drive in Movies held in Gladstone

14 September

Community invited to help shape region's future asset management with a series of surveys

21 September

Community Perception Survey launched to gauge community perception in the region

21 September

Six Gladstone-based students participated in work experience at Council



24-25 September

Queensland Symphony Orchestra Under the Stars concert held in Gladstone

26 September

Our Creek, Our Resilience: Council's first flood resilience project commenced

16 October

Council won the Asset Management Diversity Award, at the Asset Management Council's Asset Management Excellence Awards

16 October

Philip Street Communities and Families Precinct Stage 1b completed - bulk earthworks

17 October

The 45th Rio Tinto Martin Hanson Memorial Art Awards held at GRAGM

28 October-9 December

Agnes Water Rural Transaction Centre (RTC) annual amateur photography competition

8-15 November

NAIDOC Week celebrations

13 November

Mayor Matt Burnett appointed Vice President of the Australian Local Government Association (ALGA)

18 November

2019/20 Annual Report released



20-21 November

Air Beats Open Air Concert held in Gladstone, the first of its kind in Australia

21-22 November

Council supported the Garage Sale Trail

21-29 November

Council supported Social Inclusion Week

1 December

Council adopted its Biosecurity Plan 2021-2025



11 December

Sport and Active Living Festival wins Sustainable Communities Award



10-15 January

Festival of Summer held across the region

11 January

Library Out and About Service back out on the road

26 January

Australia Day Celebrations, Australia Day Awards & Citizenship Ceremony held across the region

6 February

Sport and Active Living Expo

8 February

CBD Civic Precinct Footpath Renewal Project commenced

25 February – 6 March

Community Musical - Legally Blonde The Musical



4 March

16 apprentices and trainees commenced as part of 2021

7 March

Clean up Australia Day



7 March

Easter in Gladstone

6-14 March

Parks Week 2021

23 March

Cassy Lives Skatepark Upgrade commenced

2-18 April

School Holiday Program Term 1

6 April

10 members appointed for 2021 Gladstone Region Youth Council

13 April

Mayor's Youth Breakfast held

10-18 April

Youth Week celebrated across the region

12 May

Volunteer Recruitment and Management in the 21st Century workshop held

14 May

Work on Playground Replacement Program commenced

17-23 May

National Volunteer Week celebrated

20 May

Agnes Water and Seventeen Seventy winner of the Queensland Top Tourism Town Awards for Small Tourism Town



27 May – 3 June

National Reconciliation Week celebrated



29 May

Santos GLNG Mayor's Charity Ball held at GECC



6 June

Ecofest held at Tondoon Botanic Gardens

10-16 June

Cultural Heritage Tours across the region

28 June – 9 July

School Holiday Program Term 2

AWARDS AND COMMENDATIONS



Asset Management Diversity Award, Asset Management Excellence Awards

Date awarded: 16 October 2020

It was a proud day for Council with the organisation winning an award at the Asset Management Council's Asset Management Excellence Awards.

Six awards categories were presented at a virtual awards ceremony with Council winning the Asset Management Diversity Award.

The Diversity category recognises and promotes the positive contribution made by organisations that demonstrate a holistic and long-term commitment to diversity within the Asset Management community.

Sustainable Communities Tidy Towns Award

Date awarded: 11 December 2020

Gladstone Regional Council's inaugural Sport and Active Living Festival won a Sustainable Communities Tidy Towns Award after just one year.

Community value was recognised in winning the Community Health, Wellbeing and Interest Award as part of the 2020 Sustainable Communities Tidy Towns Awards.

The festival was designed to celebrate and support sport and active living within the region and featured club development and the Biondello Bolt.

Bronze Award, Australasian Reporting Awards

Date awarded: 5 May 2021

Council's Annual Report 2019/20 achieved a Bronze Award in the 2021 Australasian Reporting Awards.

The ARA Awards are open to all private sector, public sector and not-for-profit organisations in Australia, New Zealand and countries in the Asia-Pacific region and beyond.

Queensland Top Tourism Town Awards for Small Tourism Town, Queensland Tourism Industry Council (QTIC)

Date awarded: 20 May 2021

Agnes Water and Seventeen Seventy took out top honours in the Queensland Tourism Industry Council's (QTIC), Queensland Top Tourism Town Awards for Small Tourism Town.



Receiving the Small Tourism Town Award at the QTIC's Top Tourism Town

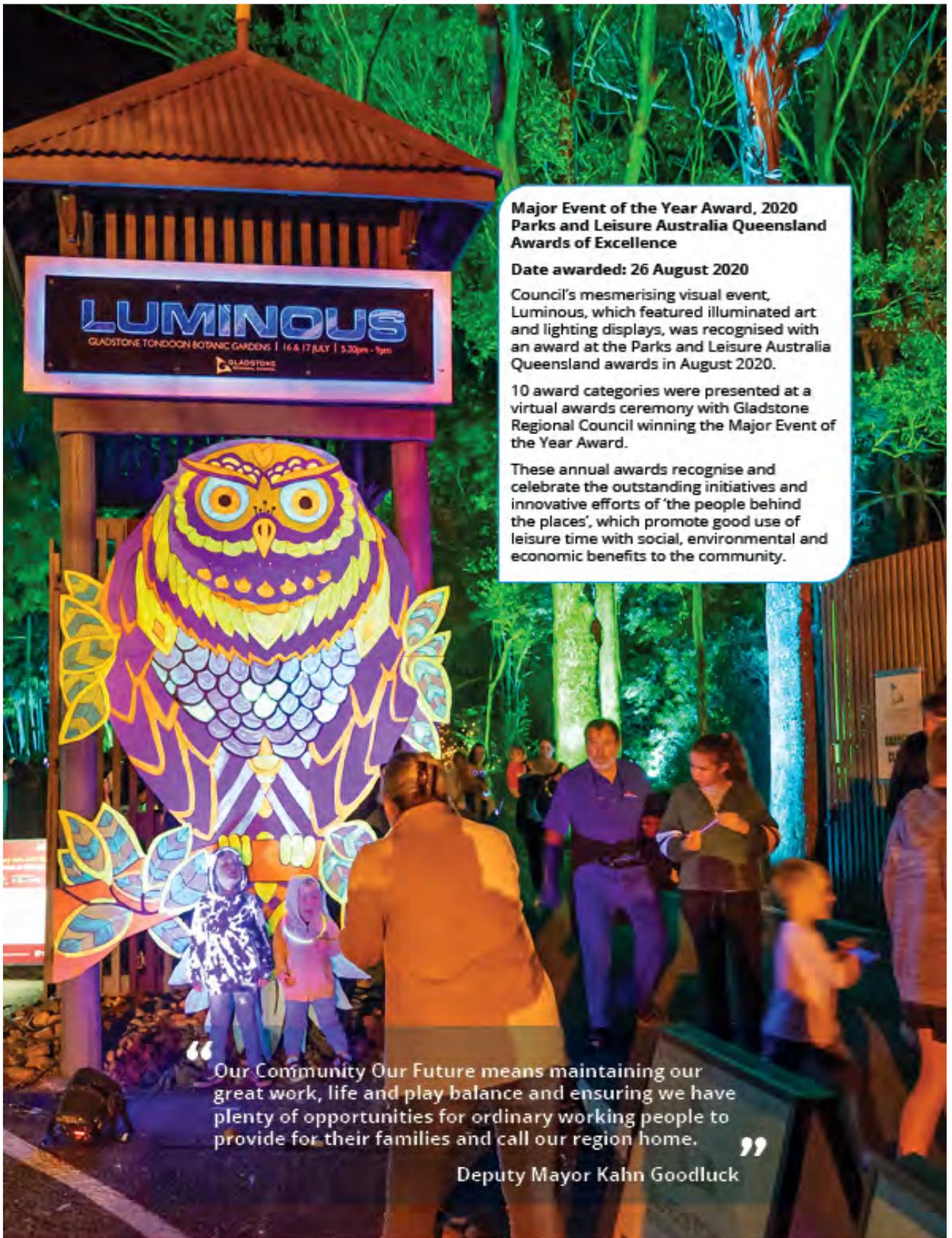
Award was a great honour for Council, but also a testament for the work undertaken by local tourism bodies.

5th Place, Customer Experience benchmarking undertaken by Customer Experience Benchmarking Australia (CSBA)

Date awarded: August 2021

Customer Experience Benchmarking Australia has reported that Gladstone Regional Council was one of the top five performers in Australian Local Governments for Customer Experience.

Each year CSBA performs more than 10,000 independent assessments of the customer experience provided by around 180 Australian companies.



**Major Event of the Year Award, 2020
Parks and Leisure Australia Queensland
Awards of Excellence**

Date awarded: 26 August 2020

Council's mesmerising visual event, Luminous, which featured illuminated art and lighting displays, was recognised with an award at the Parks and Leisure Australia Queensland awards in August 2020.

10 award categories were presented at a virtual awards ceremony with Gladstone Regional Council winning the Major Event of the Year Award.

These annual awards recognise and celebrate the outstanding initiatives and innovative efforts of 'the people behind the places', which promote good use of leisure time with social, environmental and economic benefits to the community.

Our Community Our Future means maintaining our great work, life and play balance and ensuring we have plenty of opportunities for ordinary working people to provide for their families and call our region home.

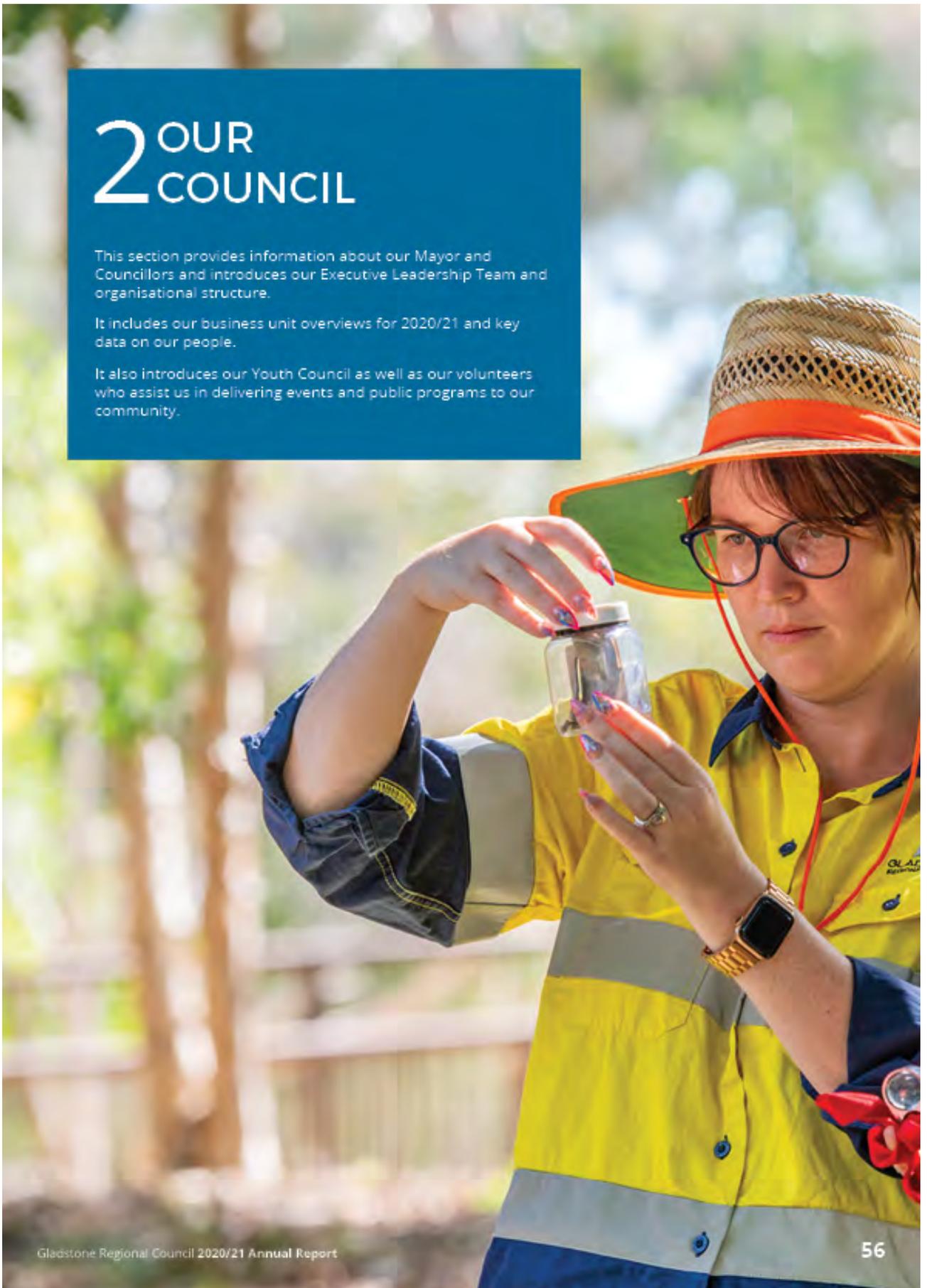
Deputy Mayor Kahn Goodluck

2 OUR COUNCIL

This section provides information about our Mayor and Councillors and introduces our Executive Leadership Team and organisational structure.

It includes our business unit overviews for 2020/21 and key data on our people.

It also introduces our Youth Council as well as our volunteers who assist us in delivering events and public programs to our community.







The Gladstone Region is served by nine elected representatives who represent the entire region, without division. They are responsible for the stewardship and democratic governance of the organisation. Councillors were elected for a four-year term following the election on 28 March 2020.





MAYOR AND COUNCILLORS



CR MATT BURNETT
MAYOR

First elected: 2000,
Mayor 2016 – present

Mayor Matt Burnett was born and raised in the Gladstone Region with his family's connection to the region extending five generations. He is a former small business operator and qualified journalist, having started his own newspaper, The Port Curtis Post, at the age of 19.

He has served in Local Government since 2000, including five years as Deputy Mayor prior to his election as Mayor. During his time in Local Government, Cr Burnett served as Chairman of Technical Services with Gladstone City Council and as portfolio representative in Technical Services, Infrastructure Services and Town Planning with Gladstone Regional Council after amalgamation in 2008.

Cr Burnett has always had the best interests of the community at heart and, as Mayor, he draws upon the experience he has gathered over his years in Council to ensure those interests remain a key consideration even as the region continues to grow and develop.

Cr Burnett brings an inclusive style of leadership to Council, making sure the thoughts and views of his fellow Councillors, Council officers, business and industry leaders, community groups and organisations, and members of the community are all heard and taken into consideration.

Cr Burnett represents Central Queensland on the Local Government Association of Queensland Policy Executive, is a Director on the LGAQ Board and is Vice President of Australian Local Government Association.

Boards, Committees, Groups

- Australian Local Government Association (ALGA) Director & Vice President
- Local Government Association of Queensland (LGAQ) Director & Policy Executive Member
- Central Queensland Regional Organisation of Councils (CQROC) Director
- Local Disaster Management Group – Chairman
- Gladstone Foundation Board of Advice – Member

☎ (07) 4970 0700

✉ mayor@gladstone.qld.gov.au

OUR COUNCIL 02



CR KAHN GOODLUCK
DEPUTY MAYOR

First elected: 2016

Councillor Kahn Goodluck lives in Boyne Island and has three young children. He is a boilermaker by trade and has worked in local industry as

well as performing as a musician at events and venues around the region.

Having lived in both a city and growing up in Kilkivan, a small country town, he believes the Gladstone Region is the perfect combination of both. It offers the services of a city with the benefits of a country lifestyle - like a safe community and the opportunity to enjoy the great outdoors - and is the perfect place to provide a great lifestyle and opportunities for his children.

Cr Goodluck has been a union delegate and health and safety representative in construction, and through this work, has honed the valuable art of negotiation and compromise to reach positive outcomes. He believes his working-class background brings a different and valuable perspective to Council.

Cr Goodluck is motivated to engage with people throughout the region and ensure everyone gets a fair go. He is passionate about government policy and the impact it has on people's lives. He is outgoing, determined with a positive attitude and strong work ethic that will serve him well on Council.

Boards, Committees, Groups

- Audit Risk and Improvement Committee
- Gladstone Regional Roads and Transport Group
- Central Queensland Regional Organisation of Councils (CQRDC)
- Capricorn Pest Management Group
- Inland Queensland Roads Action Project (IQRAP) Working Group
- Local Disaster Management Group

☎ 0433 944 302

✉ Kahn.Goodluck@gladstone.qld.gov.au



CR CHRIS CAMERON

First elected: 2020

Councillor Chris Cameron moved to Gladstone from Mackay in 1999 to take charge of a joint venture housing development. Cr Cameron has three adult children and seven grandchildren. His partner, Lenore, is a Gladstone resident of over 40 years.

Cr Cameron's background is building and property development. He was involved in substantial construction work for mining companies, Blair Athol Coal and Oaky Creek Coal in the Central Highlands. Cr Cameron is a Queensland Master Builder member for more than 40 years and a member of the Australian Institute of Building, Queensland Chapter (MAIB) for more than 40 Years.

Since semi-retirement, he has continued to work in the building industry carrying out project management roles, building consultancy work and dispute resolution. Before joining the Councillor team, he supported the building industry as a volunteer judge for the annual Qld Master Builders Housing and Construction Awards.

Cr Cameron is a proud Rotarian of 25 years, having served as President, Secretary and on various board positions. He was awarded a Paul Harris Fellowship (PHF) for services to Rotary and the Gladstone community. Further to his Rotary service, he has been involved in Rotary RAWCS projects overseas, travelling to the Solomon Islands to participate in a humanitarian effort. In his earlier days, he was a past Lions President and a member of Apex.

Cr Cameron has always been highly active and supportive of his local community. Since being elected, he has enjoyed his role as Councillor in the Gladstone Regional Council and being part of the decision-making team to help shape the region's post-COVID-19 future.

Boards, Committees, Groups

- Education Queensland Industry Partnership
- Port Welfare Committee
- Capricorn Pest Management Group

☎ 0474 937 009

✉ Chris.Cameron@gladstone.qld.gov.au



CR CHRIS TREVOR

First elected: 2016

Councillor Chris Trevor (CT) has lived in the Gladstone Region for over 50 years.

He was educated at Central State School and later Rockhampton Grammar

School before completing his secondary education at Gladstone State High School.

Cr Trevor is a solicitor of the Supreme Court of Queensland and the High Court of Australia, as well as a Justice of the Peace and Senior Counsellor of the Queensland Law Society.

He is a former Gladstone City Councillor, former Deputy Mayor and was the first ever Federal Member for Flynn in the Australian House of Representatives.

Cr Trevor has dedicated his life to family, the law, public service and both charitable and sporting pursuits throughout Central Queensland.

Boards, Committees, Groups

- * Transport Environment Advisory Group
- * Gladstone Regional Council SES Management Group
- * Gladstone Regional Council Rural Fire Brigades Advisory Group
- * Gladstone & District Sports Foundation Trust

☎ 0437 757 839

✉ Chris.Trevor@gladstone.qld.gov.au



CR DARRYL BRANTHWAITE

First elected: 2020

Councillor Darryl Branthwaite is originally from Invercargill in the deep south of the South Island in New Zealand. He arrived in Tannum Sands in 1982 where he worked as a process technician at Boyne Smelters until 1988.

Then, along with family, he purchased the lease of what is now known as Caltex Boyne River at Benaraby.

For 22 years, Cr Branthwaite and wife Jenny operated this very successful business, becoming influential within the community through the Boyne Tannum and Benaraby Chamber of Commerce, along with many other community groups. He was also a founding member of the Boyne Tannum HookUp (1995) which has gone on to become Australia's largest family fishing event.

After leaving the business he went into real estate, selling residential and commercial properties for a further five years within the Gladstone Region.

Cr Branthwaite was also a director on the GAPDL Board for over 20 years before accepting the role of CEO in September 2015. GAPDL was successful in turning the region's tourism around with double digit growth and over 34 cruise liners visiting under his leadership.

In June 2019, Cr Branthwaite and Jenny started the tour business Gladstone Region Tours. In 2020, on Australia Day, Cr Branthwaite was awarded Gladstone Region Citizen of the Year.

Boards, Committees, Groups

- * Audit Risk and Improvement Committee
- * Gladstone Regional Roads and Transport Group
- * Gladstone Local Marine Advisory Committee
- * Gladstone LNG Regional Community Consultative Committee
- * Gladstone Healthy Harbour Partnership
- * Inland Queensland Roads Action Project (IQRAP) Working Group

☎ 0474 877 363

✉ Darryl.Branthwaite@gladstone.qld.gov.au

OUR COUNCIL 02



CR DESLEY O'GRADY

First elected: 2016

Councillor Desley O'Grady has lived in the Gladstone Region for more than 30 years and her family history in the region dates back five generations.

Cr O'Grady has been instrumental over the last seven years in getting the Boyne Burnett Inland Rail Trail up and running to create economic growth for the small communities of the Boyne Valley, tourism visitation to the region and a great place that people will want to live, stay and play.

Cr O'Grady was also part of the Calliope Rodeo Association team that raised \$80,000 for the Boyne Valley community through the 2013 Bulls and Bands Flood Appeal, and a committee member for the Gladstone Region 20-year Vision panel.

Since being on Council, she has attended numerous community functions, meetings and has been very passionate about Council's vision to Connect, Innovate, Diversify.

Cr O'Grady loves the Gladstone Region's versatility, from the hinterland to the Southern Great Barrier Reef, and is dedicated to playing a part in its continued growth and prosperity as an elected member. She has been contributing to the strategic direction of Council and working as a team member with energy and enthusiasm, as well as being a strong and passionate voice for the community.

Boards, Committees, Groups

- Audit Risk and Improvement Committee
- Saiki Sister City Advisory Committee
- Reconciliation Action Plan Advisory Group
- Rail Trail Australia
- Philip Street Communities and Families Precinct Advisory Committee
- Transport Environment Advisory Group

☎ 0437 837 148

✉ Desley.Ogrady@gladstone.qld.gov.au



CR GLENN CHURCHILL

FRM., MAJCO, MBEWA

First elected: 2016

Councillor Glenn Churchill has been an active resident of the greater Gladstone Region and Central Queensland for nearly 30 years. He has gained

extensive experience and wisdom in his 15 years in Local Government as both a Mayor and Councillor.

Together with his wife Sue and family, Cr Churchill has served the business, sporting, tourism and community interests of the region through many different avenues in public life.

He is the current long-time Chairman of the Gladstone Police Citizens Youth Club (PCYC) Management Committee, Diamond Life member of the Queensland Police-Citizens Youth Welfare Association (QPCYW) and, more recently, spent seven years advocating for the region as CEO of GAPDL and an additional seven years as an honorary Board member.

Cr Churchill is the current Chair of the Gladstone Regional Arts Development Fund Board (RADF), appointed Chair of 2019 Bush Fire Recovery Committee (Infrastructure), member of the Sister City Committee International Friendship, earlier Chair of the region's Planning and Development Committee, past Director of the Gladstone Airport Corporation Board and Member of the LGAQ Executive.

Cr Churchill is also a life member and volunteer of various local community-based organisations. He previously served 11 years as Mayor/Councillor at Banana Shire Council and protected the community for 27 years as a Queensland Police Officer.

Cr Churchill strongly believes in working together in harmony to help foster a culture of civic pride in the region and its communities, valuing the contribution of our various industries, community groups and rural producers, and recognising the very vital work Council does for the benefit of the region and communities.

Boards, Committees, Groups

- Saiki Sister City Advisory Committee
- Gladstone PCYC Management Committee
- Gladstone Safe Night Precinct Public Consultative Committee
- Regional Arts Development Fund Committee

☎ 0407 289 139

✉ Glenn.Churchill@gladstone.qld.gov.au



CR NATALIA MUSZKAT

First elected: 2018

Councillor Muszkat is an experienced manager, facilitator and community development professional. She migrated to Australia in 1999 from Argentina, moving to Gladstone in 2007 to raise her young family.

Cr Muszkat has a great passion for community and social and human services and in her years in the Gladstone Region, she has been instrumental in delivering a wide range of projects including traineeships for disadvantaged job seekers, domestic and family violence prevention programs, literacy initiatives, schools bursaries, parenting programs and art and culture projects.

More recently she co-founded not for profit social enterprise, Strong Communities Ltd, to promote wellness for children, parents, families and organisations in regional and remote communities.

Cr Muszkat has a Bachelor in Workplace Health and Safety (with Distinction) and a Diploma in Business Governance. She is a Member of the Multicultural Queensland Advisory Council and a Fellow of the Institute of Community Directors Australia. Cr Muszkat's diverse cultural and professional experience has taught her to always conduct herself with empathy, compassion and respect for all people's ideas and experiences.

Boards, Committees, Groups

- Audit Risk and Improvement Committee
- Coastal Council Adaptation Taskforce (C-CAT) Executive Committee
- Reef Guardian Council Steering Committee
- Gladstone Local Marine Advisory Committee
- Coastal Hazards Adaptation Strategy (CHAS) Reference Group
- Reconciliation Action Plan (RAP) Reference Group
- Philip Street Communities and Families Precinct Advisory Committee

☎ 0436 646 201

✉ Natalia.Muszkat@gladstone.qld.gov.au



CR RICK HANSEN

First elected: 2006

Councillor Rick Hansen has lived in Gladstone with his wife Lyndal and family for more than 40 years. Cr Hansen is extremely proud of the region with its blend of industry, opportunity and environmental commitment.

He believes that we have it all in the Gladstone Region, from the beautiful beaches of Agnes Water/Seventeen Seventy and Tannum Sands to the scenic views of the valleys, mountains and the islands, coupled by the existence and potential of our great harbour. The region has enormous community pride and spirit.

Cr Hansen has been involved in the community extensively, worked in major industry for 19 years and owned and managed a small business for more than 20 years and has extensive knowledge of the small business sector. He has had a range of experience in administration and coaching in both rugby league and basketball. He has represented the community in Council since being first elected in 2006.

Cr Hansen has had various portfolio roles ranging from Infrastructure to Finance and Governance and was a past member of the Business Improvement Committee. He understands the business of Council from strategy and planning to community and finance and has a particular interest in the governance of the organisation.

He is Council's representative on the board of Gladstone Airport Corporation, Traffic Environment Advisory Group, Gladstone Area Promotional Development Limited and other committees. Cr Hansen is a board member of the Gladstone Community Linking Agency. He is the patron of the Gladstone Tennis and Squash Association, patron/life member of the Gladstone Amateur Basketball Association and is a member of the Gladstone Sunrise Rotary Club.

Boards, Committees, Groups

- Gladstone Area Promotion and Development Limited (GAPDL)
- Gladstone Airport Corporation
- Transport Environment Advisory Group

☎ 0448 885 047

✉ Rick.Hansen@gladstone.qld.gov.au

COUNCILLOR GOVERNANCE

Gladstone Regional Council, comprising of the Mayor and eight councillors, is the elected body responsible for the good rule and governing of the Gladstone Region.

The primary role for Councillors is to represent the current and future interests of the residents of our region. Council is constituted in accordance with the *Local Government Act 2009* (the Act) and the *Local Government Regulation 2012* (the Regulation) (collectively the Local Government Legislation) and operates in accordance with the five local government principles established in s4(2) of the Act:

1. Transparent and effective processes, and decision-making in the public interest
2. Sustainable development and management of assets and infrastructure, and delivery of effective services
3. Democratic representation, social inclusion and meaningful community engagement
4. Good governance of and by, local government
5. Ethical and legal behaviour of councillors, local government employees and councillor advisors.

Council conducts its business during General Meetings which are held on the first and third Tuesday of each month. On occasion, Special Meetings are held to make decisions on necessary matters such as the adoption of the Annual Budget (7 July 2020 and 15 June 2021) or an extra general meeting held on 2 November 2020.

The Local Government Legislation together with the Councillors Code of Conduct establishes principles and standards of behaviour expected of our Mayor and Councillors when carrying out their roles, responsibilities and obligations.

General Meetings are advertised and opened to the general public however COVID-19 saw General Meetings closed to the public due to health and safety reasons associated with COVID-19 in accordance with s277E of the Regulation. While meetings have been closed to the public, General Meetings have been livestreamed via Council's website and Facebook page which has seen increased engagement within the community. General Meetings proceed in accordance with our Council Meetings Procedures Policy with meeting agendas and minutes available on Council's website.

COUNCILLOR COMMITTEE

Council has also appointed and supports two formal Advisory Committees which are responsible for reporting to Council on specific matters. A summary of these committees is provided below:

Table: Advisory Committees

NAME	PURPOSE	FREQUENCY OF MEETINGS
Sister City Advisory Committee	To provide Council with strategic advice and support on ways to enhance the sister city program and relationship.	Once a month from February - November (10 times per year)
Gladstone Region Youth Council	To provide Council with advice on youth related matters within the region.	Once a month from March - December (9 times per year)

In November 2020, Council resolved to establish a third formal Advisory Committee, the Philip Street Communities and Families Precinct Advisory Group, to provide Council with advice on strategic planning, management and service delivery for the Precinct. This committee will be activated in July 2021 once the precinct construction is complete.

Council has also established the below groups to support the implementation of the local government legislation or Council policies:

- * Gladstone Regional Council State Emergency Service Management Group
- * Gladstone Regional Council Rural Fire Finance Committee
- * Gladstone Regional Council Audit, Risk and Improvement Committee

COUNCIL MEETINGS

The *Local Government Act 2009* establishes a number of councillor responsibilities, one of which is a responsibility to participate in Council meetings. Section 186(c) requires Council to disclose the number of government meetings that each Councillor attended during the financial year.

There were 27 General and Special Meetings held during 2020/21. Individual Councillor attendance at General and Special Meetings of Council are detailed below:

Table: 2020/21 Council Meetings

COUNCILLORS	TOTAL
Branthwaite, Darryl	25
Burnett, Matt (Mayor)	24
Cameron, Chris	27
Churchill, Glenn	27
Goodluck, Kahn (Deputy Mayor)	26
Hansen, Rick	26
Muskat, Natalia	26
O'Grady, Desley	25
Trevor, Chris	27

COUNCILLOR REMUNERATION

The Local Government Remuneration and Discipline Tribunal established under the *Local Government Act 2009* is responsible for determining the maximum remuneration payable to the Mayor, Deputy Mayor and Councillors. The total remuneration paid to Councillors for the full year in 2020/21 is detailed below.

Table: Councillor remuneration

COUNCILLOR	DESCRIPTION	SALARY	SUPERANNUATION	TOTAL
Branthwaite, Darryl	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
Burnett, Matt	Mayor	\$158,057.74	\$18,967.04	\$177,861.98
Cameron, Chris	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
Churchill, Glenn	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
Goodluck Kahn	Deputy Mayor	\$103,986.56	\$9,878.83	\$113,865.39
Hansen, Rick	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
Muskat, Natalia	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
O'Grady, Desley	Councillor	\$91,507.16	\$10,980.98	\$102,488.14
Trevor, Chris	Councillor	\$91,507.16	\$10,980.98	\$102,488.14

COUNCILLOR OVERSEAS TRAVEL

Council's Corporate Plan identifies a strong desire to actively promote and support the region and enable its growth and prosperity. Council is required to disclose information about overseas travel of employees or Councillors during 2020/21 however no travel overseas has occurred during the period given the global COVID-19 pandemic.

OUR COUNCIL 02

COUNCILLOR EXPENSE AND PROVISION OF FACILITIES

A Councillor Expenses Reimbursement and Provision of Facilities Policy was adopted by Council on 6 November 2018. The policy provides for the reimbursement of reasonable expenses incurred by Councillors when discharging their duties and responsibilities as Councillors and the provision of facilities necessary to undertake their roles.

There were no resolutions relating to Council's Councillor Expenses Reimbursement and Provision of Facility Policy during 2020/21.

Total expenses incurred by, and facilities provided to, Councillors in 2020/21 was \$206,892.95.

Table: Councillor 2020/21 expenses

COUNCILLOR	TRAVEL & ACCOMMODATION	HOSPITALITY	SEMINARS & CONFERENCES	ICT	VEHICLE	PHONE	UNIFORM	TOTAL
Branthwaite, Darryl	\$1,007.44	\$-	\$136.36	\$-	\$18,749.96	\$381.72	\$125.00	\$20,400.48
Burnett, Matt	\$10,606.54	\$2,983.55	\$1,634.54	\$891.65	\$17,782.05	\$382.17	\$-	\$34,280.50
Cameron, Chris	\$-	\$-	\$-	\$-	\$17,499.96	\$381.72	\$-	\$17,881.68
Churchill, Glenn	\$4,450.42	\$62.26	\$2,515.79	\$-	\$18,582.96	\$615.94	\$38.36	\$26,265.73
Goodluck, Kahn	\$5,520.87	\$-	\$1,568.82	\$-	\$17,499.96	\$589.28	\$55.40	\$25,234.33
Hansen, Rick	\$1,836.43	\$-	\$-	\$-	\$17,291.63	\$589.61	\$-	\$19,717.67
Muszkat, Natalia	\$2,655.73	\$-	\$2,914.27	\$-	\$17,499.96	\$589.00	\$-	\$23,658.96
O'Grady, Desley	\$1,830.63	\$41.70	\$230.00	\$1,768.17	\$16,242.98	\$964.53	\$231.40	\$21,309.41
Trevor, Chris	\$-	\$-	\$-	\$-	\$17,499.96	\$589.23	\$55.00	\$18,144.19



OUR COUNCIL 02

GLADSTONE REGION YOUTH COUNCIL



OUR YOUTH COUNCIL

Nine young and enthusiastic community members were endorsed as the 2021 Gladstone Region Youth Council on 6 April 2021.

The Youth Council members were selected based on their diverse strengths and experiences, knowledge of youth issues and willingness to bring about positive change in our community now, and into the future.

They also act as a formal advisory committee to Council on youth related matters within the region.

Locations across the Gladstone Region were well represented within the 2021 Youth Council, with members from Agnes Water, Gladstone, Boyne Island, Tannum Sands, Burua and Calliope.

Ages of Youth Council members range from 15 to 20 years old, with six of the nine members still attending school. Because of this, the Gladstone Region Youth Council's annual term is aligned with the Queensland school year.

Words from Aaron Yea, Gladstone Region Youth Councillor

A diverse group of young people located throughout the Gladstone Region from as far as Agnes Water to Gladstone, Boyne Island, Tannum Sands, Burua and Calliope make up this year's 2021 Gladstone Region Youth Council Committee. While some of the members were born and raised in Gladstone, many have relocated from interstate and now call this beautiful region home.

Our diverse backgrounds allow us to provide a unique perspective on the societal issues affecting young people in our region. Since commencement in April, we have attended our fortnightly meetings with a focus on the Youth Ally Project. This project is a primary prevention activity that raises awareness of domestic and family violence by educating young people in the community.

Further to this, we have also been given the opportunity to give back to the region through volunteering at the Mayor's Youth Week Breakfast, Senior's Week, Mayor's Charity Ball, Luminous and National Tree Day. As the year continues, the Gladstone Region Youth Council will continue to strive to help the local community and aid in representing youth to local government.



MEET OUR YOUTH COUNCILLORS



BROOKE ASSMAN
Gladstone Region Youth Council Co-Chair

Brooke is passionate about advocating for the issues facing youth in our region, including mental health, disengagement from school and unclear pathways to career stability after school.



LAYLA DOW
Gladstone Region Youth Council Co-Chair

Layla is passionate about the Gladstone Region and identified the Youth Council as the perfect opportunity to give rise to the voices of young people in her community.



AARON YEA
Gladstone Region Youth Councillor and Saiki Sister Committee Representative

Aaron's motivation to pursue a position on the Gladstone Region Youth Council comes from his desire to give back to the community through volunteering.



ALEXA MARXSEN
Gladstone Region Youth Councillor

Alexa sought a position on the Gladstone Region Youth Council to experience the roles and responsibilities of being a part of a committee but also wanted a chance to help improve opportunities for youth in our region.



CHARLISE FALCONER
Gladstone Region Youth Councillor

Charlise (Charli) is passionate about equality and equal opportunity and believes all individuals hold the key to greatness, they just need to be heard. She holds many roles within the community and is a Queensland Minerals and Energy Ambassador.



GYPSY CANTWELL
Gladstone Region Youth Councillor

Gypsy pursued a position on the committee because she wanted to connect with like-minded individuals. Gypsy believes that empowering our community's youth is important in having a strong and connected region where everyone's voice matters.



ROMMIEL MALIG
Gladstone Region Youth Councillor

Rommiel (Rom/Rommie) Malig is passionate about helping others. She is strong in advocating for equality amongst all races and educating people about ways they can make this world a better place.



STELLA POTTER
Gladstone Region Youth Councillor

As someone who has lived experiences, Stella saw Youth Council as the perfect platform to help raise awareness and break down the stigma associated with youth mental health in our community.



WILLIAM PATRICK
Gladstone Region Youth Councillor

William views Youth Council as the perfect opportunity to give rise to the voices of Gladstone's youth and ultimately, where responsible change can and will occur.

ORGANISATION STRUCTURE

Grounded in the principles of efficiency, innovation, collaboration and agility, the structure of our organisation will support value-for-money service delivery to meet the changing needs of our community.

This is reflected through a structure comprised of seven business units, outlined below.





Parks employees Mark and Corey at Boyne Tannum Memorial Parklands installing irrigation.

OUR COUNCIL 02

CORPORATE GOVERNANCE

Council has made a commitment to create a culture that minimises risk and maintains compliance by strengthening governance, risk management and compliance awareness processes, reporting and accountability.

Our Corporate Plan outlines activities that we will deliver by 2023 that move us closer to delivering on our goal of being an ethical and responsible government. In 2020/21 the following activities were undertaken:

Table: 2020/21 Efforts towards Ethical and Responsible Council strategic goal

Ethical and Responsible Council	2020/21
Comprehensive risk management strategies for all identified risks	<ul style="list-style-type: none"> Adoption of review Enterprise Risk Management Framework Development and launch of REIACS Project inclusive of risk management and incident management software tool Completion of Leaders Risk Management training
Documented risk appetites for each corporate risk element	<ul style="list-style-type: none"> Endorsement of Corporate risks and allocation of responsibilities and improvement actions Commencement of operational risk workshops
Transparent, accountable and responsive governance	<ul style="list-style-type: none"> Continued review of policies and corporate standards to align with contemporary practices and legislative reform Implementation of integrity reforms enacted through state government
A Council that makes better informed decisions based on improved report writing which provides a thorough options analysis	<ul style="list-style-type: none"> Continued use of consistent Council reporting template for decision making Review and improvements made to Terms of Reference for committees and groups
Increased community involvement in local government	<ul style="list-style-type: none"> Continued live streaming of General Meetings Use of Conversations Platform for community engagement activities

In 2020/21, Council adopted a new Contract Staff Remuneration Policy to provide direction on individual contract staff remuneration and contract duration terms. This policy provides governance and transparency on the decision making for contract positions within the business.

The Audit Committee:

Gladstone Regional Council's Audit Risk and Improvement Committee is established under section 105(2) of the *Local Government Act 2009*.

In accordance with the *Local Government Regulation 2012* the Audit Risk and Improvement Committee for 2020/21 included three independent members and two Councillors (and two alternate Councillor members).

Audit Committee Members

For the period 1 July 2020 to 30 June 2021:

- Kerry Phillips, Chair (External member and Financial Expert)
- Stephen Coates (External Member)
- Sandra Collins (External Member)
- Councillor Kahn Goodluck (Councillor Representative)

- Councillor Desley O'Grady (Councillor Representative)
- Councillor Darryl Branthwaite (Alternate member)
- Councillor Natalia Muszkat (Alternate member)

The primary objective of the Audit Risk and Improvement Committee is to assist Council in fulfilling its oversight responsibilities relating to accounting, auditing and reporting.

ARIC supports Council by:

- Reviewing the financial statements and public accountability performance reporting;
- Reviewing effectiveness of governance, risk management and control;
- Promoting economy, efficiency, effectiveness and ethical culture;
- Reviewing reliability of management information;
- Monitoring and evaluating internal audit performance;
- Reviewing effectiveness of fraud control measures; and
- Monitoring compliance with laws, regulations, standards and good practice.

ARIC reports to Council and has the authority to make recommendations with respect to matters within its scope of responsibility.

Internal audit

The primary role of Internal Audit is to conduct independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. It helps Council accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Council's internal audit function is undertaken by the Ethics Integrity and Audit team led by the Ethics Integrity and Audit Specialist who functionally reports to the General Manager Finance Governance and Risk but who also reports directly to the Chief Executive Officer and ARIC. The Ethics Integrity and Audit Specialist is supported by an Internal Auditor and a Compliance and Audit Officer.

The Ethics Integrity and Audit function applies a risk-based approach to its planning and internal audit activities. An annual Internal Audit plan is prepared based on Council's Corporate Risk Register, consultation with the Executive Leadership and other relevant sources of information, such as Queensland Audit Office. The Audit Risk and Improvement Committee reviews, approves, and monitors the performance against the plan through the quarterly committee meetings.

Ethics Integrity and Audit works collaboratively with management to recommend improvements to systems, processes, work practices, compliance, and business effectiveness. Projects undertaken during the 2020/21 financial year include:

- Complaints Management Process
- Community Facility Management
- Environmental Compliance - Quarries
- Building Certification
- Evacuation Procedures
- Trade Waste
- Mental Health.

Other projects:

- Policy Review - Audit Risk and Improvement Committee Policy
- Monitoring implementation of agreed audit recommendations.

Ethics Integrity and Audit complies with Queensland Government legislative requirements and operates in accordance with the Ethics Integrity and Audit Policy and Charter, which is endorsed by the Audit Risk and Improvement Committee and is consistent with the Institute of Internal Auditors International Professional Practices Framework.

List of Registers

Council maintains the following registers:

- Register of Roads
- Register of Assets
- Register of Preferred Supplier Arrangements, Pre-Qualified Suppliers, Long Term Contracts and sole/specialised suppliers
- Register of Offers (medium and large size procurements and successful awards)
- Register of Non-conformance
- Register of Contract Variations
- Register of Cost Recovery Fees
- Register of Local Laws (available on Council's website)
- Register of Contact with lobbyists
- Register of Delegations of Authority - Council to CEO and CEO to officers and/or contractors
- Register of Financial Delegations
- Register of Interests for CEO and Senior Executive Employees
- Register of Interests for Councillors (available on Council's website)
- Register of Councillors related persons
- Register of Councillor Complaints (available on Council's website)
- Register of Council Owned/Managed Land
- Register of Leases
- Register of Development Assessment Applications, Approvals and Permits (available on Council's website)
- Register of Infrastructure Charges
- Register of Legal Documents
- Register of Backflow Prevention Devices
- Register of Onsite Sewerage
- Register of Trade Waste
- Register of Licensing
- Register of Stock Impoundment
- Register of Licences Under the *Food Act 2006*
- Register of Licences Under the *Public Health (Infection Control and Personal Appearance Services) Act 2003*
- Register of Biosecurity Invasive Plants
- Register of Animal Impoundment
- Register of Cats and Dogs
- Register of Abandoned Vehicle Impoundment
- Register of Impounded Animals
- Register of Overgrown and Unightly
- Register of Parking Permit
- Register of Local Law Proactive Patrols

OUR COUNCIL 02

RISK MANAGEMENT/BUSINESS CONTINUITY

Council acknowledges that risk management is an essential part of what we do and it allows us to achieve an appropriate balance between realising opportunities while minimising losses.

Council is committed to an effective program of risk management including managing current risks and being prepared to respond to emerging risks.

In September 2020, Council adopted revised Enterprise Risk Management Framework through its Risk Management Policy and Risk Management Corporate Standard.

This adoption resulted from the major review that occurred in 2020/21 which included aligning to the international standard AS/NZ ISO31000:2018 Risk Management.

Following adoption, Corporate Risks were reviewed and endorsed. Leaders' workshops were held to develop understanding of the new framework and also the new software to be launched, Beakon, that will form Council's risk management information system. Work commenced on Operational Risk workshops and will continue into 2021/22.

In addition, Council reviewed its Business Continuity Policy and adopted its Business Continuity Plan to support maturity in being able to respond quickly and efficiently to business disruption risk.

Work will continue in 2021/22 on embedding the business continuity plan and testing its effectiveness.

SMART ASSET MANAGEMENT

Council provides a variety of services to our growing community over a large area (10,489km²). Many of our services are provided through infrastructure assets such as roads, water, sewerage, parks, buildings, waste and land. The total replacement cost of Council's infrastructure assets is valued at \$3.3B.

ASSET VALUATIONS

Council is required to undertake asset valuation activities on a regular basis as per Australian Accounting Standards and Local Government Regulations. An annual assessment is undertaken either by desktop (high level assessment) or comprehensively (detailed assessment).

In 2020/21 Council has valued:

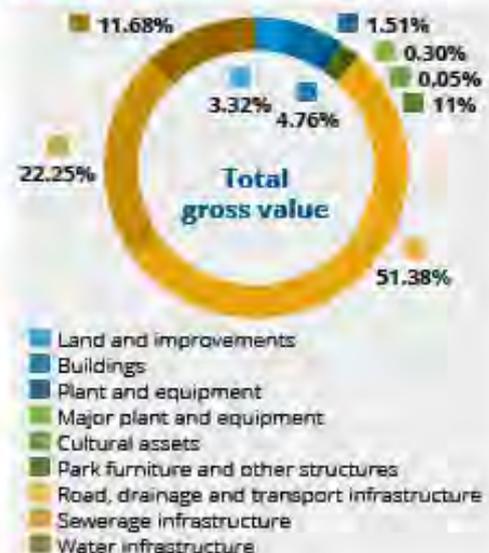
- Land, buildings, park furniture and other structures (PFOS) comprehensively by independent third-party valuation consultants, APV Valuers and Asset Management (APV).
- Water and sewerage comprehensively by independent third-party valuation consultants, JLL Public Sector Valuations Pty Ltd (JLL).
- Roads, drainage, transport and infrastructure (RDTI) via an internal desktop method.

Refer to financial statements for further information.

FUTURE COMMITMENT

Council is committed to continuing smart asset management. In our refreshed five-year Corporate Plan, one of the five goals is Delivering Value. One of the intended outcomes for this goal is to have asset management that is smart, effective and efficient. This strategic direction will guide how we manage and improve our assets over the next five years.

Total gross value of property, plant and equipment



GATES AND GRIDS

At Council's General Meeting on 21 May 2019, Council adopted by way of resolution, that ownership of gates and grids should transfer to Council at the end of a gate or grid's useful life. The structure will either be replaced at the request and cost of the impacted landowner/s or removed by Council. Council will manage and maintain 315 gates or grids with an estimated value of \$5M from 1 July 2020.

IMPROVED ASSET MANAGEMENT ACTIVITIES

Strategic Asset Performance (SAP) has continued working to ensure that Council can continue to provide essential services to our community, now and into the future. Understanding the capacity, quality and need for infrastructure in the region, allows Council to make informed decisions and projections about the future of our assets.

Activities undertaken this year include:

- Asset Planning continued development of an asset growth plan for Lake Awoonga water supply scheme. This helps us understand how growth in our community may increase and impact demand on our infrastructure and how we can continue providing for our community, into the future.
- Asset Planning has continued developing an updated asset growth plan for Boyne Island, Tannum Sands and Calliope wastewater networks to ensure we continue to manage our assets in a way that meets the needs of our growing community. Opportunities for alternative wastewater management in Calliope were reviewed considering expected community growth, catchment zones, capacity of the WWTP and viable diversion strategies. This ensures we are prepared with viable options and prevents exceeding capacity of our wastewater treatment plant.

- Asset Performance and Monitoring team has completed schedules and inspection sheets for preventative works and maintenance of water and sewer assets.
- Five-year renewals programs have been completed for sealed and unsealed roads, gravel re-sheets, footpaths, car parks and kerb and channel. This will inform how we prioritise road infrastructure upgrades over the next five years.
- Intermittent seal tool has been developed and will be included in a relevant Road Policy that is currently under review.
- 90 per cent of inspections completed for waste assets defects to ensure we can continue safely providing essential waste management. The inspection program is expected to be completed by September 2021.
- Inspections have been completed to assess parks infrastructure defects to ensure our parks infrastructure is operational and safe for the community. Business rules for defective park assets have been developed and are ready for review and approval. These rules will guide appropriate and consistent action regarding concern about the quality of assets in our parks.
- To understand the point at which our infrastructure requires upgrading and maintenance, invention levels for park assets have been drafted, nearing 90 per cent completion.
- A 10 year replacement program for park equipment has been established so we can ensure our playgrounds and other parks infrastructure continue to meet the needs of our community into the future.

100% of the scheduled Asset Management Improvements for 2020/21 are complete.

OUR COUNCIL 02

EXECUTIVE LEADERSHIP TEAM



LEISA DOWLING
Chief Executive Officer

Leisa's Local Government career commenced with Gladstone Regional Council in September 2010 as Director Environment and Recreation. Prior to joining Council, Leisa had a lengthy career in State Government, including senior roles in the Department of Local Government. Leisa held the position of General Manager Strategy and Transformation before being appointed Chief Executive Officer (CEO) in November 2018.

Business responsibilities include:

The CEO is ultimately responsible for the strategic management of the organisation.

Qualifications and memberships:

- Graduate Certificate in Business (Public Sector Management)
- Bachelor of Leisure Studies (Sport Management)
- Member - Local Government Managers Australia



KYLIE LEE
General Manager Community Development and Events

Kylie has more than 25 years' experience in community development and engagement, communications, crisis management, events, and investment. Prior to her appointment in February 2018, Kylie held leadership roles in a range of industries including ports, construction, mining, entertainment and Local Government, including eight years at the former Calliope Shire Council. Kylie's passions include her family, the GRC team and working with the community to ensure the Gladstone Region continues to thrive.

Qualifications and memberships:

- Graduate Diploma (Public Relations)
- Graduate Diploma (Leadership) *currently studying*
- Member - Local Government Managers Australia



ROB HUTH
General Manager Customer Experience

Rob has more than 35 years of Local Government experience, commencing his career at the former Calliope Shire Council as a qualified carpenter and then holding various positions from Civil Supervisory to Project Management roles. In 2008 the greater Gladstone Regional Council was formed at which time Rob was appointed as Manager Construction Projects. Soon after his portfolio widened to include both construction and operational responsibilities of Council's transport infrastructure as Manager Roads Program Delivery. Rob was recently appointed as General Manager Customer Experience.

Qualifications and memberships:

- Advanced Diploma (Civil Construction)
- Diploma of Project Management
- Carpentry
- Agile Project Management Practitioner



MARK HOLMES
General Manager Finance,
Governance and Risk

Mark has served Local Government for more than 20 years, commencing with a traineeship at Dalrymple Shire Council. Mark worked at the former Calliope Shire Council for eight years, serving in the role of Manager of Finance and Director of Corporate and Community Services. Mark was appointed General Manager Finance, Governance and Risk in January 2018.

Qualifications and memberships:

- Certified Practising Accountant
- Graduate Diploma (Accounting)
- Graduate Diploma (Local Government Management)
- Bachelor of Business (Accounting)



JOHN TUMBERS
General Manager Operations

John joined Council in March 2019. John has a career background in operations and maintenance in power generation, resource and ports sectors in New South Wales, South Australia, Western Australia and Queensland. Prior to joining Council, John was the Chief Operating Officer for the Gladstone Area Water Board which provides bulk water to Gladstone's industry and Council.

Qualifications and memberships:

- Graduate Diploma (Maintenance Management)



THEUNIS MIENIE
General Manager People,
Culture and Safety

Theunis was appointed in November 2019. He has executive Human Resources experience across multi-sectors: mining, logistics, engineering, utilities and Local Government. Prior to this, he held the role as Chief People Officer for Wyndham City Council. His passion and strength are in working collaboratively with the Executive Team to develop and implement people and safety strategies, building constructive organisational culture and capability to safely deliver services to our community.

Qualifications and memberships:

- Master of Science (Human Resources)
- Bachelor of Labour Relations Management
- Bachelor of Human Resources Management
- Certificate IV Workplace Health and Safety

OUR COUNCIL 02

EXECUTIVE LEADERSHIP TEAM



MARK FRANCIS
General Manager Strategic
Asset Performance

Mark has more than 20 years' experience across a range of industries. Prior to joining Council in 2018, he held strategic leadership roles in financial services in Victoria and Local Government and telecoms sectors in the United Kingdom. Mark was appointed to the role of General Manager Customer Experience in March 2019 and in September 2020 he moved to his current role as General Manager Strategic Asset Performance.

Qualifications and memberships:

- Master of Arts (Honours)
- Post Graduate Diploma (Business Admin)



CARLY QUINN
General Manager Strategy
and Transformation

Carly was appointed General Manager Strategy and Transformation in September 2018. Carly has a multidisciplinary background across government, commercial and not-for-profit sectors, with a focus in strategy, transformation, marketing, events and community development. Her strength is in collaborating with multi-functional teams to find pragmatic solutions to complex business problems. Her passion is in building the capability of our people to better deliver services for our community.

Qualifications and memberships:

- Associate - Australian Transformation and Turnaround Association
- Member - Local Government Managers Australia

ANNA SCOTT
General Manager Strategic Asset Performance
5 February 2018 - 30 October 2020



Aerial photo of farmland at Boyne Valley.

SENIOR MANAGEMENT REMUNERATION

Senior management (Council’s CEO and General Managers) are engaged under fixed-term, performance-based contracts. The following remuneration was payable for Council’s senior management in 2020/21:

Table: Senior management remuneration

REMUNERATION BAND	NUMBER OF SENIOR EXECUTIVES
\$350,000 - \$399,999	1
\$300,000 - \$349,999	0
\$250,000 - \$299,999	6
\$200,000 - \$249,999	1

EXECUTIVE LEADERSHIP TEAM OVERSEAS TRAVEL

Council’s Corporate Plan identifies a strong desire to actively promote and support the region and enable its growth and prosperity. Council is required to disclose information about overseas travel of staff during 2020/21 however no travel overseas has occurred during the period given the global COVID-19 pandemic.

COMMUNITY DEVELOPMENT AND EVENTS



KYLIE LEE, GENERAL MANAGER

- Brand and Communications
- Community Events
- Community Facilities and Maintenance
- Engagement and Partnerships
- Gladstone Entertainment Convention Centre
- Gladstone Regional Art Gallery and Museum
- Gladstone Regional Libraries
- Gladstone Tondoon Botanic Gardens

SERVICES DELIVERED

- Oversight development and implementation of Council's strategic objectives across community investment, community and cultural development and engagement.
- Created flexible and welcome spaces with dynamic collections, engaging programs and evolving technology supporting community growth.
- As custodian of the region's visual art and social history collections, the Gallery & Museum is responsible for conserving, growing and documenting these collections, providing exciting experiences for visitors and increasing cultural growth and education.
- Ensuring the Botanic Gardens is efficiently and effectively managed, promotes sustainable horticultural practices, provides quality visitor services and facilities that are well utilised, provides learning for life opportunities and contributes to the Gladstone Region's sustained prosperity.
- Provided communication channels between Council, its internal and external stakeholders and the public. Creating a positive and progressive image and perception of Gladstone Regional Council.
- Ensuring Council's community facilities are presented to a high standard through aligned maintenance and improvement programs to provide safe engaging spaces for the community.
- Delivering major events on behalf of Gladstone Regional Council designed to promote community cohesiveness, grow the economy and promote the region.
- Managed the operations of the Gladstone Entertainment Convention Centre, providing a strong and vibrant calendar of events, stimulating economic development through business events and tourism and contributing to artistic and cultural development in the community.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

New Community Development Strategy endorsed

Council's Community Development Strategy 2021-2026 was adopted on 1 June 2021 and provides direction for how we will work with, and alongside, the community, organisations and other levels of government to create a strong and vibrant region. The strategy builds on Council's existing community development programs and activities to include new and exciting ideas to strengthen the community and build capacity to respond to challenges as the region transforms in the future.

Philip Street Communities and Families Precinct meets milestones on time

Following the end of the 2020/21 financial year, Council and funding partners operationalised the Philip Street Communities and Families Precinct, opening it to the Gladstone and Central Queensland community. Council is proud the Philip Street precinct takes out our top spot for the largest community asset investment. The facility is a first of its kind with Local Government partnering with the community and human and social services sector.

New event developed to assist economic recovery

Events play an important part in the recovery process for communities and the development of a Queensland-first event, Air Beats Open Air Concert, provided an opportunity for our residents to connect after many events and programs were impacted by COVID-19.

This community recovery event aided the entertainment industry and helped local businesses by providing production services including audio and lighting, scaffolding, staging and more, plus provided several local musicians a unique opportunity during a global pandemic.

OTHER HIGHLIGHTS FOR 2020/21

- The Santos GLNG Mayor’s Charity Ball sold out in just 45 minutes with 450 guests raising more than \$100,000 for local beneficiaries.
- Launched new look Ecofest which recorded the highest attendance in event history.
- Community musical, Legally Blonde The Musical, sold out to an audience of 2,945 people over five days.
- Partnered with local artists, through an Expressions of Interest process, to deliver several successful art classes and workshops.
- Adapted visitor experiences to GRAGM to include digital initiatives.
- Delivered a virtual Martin Hanson Memorial Art Awards to allow artist and community interaction amidst COVID-19 restrictions.
- Philip Street Communities and Families Precinct construction continued while the collaborative Working Group operationalised the facility with a Queensland-first collective delivery operating model inclusive of Council, the Salvation Army and Gladstone Area Promotion and Development Limited.
- Adopted second Reconciliation Action Plan (RAP) which formed many new initiatives across the organisation (See page 26 for more info).
- Crisis communication model and process implemented across the business and successfully utilised during the COVID-19 pandemic both internally and externally.
- Introduction of new internal communication channels to support the effective distribution of communications to our people in a suitable manner.
- Development and implementation of Council’s Brand Guidelines.
- Significant redevelopment of Council’s intranet with the launch of ‘Connected’.
- Improved content and user experience of the Gladstone Regional Libraries.
- Launched Gladstone Regional Library App to provide access to our online services and resources, virtual library card storage and a self-service centre.
- Enhanced visitor experience at Tondoon Botanic Gardens with the opening of the new visitor centre and learning studio.
- Tondoon Botanic Gardens continued the delivery of their educational workshops, launching new content as well as school holiday workshops.
- To support the trend for online communication and interaction, Tondoon Botanic Gardens held a series of online competitions which attracted more than 10,522 views on the Tondoon Botanic Gardens Facebook page and 516 entries.
- To show support for the Blue Tree Project and the project’s vital mental health message, Council teamed up with local business Treescape during Queensland Mental Health Week. Two trees were painted blue, one in Lyons Park and the other in Tondoon Botanic Gardens.
- As part of Ecofest, 200 plants were planted during Tondoon Botanic Garden’s first community planting day.
- To support the conservation of the *Macadamia janseni*, Tondoon Botanic Gardens provided five botanic gardens across Australia, including Canberra National Botanic Gardens, with trees propagated from our nursery.



Australia Day Citizenship and Awards ceremony.



Ecofest - Central Queensland’s largest environmental event.



Amy Sheppard performing at Air Beats.

COMMUNITY DEVELOPMENT AND EVENTS CONTINUED

OTHER HIGHLIGHTS FOR 2020/21

- Completed the Four Mile Shrub *Murraya crenulata* tree conservation project in collaboration with Gladstone Area Water Board. Together 60 of these trees were propagated at the Gardens.
- The Gardens provided assistance for a research project of Department of Primary Industries Orange office in New South Wales, by sending 70 bare rooted *Ligustrum australinum* plants. This will form part of their biosecurity control research project into the potential control of exotic *Ligustrum* species in Australia in the future.
- Implementation of revised Community Investment model which supports the Community Development Strategy. The new policy allows the community to apply for grants with objectives which support building capacity, place-based initiatives, connecting community, wellbeing and planning.
- Launch of 'Be Present Program' where Community Development team will be allocated geographical areas within the region that they will actively be present in and engaging with the community. The 'Be Present Program' will support Community led projects, initiatives and activities.

LOOKING AHEAD

- Website Security: 2021/22 Operational Plan initiative to redevelop GECC's website to ensure our customer's data remains secure.
- Provide reputation management, stakeholder risk mitigation, communications and branding to GRC and its associated community facilities.
- Reintroduction of Council's destination campaign 'Easter in Gladstone' and its associated events and activities.
- Delivery of community events with a focus on understanding and meeting our communities' wants and needs.
- An enriching annual GECC and GRAGM program which supports Council's Arts and Cultural Plan objectives.
- Deliver programs which support capacity building.
- Review and adapt our public programs' schedule to meet communities' needs and expectations with a view to diversify throughout our region.
- Through community engagement, Council will investigate its first participatory budgeting grant fund. This process will enable the community to have their say on the allocation of \$25,000 of grant funding.
- Develop and deliver new community education workshops with a focus on community need and priority areas.
- Completion of Tondoon Botanic Gardens Water Management Plan.
- Investigation into robotic mowers to enhance efficiency and allocation of resources.
- Launch of new education programs that focus on composting, produce and the TBG Junior Rangers program.
- Support the delivery of condition assessments for Council's community facilities across a three year period and implement appropriate maintenance schedules.



Santos GLNG
2021 Mayor's Charity Ball.

“Our Community Our Future is about working with the greater community for a vision for our future so we can live, work and play. Gladstone Region, beautiful one day and perfect the next.”

Cr Desley O'Grady

Mayor Matt Burnett

Welcome to the 6th Annual Santos GLNG Mayor's Charity Ball!

Tonight, we are here to recognise and celebrate some truly fantastic local charity organisations.

A night of great entertainment awaits you with Hamilton Band ready to hit the stage and get you up and dancing.

OUR COUNCIL 02

CUSTOMER EXPERIENCE



ROB HUTH, GENERAL MANAGER

- Biosecurity and Environmental Health
- Customer Solutions
- Development Services
- Local Law Compliance

SERVICES DELIVERED

- Provided public health and environmental education, awareness and compliance enforcement within the Gladstone Region for relevant State and Local legislation.
- Focused on responding to customer demand, improving customer experience, managing correspondence and emails while also offering choice in communication, such as online transactions, to support customer access to Council.
- Provided specialist advice to the community on planning requirements, audit of private development works, investigation of complaints from the public around land use or development, management of appeals.
- Provided education and regulation of Local Laws to preserve the amenity, appearance and enjoyment of the region.
- Provided education and regulation for the community to encourage responsible pet ownership and, where appropriate, enforce animal management legislation.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

Biosecurity and Environmental Health team educate community

In June 2021, Council's Biosecurity and Environmental Health team joined in the fun at EcoFest. A miniature landscape model was used to provide education about erosion and sediment control. Passers-by were able to see how the flow of water across land, soil and (mini) infrastructure caused erosion and sediment pollution, highlighting the importance of properly managing this. Education on biosecurity and pest management was also delivered using the Central Queensland Pest Management trailer.

Face mask distribution helped keep our region safe

Customer Solutions counter and rural transaction centres provided masks to all community members who attended these locations during Queensland's snap COVID-19 lockdown. Masks were sourced by the operations team and distributed via Councillors, allowing the community to have access to mandatory masks within 48 hours. The team distributed 1400 masks across the community.

Successful desexing program for registered dogs

Gladstone Regional Council and Gladstone Animal Rescue Group (GARG) are committed to reducing the number of unwanted animals in the region, with Council providing funding for GARG to facilitate a de-sexing program. With three veterinary clinics participating in the program, \$100 vouchers were available to residents who had a dog registered with Council. This program desexed 458 cats and 333 dogs, with 224 directly enabled through Council's assisted voucher program. Council's registration/microchipping strategies, with the assistance of GARG's rehoming program, maintains a 94 per cent reunite/rehoming rate for all animals collected.

OTHER HIGHLIGHTS FOR 2020/21

- Winter Biosecurity Surveillance Program expanded to include African Tulip Trees and Tilapia.
- Conducted a Giant Rat's Tail (GRT) Grass Research Trial Field Day involving trial plot inspections with the community to discuss GRT ecology and management research updates, including the use of fire and pasture management.
- The 2021 Animal Inspection Program commenced in February, enlisting the service of Finance's Water Meter Readers to streamline the approach in completing Council's AIP for 2021. This enabled faster patrols and reduced the need for multiple Local Laws officers to be diverted away from their daily jobs.
- Gladstone Pound facilities moved to an appointment only setting, allowing for a wider appointment timeframe for animal owners in collecting their animals, and allowing the Pound Officer opportunity to conduct patrols, collections and other investigations.
- Council received grant funding from the Queensland Government to undertake data collection activities to identify dumping trends, target illegal dumping hotspot sites and implement prevention strategies and intervention programs. Council enlisted a full-time Illegal Dumping Officer to proactively patrol the region, install 41 signs, identify 48 camera sites to target illegal dumping hotspots and remove 74,872 litres of waste.
- Ran an annual photo competition - 'Capture the beauty of Mount Larcom'.
- Engaged the community to help shape the future Biosecurity Management Plan (BMP) for the Gladstone Region with the 2021-2025 BMP endorsed by Council.
- 173 applications issued for our Biosecurity 1080 Baiting Program.
- Council hosted four discounted microchipping events at the Gladstone Pound and Miriam Vale Community Centre and chipped a total of 55 pets.
- Increased interstate migration from COVID-19 has resulted in increased property demand and residential real estate sales activity. Property searches, as a result of house sales, have increased 59 per cent on last financial year's figures.
- To assist teams within Council receiving threats/abuse from the public, Customer Solutions provided steps for other Business Units to follow and a new process was implemented for dealing with customer related incidents.
- 4340 vaccinations given through Environmental Health's immunisation programs covering staff, community and schools.
- 441 inspections of licensed premises completed by Environmental Health.
- Environmental Health developed and promoted a hand washing and hygiene video to assist with education and increasing awareness of correct hand washing in response to COVID-19.
- A seven day courtesy period was implemented by Local Laws to allow private property owners the ability to rectify an overgrown complaint prior to investigation.
- Customer Solutions managed in excess of 124,000 customer interactions with 84 per cent resolved at first point with the customer.
- All Customer Solutions officers completed online 'Chat' training allowing us to provide another channel for community contact.
- An automatic front door and CCTV was installed at the Mount Larcom Rural Transaction Centre, making it a safer and more accessible building.



Brooke, Customer Solutions team member.



Biosecurity and Environmental Health stall at Ecofest.



New Local Laws car wrap.

CUSTOMER EXPERIENCE CONTINUED

OTHER HIGHLIGHTS FOR 2020/21

- To increase reach and improve understanding of community needs and feedback, a survey link was added to all outcome email correspondence.
- Development Services have been part of the Working Group and subsequent adoption of the Economic Development Strategy 2021-2025.
- An applications team was formed within Customer Solutions who have processed on average 900 business applications per month.
- The Calliope counter transitioned to the rebranded Calliope Library and Transaction Centre allowing easier public access to front line services.
- The Agnes Water Rural Transaction Centre team delivered a successful 'Early Voting' period for the Queensland State Government election issuing 1813 ballot papers to both residents and travellers.
- Produced and installed new signage for on leash/off leash dog locations in Tannum Sands and Agnes Water.
- Development Services delivered a series of fact sheets to support customers through the buying, building and renovating process within the region.
- Customer Solutions accessing maintenance schedules for Parks and Roads, to enable customers to receive an immediate outcome via phone or email.
- Improve animal registration efficiencies.
- Establish a Development Services customer service commitment standard for the purpose of setting timeframes for accessing applications and responding to enquiries.
- Creation of new customer request system for Sporting Club and Community Group enquiries, economic development enquiries and leasing enquiries.
- Education and training for Customer Solutions officers in Building, Plumbing and Planning enquiries to obtain relevant information prior to handing enquiry to Development Services team.
- Implementation of the BPay View option for annual animal registration renewals for those animal owners who sign up to have renewal form emailed rather than receiving a printed renewal form.
- New Local Laws vehicles with branding promoting responsible pet ownership and safety around our region's schools.
- Upskilling of Council employees by completing Certificate IV of Government Investigation.
- Working with schools in the Gladstone Region to educate parents on safe school parking.
- Production of new signage for on leash/off leash locations in other areas of the Gladstone Region.
- Conduct a Summer Biosecurity Surveillance Program (November – April) and African Tulip Tree Removal Program.
- Introduction of '5-Star' certificate program to acknowledge food businesses that are consistently compliant during routine inspections.
- Improve compliance and building quality connections with licensed premises by providing compliance correspondence in various languages for businesses with non-English speaking staff.

LOOKING AHEAD

- BackflowID App and Tag System - Implement a solution for improving water network compliance to keep our drinking water safe through technology enhancements and digital capabilities that support the improvement of service delivery.
- Trade Waste Management Plan - Review plan and implement enhanced permit and monitoring of the discharge of waste to improve protection of our region against environmental pollution.
- Improve business processes and systems to make it easier for our employees to do their work and serve our community.



Dawson Highway, New Auckland

“ Our Community Our Future is about proactively looking at our future community needs and implementing solutions that are relevant, efficient and value for money. ”
Cr Natalia Muszkat

OUR COUNCIL 02

FINANCE, GOVERNANCE AND RISK



MARK HOLMES, GENERAL MANAGER

- Ethics Integrity and Audit
- Financial Operations
- Governance
- Revenue Services
- Systems Modelling and Metrics

SERVICES DELIVERED

- Nurtured an ethical, principled corporate culture which supports and values our employees. Leveraged on compliance testing through the internal audit process to deliver business improvements and compliance assurance.
- Provided efficient and effective accounting support to the organisation in a manner which supports and enhances the business performance of Council.
- Developed, implemented and managed a corporate governance framework to support transparent and clear accountability and decision making for the organisation, including corporate meetings, policy development, delegations, record keeping and legal services.
- Recognised, issued and recovered income, including rates and debtors, in accordance with Council's resolution, policies and procedures across the organisation.
- Coordinated forecasts, budgets, cashflow monitoring and the Long-Term Financial Plan. Created reports and provided training in Council's financial system to all users within the organisation. Developed the financial system to improve corporate performance.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

Successful implementation of Covid Recovery Plan

In 2020/21, Revenue Services supported the activation and implementation of COVID-19 Recovery actions from Council's Covid Recovery Plan. This included a rates and charges freeze to ensure ratepayers' costs were minimised as the pandemic struck. The 10 per cent rates discount period was extended from 30 to 60 days after the notice issue date and we expanded availability of instalment payment plans.

Implementation of Software-as-a-Service cloud model

In October 2020 Council migrated the TechnologyOne Financial and Document Management system from an 'on-premise' model to a 'Software-as-a-Service' (SaaS) cloud model to enable efficient and reliable use, which is accessible anywhere, anytime and on any device. The project allows for the future redirection of resources as the need for in-house expertise to administer, patch, support and upgrade our software applications is no longer required. The benefits include reduced time for future updates to the software, lower costs as the need for on premise hardware/servers is removed, expanded data storage capacity and reduced capital outlays.

Improving our payment options

Council introduced BPAY View which allows ratepayers to receive rates notices directly to their own online banking. The rates notice is sent to the same online banking facility used to pay bills. Depending on the bank, ratepayers may receive an SMS, email or bank message that the bill has been received. The ratepayer can then view the rate notice and using the secure BPAY online facility of their own bank arrange payment or payments.

OTHER HIGHLIGHTS FOR 2020/21

- Reviewed and commenced implementation of enterprise wide Risk Management framework.
- Reviewed the Complaints Management Policy and processes to ensure alignment to the *Human Rights Act 2019*.
- Aligned Council policies and processes to Local Government Integrity reforms.
- Refreshed Drug and Alcohol, Fit for Work and Flexible work arrangement corporate standards for implementation.
- Developed and adopted new Controlled Entities and Beneficial Enterprises corporate standard.
- Developed a revised Incident Reporting and Investigation corporate standard in preparation for rollout of a new incident management software.
- Configured and launched a 'making Compliance easier' software program, Beakon, to support management of incidents, internal audits, risk registers and associated tasks.
- Developed and rolled out Delegations and Authorisations corporate standard to provide support to business on requirements for delegated decision-making rights.
- Configured and implemented our new Redeye Drawing Management System to improve efficiencies in managing design of infrastructure assets. The system improves productivity and safety by ensuring the most up-to-date asset information is easily accessible from the field and in the office.
- Legal function partnered with other business units to create an electronic process for Infringement Reviews.
- Set up enterprise-wide document templates to standardise processes to improve efficiency across the organisation.
- Migration of the Technology One Financial and Document Management system from an 'on-premise' model to a 'Software-as-a-Service' cloud model to enable efficient and reliable use; accessible anywhere, anytime and on any device. This software went live in October 2020.
- Engaged EFTSure to provide payment verification services to our organisation to improve our level of protection against fraud attempts.
- Implemented specialised financial statement software, LG Solutions.
- Improved debt recovery processes to be more responsive and engaging which resulted in a 2.5 per cent decrease in outstanding rates.
- Council's Financial Hardship Policy was amended to encourage referral to free financial counselling and promoting a holistic approach to financial resilience.
- Successful implementation of amended accounting standards requiring a change in how we recognise some revenue items.

LOOKING AHEAD

- Continue improvements to Beakon software functionality.
- Improving and embedding the risk management framework along with a focus on understanding privacy impacts associated with personal information.
- Develop and implement a new system process to enable increased visibility over the payment of invoices.



Governance and Legal teams collaborating.



Implemented flexible work arrangements.



Rates and charges freeze in 2020/21.

OUR COUNCIL 02

OPERATIONS



JOHN TUMBERS, GENERAL MANAGER

- Contracts and Procurement
- Disaster Management
- Operations Support Services
- Parks Program Delivery
- Roads Program Delivery
- Waste Program Delivery
- Water Program Delivery
- Works Planning and Scheduling

SERVICES DELIVERED

- Supported safe, efficient, sustainable and timely delivery of Council's operational program of work through effective procurement management in accordance with legislative obligations.
- Provided regional disaster management coordination including prevention, preparation, response and recovery.
- Provided the required quantity of gravel material for road construction and maintenance purposes.
- Managed the processes, reporting and control related to Council stock movement and storage, Council facilities maintenance, repair and compliance, service contract control and fleet management.
- Maintained the parks, reserves and open spaces across the region to provide safe recreational areas.
- Built and maintained our road transport infrastructure to a safe standard.
- Collected and disposed solid and liquid wastes, operates waste transfer facilities and landfills, recycling and materials recovery, and community education programs.
- Built, operated and maintained our water infrastructure to deliver safe drinking water.
- Built, operated and maintained our sewerage infrastructure to meet environmental standards.
- Ensured our works are delivered efficiently to meet our customer service levels.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

Increasing capacity at Benaraby Landfill

Construction of a new 271,000m³ landfill cell was completed at the Benaraby Landfill in June 2021, creating additional operational capacity for waste receipt at this facility in line with future modelling projections. This project was generated in response to the existing airspace nearing the end of its available capacity and provides a secure, efficient and cost-effective waste disposal service to meet the needs of the region into the future.

Improved fleet keeps us connected across the region

In 2020/21 Council introduced 106 new vehicles into our fleet to ensure we can continue to provide essential services to our region. Having a large fleet of 4x4 vehicles means we can reach our community, no matter the terrain. It also means we are better prepared when responding to natural disasters and weather events. Improving our fleet will reduce the financial impact of maintaining older models, reduce the number of breakdowns that occur and ensure we have modern safety features to keep our people safe.

Welcoming the Disaster Education and Recovery Trailer

This year we welcomed the Disaster Education and Recovery trailer as we began our school-based disaster and recovery education program. The trailer gives us the opportunity to get more interactive with our community education. It also serves as its own pop-up recovery hub as its equipped with wifi, TV and computer access. The school-based education program is being rolled out to all Year 5 classes across the region.

OTHER HIGHLIGHTS FOR 2020/21

- Replanted 120 grass trees at the Philip Street Communities and Families Precinct.
- Full change out of upgraded fleet for our Local Laws team, including the addition of GPS tracking on the vehicles to allow for improved response times and protect the safety of our people.
- Planning and post shutdown reviews for major water infrastructure, resulting in efficient and safe workplace for our staff and community.
- Bushfire implementation plans for Council's high-risk land to prepare for bushfire season.
- Implemented several improvements to support the delivery of capital and operational work programs.
- Introduced an automatic loader at the crematorium, to improve employee safety.
- Graders and Wheel Loaders replaced, resulting in a consistent manufacturer and service requirements.
- Successfully obtained multiple funding grants for additional employees to assist with projects in relation to disaster response.
- Connected with experts from the greater group of industries within Gladstone to ensure we continue to be safe, efficient and effective in our core service delivery.
- Received additional funding to support vegetation management for bushfire impacted areas.
- Two scarred trees were identified as part of Cultural Heritage Surveys conducted in accordance with processes within Council's and Port Curtis Coral Coast's Indigenous Land Use Agreement. The scarred trees will be relocated to one of the region's parks to promote cultural awareness within the community.
- Reviewed Quarry operations to reduce risk exposure. Over the next three to four years we will see minimal quarries operating.
- Revised Procurement Corporate Standard and delegations to streamline the delivery of works.
- Received funding assistance to replace the Agnes Water SES ablutions block.
- Revegetated around toilet block (predominantly a Weed Management Project) with Gidarjil at The Oaks Campgrounds, Facing Island.
- Multiple stakeholders across the organisation pulled together and worked towards meeting the objectives of the *Petroleum and Gas Act 2018* at the Gladstone Wastewater Treatment Plant.
- Repaired and rectified the pipeline support brackets on Auckland Creek bridge to avoid significant negative environmental impacts.
- Introduced a Computerised Maintenance Management System (CMMS), bringing technology to teams on the ground eliminating paper-based recording and processing, providing live updates to enable accurate reporting and enabling better decision making. This is allowing for better management of assets, providing information through work packs and works planning and scheduling for easier and more efficient planning and delivery of services.



Increased capacity at Benaraby Landfill.



Agnes Water Depot employees.



Disaster Education and Recovery Trailer.



OPERATIONS CONTINUED

OTHER HIGHLIGHTS FOR 2020/21

- The introduction of a maintenance framework system allows us to better capture timelines for preventative maintenance on our assets, making it quicker and easier to order and store critical parts and deliver works.
- Ongoing training in using the TechnologyOne training to the field teams across the business with on the ground support by Works Planning Scheduling team members.

LOOKING AHEAD

- Ongoing fleet replacement to ensure safe, modern and fit for purpose equipment.
- Improvements within facility management processes and team to enable a higher level of asset management and the long-term viability of corporate facilities within the region.



Roadworks on Dawson Highway

“ Our Community Our Future is about our residents having diverse opportunities and a strong sense of society. We have a healthy relationship between development and environment and can attain work locally and maintain a vibrant retail sector. ”

Cr Rick Hansen

OUR COUNCIL 02

PEOPLE CULTURE AND SAFETY



THEUNIS MIENIE, GENERAL MANAGER

- Health, Safety and Wellbeing
- Payroll Services
- People Services
- Culture and Capability
- Recruitment and Benefits
- Rehabilitation, Health and Wellbeing

SERVICES DELIVERED

- Kept our employees and the community safe by creating a constructive safety culture.
- Ensured our employees and leaders were consistently provided with accurate and timely remuneration and entitlements.
- Partnered with the organisation to provide specialist people, workforce planning, employee and industrial relations advice that contributed to a happy, inclusive and productive work environment.
- Partnered with the organisation to realise our employees' full potential; building the capabilities and organisational culture needed to deliver Council's vision now and into the future and continuously improving Council's reputation as a great place to work.
- Partnered with the organisation to develop strategies, an employer brand and employee value proposition to attract the right talent.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

Flexible working agreements implemented

When first impacted by COVID-19 in March 2020, Council saw the need and benefit of introducing increased flexibility with how and where we work. Council identified an opportunity to introduce a Flexible Work Arrangements Corporate Standard that aligned with the Industrial Relations Act 2016 which supports our people's flexible work needs. This Corporate Standard enables a practical balance of responsibilities and our obligations to serving the community. Since implementation in October 2020 Council has authorised 74 flexible working arrangements.

Improving our Safety Culture

Our Health, Safety and Wellbeing team implemented a new alerts and notices system to communicate timely hazard and safety information and improve learning from potential or real incidents. The new program started in March and includes regular email, website and toolbox notices that share Council or community incidents along with learnings and procedure reminders. Topics have included unrestrained loads, accidental injury, road safety, mental health, hard hat expiry and powerline safety.

Our people proudly support R U OK? Day

Employees showed their support for R U OK? Day by wearing yellow on 10 September. The Executive Leadership Team and Councillors hosted 20 Health and Safety toolbox talks with employees throughout the region to inspire and empower them to start a conversation with someone who maybe struggling emotionally. 67 employees also attended a webinar focused on the theme 'there's more to say after R U OK?'. The webinar educated our people on the four steps of the R U OK? conversation and reiterated the importance of engaging colleagues in conversations that could change a life.

OTHER HIGHLIGHTS FOR 2020/21

- Reduced lost time injuries (LTIs) from 2019/20.
- Increased the number of Corporate Training Modules for employees to address key risk areas e.g. Cyber Security, Procurement and Cultural Awareness.
- Introduced a new Safety Incident Recording System for safety, environment, risk, and audit actions.
- Implemented a Wellness Action Team (WAT) that developed a Wellness Action Plan for the business.
- Encouraged participation in wellness events such as RUOK? Day, Mental Health Week
- Increased the number of Mental Health First Aiders to support employee health and wellbeing.
- Provided Domestic and Family Violence training and information sessions for our employees.
- Progressed on working towards paperless recruitment, which will create efficiencies and reduce our environmental impact.
- Adopted a new Drug and Alcohol Corporate Standard which includes a business wide zero tolerance level for alcohol, to reduce risk of impairment affecting fitness for work.
- Implemented an easy to use Work Health and Safety (WHS) Responsibilities Matrix and a Resources and Responsibilities Procedure.
- Increased Apprentice and Trainee intake by four positions.

LOOKING AHEAD

- Aligning Council's People Plan with our refreshed Corporate Plan and Culture Survey Outcomes.
- Review and improve our Employee Value Proposition to attract and retain talented employees.
- Review and improve our employee recognition program.
- Review the Certified Agreement and reach agreement prior to the expiry of the existing document in November 2021.
- Undertake benchmark Culture Survey to articulate our preferred culture, understand our current culture and work with our employees to develop a culture improvement roadmap towards our preferred culture.
- Continue improving our Safety Management System towards ISO 45001 to ensure our employees go home safely every day.
- Initiate an external audit of our Safety Management System against ISO 45001.
- Introduce Annual Performance Plans through to Level 3 Managers as part of the 2021/22 Operational Plan.
- Commence implementation of Leadership Capability Framework as part of the 2021/22 Operational Plan.
- Roll out an Active and Thriving Wellbeing platform to assist our workforce live more healthy, active and balanced lives.



Wellbeing Action Team.



Employee Service Awards.



Stores team sorting through PPE.

OUR COUNCIL 02

STRATEGIC ASSET PERFORMANCE



MARK FRANCIS, GENERAL MANAGER

- Asset Design
- Asset Governance
- Asset Performance and Monitoring
- Asset Planning
- Engineering Asset Solutions
- Environment and Conservation
- Property Acquisition and Disposal

SERVICES DELIVERED

- Management of assets, including optimisation of lifecycle costs.
- Asset register maintenance, asset accounting and asset management systems.
- Analysis of existing infrastructure performance.
- Renewals, operating and maintenance programs.
- Compliance monitoring of safe drinking water.
- Strategic asset planning.
- Environment and conservation strategies.
- Property dealings, including provision for Aboriginal cultural heritage and Native Title advice.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

Coastal Hazard Adaptation Strategy

In 2020/21 the Coastal Hazard Adaptation Strategy (CHAS) for our region was completed and endorsed by Council. This involved internal stakeholder meetings, community engagement and input to consider how we manage our coastline. This information will help inform what activity occurs and how to manage the coastline and the impacts the coastline might undergo over the next 100 years.

Maximising our works delivery

Key Strategic Asset Performance (SAP) leaders led individual projects within the Transformation Project maximising our works delivery. These projects were Investment Decision Framework, Capital Program of Work and Maintenance Management Framework. The timely delivery of these projects set Council up for future success to make better investment decisions, manage and maintain our Capital Portfolio and provide a framework to deliver our maintenance programs.

Lake Awoonga Water Asset Growth Plan

The detailed engineering report and hydraulic modelling was completed for the Lake Awoonga water supply network which will support asset growth planning and future water investment decisions.

A snapshot in time of our road and footpath networks

This year Council took an innovative approach to surveying and assessing our road and footpath networks. Our entire network of sealed and unsealed roads was travelled with a camera mounted vehicle, and a trike with a mounted camera also rode across a large portion of our footpath network to capture visuals and collect data about our assets. This snapshot in time improved how we produce our condition assessments for our road and footpath networks and has informed our renewal programs and capital expenditure for the next five years.

OTHER HIGHLIGHTS FOR 2020/21

- Completed detailed engineering report and hydraulic modelling for the Boyne Island, Tannum Sands and Calliope sewerage supply network which will support asset growth planning and future sewer investment decisions.
- Investigated high level planning of potential road flood immunity upgrades in the Baffle Creek and Deepwater areas via the Our Creek, Our Resilience – Baffle Creek project and considered the implementation of additional resilience building initiatives in the Baffle Creek catchment.
- Reviewed and updated the Intersection Asset Growth Plan to current industry standards and best practice, as well as formalised the process used to determine which intersections are surveyed and modelled and the integration into the Investment Decision Framework. It has also created a register for the remaining life of all modelled intersections.
- Managed the leases of 126 parcels under the Property Acquisition and Disposal – Provision of land for community purposes.
- Initiated SAP team engagement events meeting on a quarterly basis to build our network internally and improve team functioning.
- Review the cemetery network to inform an action plan for Council controlled cemeteries, crematorium and memorial parkland facilities, and set the direction for increasing cemetery capacity within the Gladstone Region for the future.
- Develop and implement a Growth Tracker Tool to assist with tracking developments against Council's population model and infrastructure demand model.
- Review the current architecture of Council's software and hardware supporting the water and sewer networks to ensure performance, reliability and cyber-security (SCADA System Access, Reliability and Cyber-security Plan).
- Implement actions for Coastal Hazard Adaptation Strategy and Shoreline Erosion Management Plans.
- Implement the Biodiversity Strategy.
- Participate in a Governance Assessment to review and report on climate resilience of Council to ensure delivery and capture of climate risk in the work we do.
- Update the Environment Policy and required Corporate Standards.
- Implement Fire Mitigation plans and actions.
- Develop of the Building Management Plan and Bridge Management Plan.
- Pilot Project for Sewer Pump Station efficiencies.
- Develop Irrigation Management Plans for regional parks.
- Develop maintenance program for the Gladstone Aquatic Centre.
- Conduct condition assessments for essential water and sewer assets.

LOOKING AHEAD

- SAP is responsible for three of the initiatives from the 2021/22 Operational Plan - Residential Water Security, Lessee Services Model and Transport Strategy. The business unit will also be heavily involved in the Works Delivery initiative and collectively connecting with other business units to support successful delivery of the Operational Plan.



Environment and Conservation team in Agnes Water.



Awoonga Dam supports asset growth planning.



Testing at Tannum Sands Sewerage Plant.

OUR COUNCIL 02

STRATEGY AND TRANSFORMATION



CARLY QUINN, GENERAL MANAGER

- Insights and Innovations
- Strategy and Corporate Planning
- Transformation Program
- Economic Development
- Strategic Grants
- Strategic Information, Communications and Technology
- Strategic Projects

SERVICES DELIVERED

- Provided business improvement initiatives that support Council to be a leader in delivering innovative and sustainable services to its community.
- Set Council's direction through the provision of corporate planning and performance reporting functions, including the development and implementation of Council's business strategy and strategic oversight of subsequent plans to support Council's direction.
- Led a multi-functional program supporting the delivery of Council's prioritised transformational projects, through agile and innovative project delivery with a focus on improving and modernising Council's service delivery.
- Facilitated sustainable, financially and environmentally responsible initiatives that will advance economic development in the Gladstone Region.
- Sourced alternative revenue to support Council in achieving its Corporate Strategy through grants, subsidies and other government and non-government funding programs.
- Led the process and innovation technology agenda enabling the community and our staff to utilise technology to access services, entertainment and public information.
- Developed and led Council's strategic projects to ensure all elements were accomplished within the prescribed time frame, funding parameters and delivered agreed benefits and scope.

BUSINESS UNIT HIGHLIGHTS IN 2020/21

More mobile, more safe

Although isolation and lockdowns caused disruptions to how we operate, it allowed us to innovate with technologies in ways that we might not have otherwise. We are now connecting with each other, our community and our partners faster, easier and safer than before. We upgraded our networks to provide faster connectivity, introduced technology with greater mobility, connected to our community through livestreamed meetings and improved our security so our people could safely and efficiently work remotely, continuing to provide essential services to the community.

Making it easier to get the information we need

In 2020/21 Council's legacy knowledge management system, Simon Says, underwent a major review, redesign and rebrand. As the organisation transitioned into new technology our knowledge library with more than 600 items and apps, was redeveloped and now offers greater flexibility and simplicity in connecting our people to critical information to deliver services to the community.

Maximising works delivery

This year the Transformation Program brought teams together to focus on managing complex change, engaging with stakeholders and aligning what we do, so we can better assess, resource and deliver works to our community. See more on how we collaborated with Tiger Teams on page 39.

OTHER HIGHLIGHTS FOR 2020/21

- Documented 101 business processes to provide visibility on how we collectively deliver services and identify opportunities for improvement.
- Developed interactive data dashboards to better inform decision making.
- Reviewed and improved Council's End of Financial Year process, creating efficiencies to reduce time and impact on team members.
- Developed a system and app to automate Council's Animal Inspection Program reducing pressure on our people and improving efficiency.
- Launched a Refreshed Corporate Plan that sets out our strategic direction for the next five years. See page 23 for more detail.
- Reduced pressure on rates with an increase of external funding of approximately 20 per cent year on year.
- Improved processes to ensure we are positioned to get the best support and funding after a disaster.
- Progressed construction of the Phillip Street Communities and Families Precinct.
- Progressed development of concept plans for Boyne Tannum Aquatic Recreation Centre and the Boyne Burnett Inland Rail Trail.
- Progressed development of the Business Case for the Coal Exporters/Harvey Road Multipurpose Sports Precinct.
- Led cross-functional teams in managing complex change, while building stronger alignment and improving visibility of business improvements.
- Developed the Gladstone Region Economic Development Strategy 2021-2025 to provide a roadmap for regional prosperity.
- Delivered the COVID Economic Recovery Plan to support a healthy post-COVID-19 economy for our region.
- Developed the Gladstone Region Investment Prospectus to attract investment in our region.
- Set strategic priorities and advocated for improved road networks for agribusiness, heavy vehicle access to the Gladstone port, extending the Inland Rail to the Port of Gladstone and keeping Gladstone as a Distribution Priority Area (DPA) for General Practitioners.
- Partnered with government and industry stakeholders to advance the development of the regional hydrogen industry in Gladstone.
- Reviewed and improved Council's cyber security to keep our systems and information safe.
- Improved technology to make it easier to connect with each other and our community when we are apart.
- Upgraded CCTV systems across the region to improve visibility of our infrastructure, protect our assets and improve community safety.
- Developed an ICT Disaster Recovery Plan so we are prepared for and can provide essential services during disasters.
- Upgraded essential technology.



Memorandum of Understanding signing.



Industry plays a vital role in our organisation's strategy.

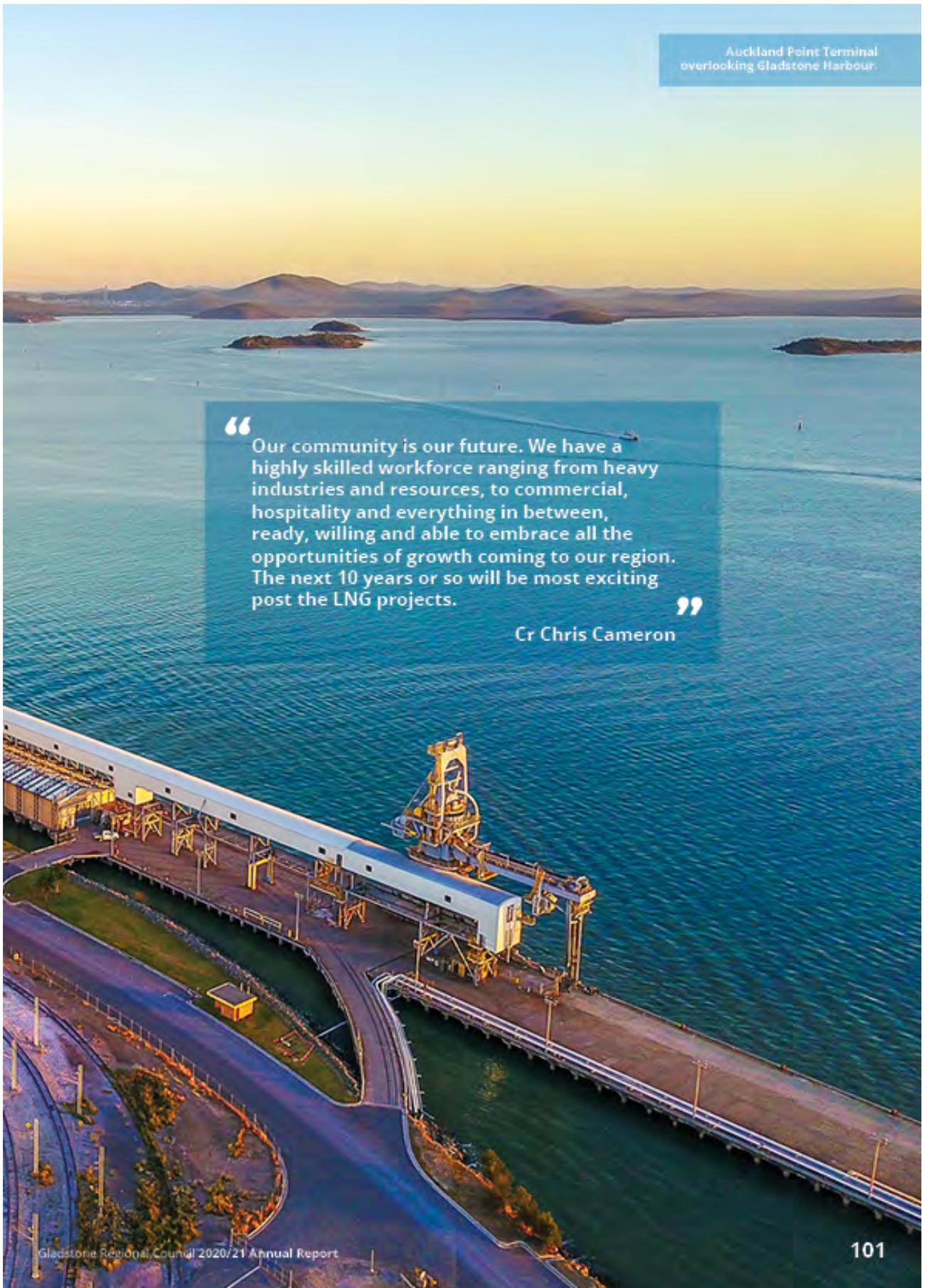


Kylee and Bailee from ICT.

STRATEGY AND TRANSFORMATION CONTINUED

LOOKING AHEAD

- Develop and commence implementation of a three-year roadmap to enable our front-line teams to deliver efficient and affordable maintenance and capital works programs. Deliver an integrated and supported Works Delivery Program by identifying how and where we are making it easier for our people to get their work done for our Community.
- Develop a Regional Transition Plan to secure a more diversified economy.
- Develop a four-year roadmap to support the delivery of our Corporate Plan 2021-2026.
- Develop Council's Operational Improvement Pipeline to improve the way we prioritise, plan and deliver business improvements.
- Increase visibility of Council's Corporate Strategy and subsequent plans and activities.
- Increase community safety with CCTV video surveillance upgrades.
- Continue a focus on cyber security including a new partnership with the Australian Cyber Security Centre.
- Increase business improvement capability across our business.
- Lead the Hydrogen Ecosystem development for the Gladstone Region.
- Progress Boyne Tannum Aquatic Recreation Centre to concept design.
- Finalise the Coal Exporters/Harvey Road Multipurpose Sports precinct business case.



Auckland Point Terminal overlooking Gladstone Harbour.

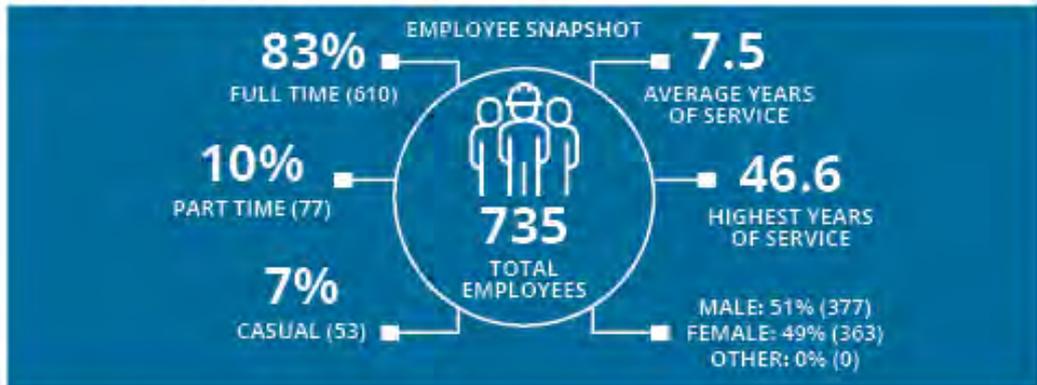
“ Our community is our future. We have a highly skilled workforce ranging from heavy industries and resources, to commercial, hospitality and everything in between, ready, willing and able to embrace all the opportunities of growth coming to our region. The next 10 years or so will be most exciting post the LNG projects. ”

Cr Chris Cameron

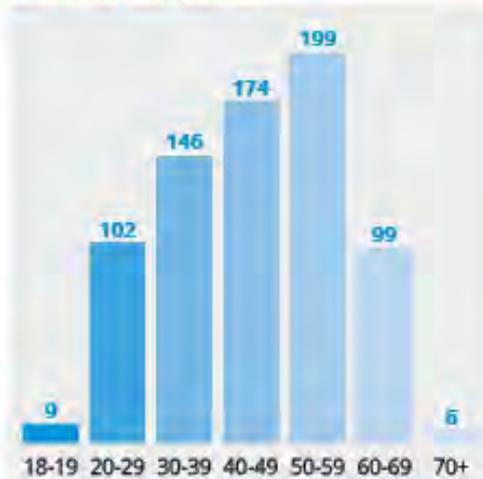
OUR COUNCIL 02

OUR PEOPLE

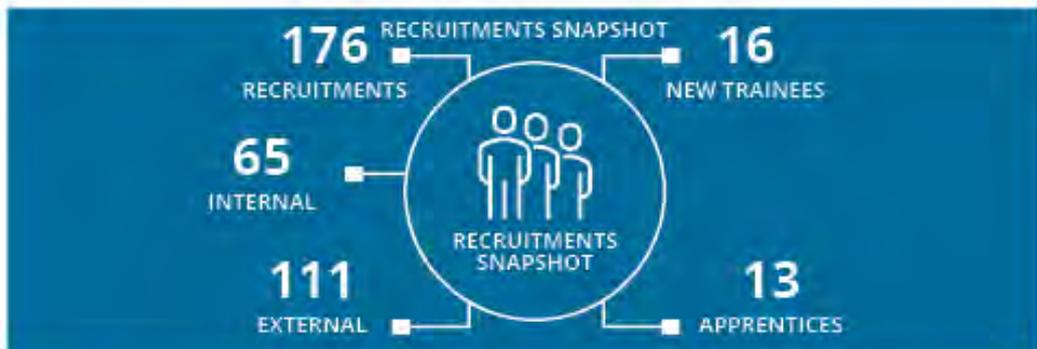
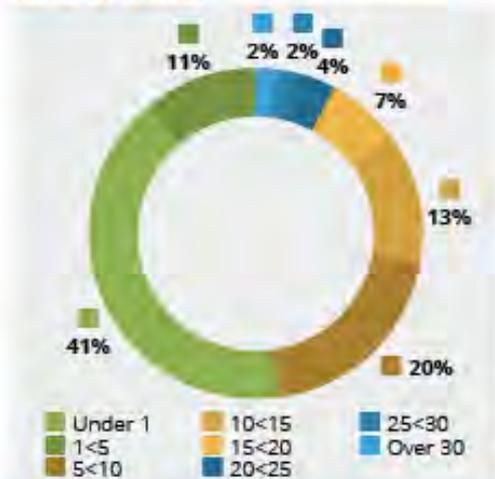
Our success is built on a foundation of safe, engaged, high performing talent and teams. This ensures we have a safety culture underlying how we operate our organisation. We aim to have visible and accessible leaders that provide clear direction and purpose, with community engagement at the forefront. We aim to be accountable, inclusive and collaborative, with established programs for learning and development, succession planning, mentoring, talent identification and utilisation, recognition, and meaningful performance management.



EMPLOYEE AGE PROFILE



YEARS OF SERVICE





HEALTH AND WELLBEING

Mental Health First Aid (MHFA)

In 2020/21, Council offered MHFA training to workers who were nominated by their leaders as having the personal qualities and attributes necessary, to be able to support their peers who may be experiencing a mental health problem or crisis. The MHFA Officer (MHFAO) can provide a listening ear and encouragement to the individual to reach out for help and offer and promote hope for recovery.

Almost five per cent of Council's workforce are trained and accredited as MHFAO's. The MHFAO's can also help with educating co-workers, building awareness of mental health conditions and reducing stigma surrounding mental health. They are contributing to a workplace culture within Council that values, protects and enhances the health and wellbeing of our people.

Wellness Action Team (WAT)

In November 2020, a Wellness Action Team (WAT) was established. WAT is a team of Wellbeing Champions - employees with a passion for health and wellbeing who want to contribute towards helping their friends and co-workers live well and feel good. Their aim is to develop and deliver dedicated programs and initiatives that support a safe, productive, engaged and resilient workforce. Drawing on a range of information and data, the WAT has

developed an action plan based on identified business drivers and workforce wellbeing needs and priorities. As a result, Active and Thriving will be rolled out in early 2021/22. It is a wellbeing solution that will assist Council to address many of the key wellbeing challenges identified by the WAT.

Health and Wellbeing Needs survey

A Health and Wellbeing Needs survey was conducted by the WAT to better understand focus areas for the organisation. The healthier our workforce is, the better they can deliver services to our community. A total of 260 employees responded to the survey.

Blue Tree Project

To celebrate Queensland Mental Health week in October 2020, Council unveiled our new Blue Tree on the banks of Police Creek in support of the Blue Tree Project. The project aims to help spark difficult conversations and encourages those struggling with mental health concerns to speak up.

To further support this fantastic initiative, all teams were encouraged to embrace their creativity to Build a Blue Tree in their workspace. The Build a Blue Tree Competition was not only a great way for teams to connect, but a great opportunity for our people to play an active part shaping our culture of care, by raising awareness and breaking down the stigma surrounding mental illness.

Top Influences
for health and wellbeing

- Be healthy to look after family
- Be able to do fun activities (i.e. sports, hobbies)
- Be a role model for family, friends and colleagues.

What should be our highest priority before the next 12 months?

40%
of employees wanted focus on mental health, stress and workload.

Current Wellbeing
offerings / influences that are most important

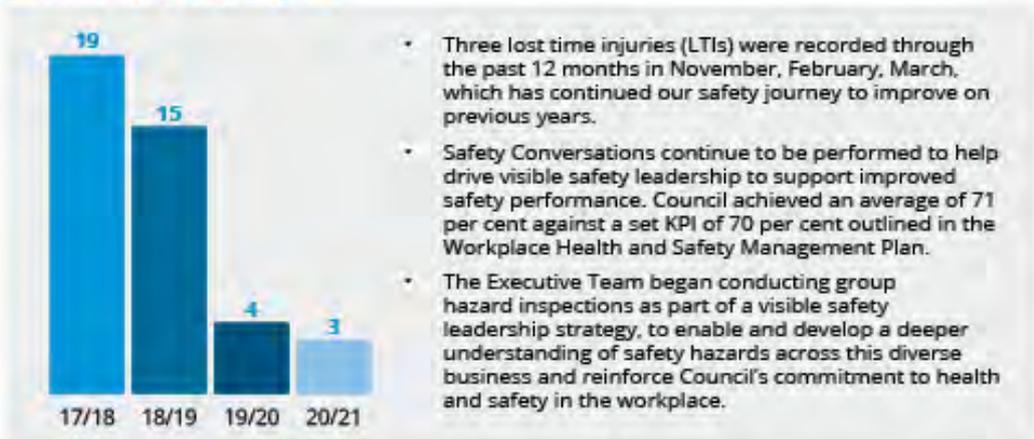
- RDO's, rostering and flexible work arrangements
- Leadership
- Return to work support after injury / illness.

OUR COUNCIL 02

WORKPLACE HEALTH AND SAFETY

Council's safety performance is reported on using a Lost Time Injury Frequency Rate (LTIFR). The LTIFR represents the frequency rate of lost-time injuries per million hours worked.

Lost time injury frequency rate



LEARNING AND DEVELOPMENT

Council provides advice and support to employees and the business in establishing ongoing training and career development. We ensure our workforce has the necessary skills and qualifications to perform their roles in a confident and competent manner, meeting all Workplace Health and Safety (WHS) practices and legislative requirements.

We continued to deliver comprehensive mandatory training programs within the 2020/21 year, including five new targeted modules below:

- Cultural Awareness
- Code of Conduct
- Cyber Security Awareness

- Enterprise Risk Management
- Maintenance Management Accreditation - Fault Report.

Other mandatory training programs for 2020/21 included:

- Internal Complaints Management
- Workplace Health and Safety Induction
- Fire Safety
- Environmental Awareness
- Hazardous Chemicals
- Manual Tasks
- Workplace Bullying and Harassment
- Hand Hygiene
- Infection Control
- Compliance to Mandatory Training Modules.





CREATING CULTURE

Following the Engagement Surveys in June 2020 Council embarked on its 'Creating Culture Project'. This is a multi-year, multi-measure initiative commencing in 2021/22, beginning with a sample of the workforce providing feedback on their preferred culture using the Human Synergistics Circumplex™ tool. We look forward to the results in August 2021 to assist in our five-year journey to ensure the workforce enjoys a positive and collaborative work environment.



CREATING SPACES SURVEY AND FEEDBACK

In May 2021, employees across four Council offices were surveyed about their workplace experience to understand if the current office spaces are set up to support productive and efficient work and collaboration. More than 170 responses were received (66 per cent response rate) which will help inform decisions about future office design.

Council's Investment Decision Framework (IDF) will be used to decide how investments are prioritised following recommendations.



51%
positive

We have a sense of team but some of us feel disconnected, separated by walls or dispersed across floors & buildings.



70%
positive

Technology supports mobility well, allowing us to work from anywhere.



>40%
satisfied

Less than 40% of us are satisfied with the work environment and feel it helps us to work productively. (31% neutral & negative)



SERVICE AWARDS

Council's SERVICE Awards program was established to recognise and value our people who embody our SERVICE Values of Safe, Ethical, Responsive, Visionary, Inclusive, Community and Efficient.

The program is designed to celebrate 84 monthly winners, 59 quarterly winners and seven annual winners. Since the program was launched in 2019, 390 nominations have been put forward.

In December 2020, Council hosted the first annual function for SERVICE Award winners at Quoin Island. Nominations were narrowed down to 10 deserving people who have gone above and beyond to put their peers or our community at the centre of all that they do.

In March 2021, Council launched a revised SERVICE Awards program which includes individual and cross function team awards.

Our people are at the heart of our operation, and the program celebrates and acknowledges the work our people do to make Council a great place to work and the Gladstone Region an even better place to live.

OUR COUNCIL 02

OUR APPRENTICE AND TRAINEES PROGRAM

Council views apprenticeships and traineeships as a vital component of our recruitment strategy. We are proud to help facilitate the upskilling of our region. There are a variety of vocations which provide on-the-job training and develop employability skills, knowledge and experience. Our training opportunities consist of a mix of hands on practical work, learning from experienced leaders, and classroom education in the vocational area to develop theoretical knowledge.

The Apprentice and Traineeship Program is continued with ongoing support and valuable funding from the First Start Program under the Skilling Queensland for work initiative. The program offers opportunities to young

people and disadvantaged job seekers to gain nationally recognised qualifications and 12 months employment, by undertaking a Traineeship or Apprenticeship that continues for either three or four years. Council takes pride in helping facilitate the upskilling of the hard-working people in our region across a diverse range of roles at a variety of locations.

In the 2020/21 financial year, all Council Trainees successfully completed and received a Nationally Recognised Qualification in their chosen vocation. Employees who were actively looking for work were successful at Council or gained work locally.

 Apprentices and Trainees Intake 2021

NUMBER OF COUNCIL APPRENTICES AND TRAINEES



Council employees completed 10,831 internal courses via Council's Online Learning Management System, totalling 5,207 hours.



OUR COUNCIL 02

OUR COMMUNITY VOLUNTEERS



Volunteers manage the Gladdy Golf activity at EcoFest

Volunteers are an integral part of our community and we recognise that volunteering helps develop skills, strengthens networks and provides a sense of belonging and connection.

We also acknowledge that many programs we provide would not be possible without the contributions of our community volunteers.

We engage hundreds of volunteers to help us deliver exceptional events and programs at Council, including at Community Events, Gladstone Tondoon Botanic Gardens, Gladstone Entertainment Convention Centre, Gladstone Regional Art Gallery & Museum and Gladstone Regional Libraries.

Council is grateful that these people contribute their valuable time and skills across many different areas of the organisation. With their help, we can deliver exciting programs and events to the Gladstone Region community.

These overviews provide insight into some of the work our volunteers have helped deliver.

OUR VOLUNTEERS IN ACTION

Community Events

Volunteering for community events was a little different to normal, with many events being impacted due to the global pandemic. COVID-19 changed so much about the way we live, including how we hold events. From mid-2020, the role of the volunteer at our community events shifted to being strongly focussed on the health and safety of the community. Volunteers assisted us with providing COVID-19 Safe events by handling registrations, sanitising and managing queues. While this should have been a challenge for our volunteers, they easily adapted with a positive outlook, enhancing our events and making them fun and safe for our community.



Gladstone Entertainment Convention Centre

GECC's Friends of the Theatre (FOTT) were still limited in June 2020, with a slow and steady return to events occurring towards the end of the year. By March 2021, FOTT was back in full swing with a sharp increase in volunteer hours toward June. In total, FOTT contributed 2200 volunteer hours saving the GECC and performing arts community approximately \$80,000 in labour. FOTT have emerged with a renewed sense of purpose and are actively working to increase their membership and are hosting more social activities than ever before.



Gladstone Regional Libraries

Gladstone Regional Libraries are fortunate to have a supportive Friends of the Library group who have volunteered more than 3500 hours in the past financial year. Their tasks included re-shelving of returned library items, conducting book sales of ex-library and donated stock, helping with children's programs and working in the community gardens within our facilities. To celebrate, they also enjoyed delicious Volunteers Week morning teas and a fun-filled Christmas party.

During the year, the Executive of Friends was disbanded, and their financial assets were handed over to Council. While Friends still make regular decisions on how the book sale money is to be spent, Council now has the full responsibility of its safekeeping.

With the money raised from Friends' book sales, the Library was able to purchase large print books, new display cases, crafted Christmas gifts for Home Library borrowers, and new robotics. This new way forward is working successfully.



Gladstone Regional Art Gallery & Museum

GRAGM's volunteers provide the Gallery and Museum with years of skills and experience that has been invaluable in all aspects of operations. From assisting with installation and deinstallations of exhibitions, helping support launches and functions to our community, assisting with administration and research and providing a friendly and welcoming ambience at our front desk, many of the things we do would not be possible without them. While the pandemic meant we had reduced time with our volunteers the future is looking positive and the Gallery and Museum is once again benefiting from their assistance.



Tondoon Botanic Gardens

Activities by the volunteer groups at Tondoon were disrupted during 2020/21. The Herbarium and Bonsai volunteers all stopped operating until October. The Conservation Team operated in the open air at Tannum Nursery and attendance numbers were limited. The Visitor Services Volunteers did not recommence their Gardens Tours until November and school visits were cancelled.

In more positive news, successes included Ecofest 2021 which saw a larger number of volunteers assisting with the plant sale, competitions, Bonsai display and community tree planting than in previous years.

The Conservation Group took part in 11 revegetation projects around the region and the Bonsai Group attended workshops with Australian registered bonsai artist, Stephen Cullum, for five consecutive days in October.



OUR COUNCIL 02



A group of young ambassadors help us promote the youth event throughout the region.

Committee continues to support local arts and culture

Council's Regional Arts Development Fund (RADF) committee is a group of 10 informed representatives, reflecting the diverse arts, culture and geography of the local government area. Highly engaged in the community, the committee made recommendations to Council on more than 50 projects during 2020/21, volunteering more than 2000 hours. While providing exceptional mentoring guidance to applicants, assessments of funding submissions, project change requests and outcome reports, as well as providing valuable feedback on public art proposals, the RADF committee found time to develop and star in a series of short films to inform and advise on the successful RADF program. RADF is a partnership between the Queensland Government and Gladstone Regional Council to support local arts and culture in regional Queensland.

Celebrating all volunteers throughout the region

Community volunteers make a world of difference to our region, whether it be through their involvement at a sporting club, volunteering at community events or providing support services to those in need.

National Volunteer Week is an annual celebration that acknowledges the impact of volunteer services and their generous contributions to our region. This year's event ran from 17-23 May and recognised more than 500 residents in our community.

In celebration, Council held five events across the region at Agnes Water, Calliope, Gladstone, Miriam Vale and Mount Larcom.

The Gladstone event, co-hosted by our Youth Council, welcomed more than 160 volunteers, treating them to morning tea and a certificate presentation ceremony.

**Wesley Walker receives
GECC Hall of Fame Star**

The GECC Hall of Fame award was established in 2017 to recognise individuals or groups that have made significant contributions to the performing arts. This year it was awarded to Friends of the Theatre volunteer Wesley Walker.

Since moving to Gladstone more than 20 years ago, Wesley has donated significant time to the performing arts sector, firstly as a RADF committee member, then as a member of the Curtis Coast Arts Alliance, where he lobbied for funding for the Gladstone performing arts community. He is currently volunteering his time developing a database for artists, arts workers and supporters for the Gladstone Region.

For several years he has acted as President and member of FOTT to support the Gladstone City Theatre and now Gladstone Entertainment Convention Centre.

Congratulations, Wesley Walker.



Volunteers received their awards at National Volunteer Week.



3 OPERATIONAL AND CORE SERVICES PERFORMANCE OUTCOME

The 2020/21 Operational Plan is Council's third annual operational plan outworked from the five-year Corporate Plan. This section details the actions we delivered on the strategic goals set in these plans and links these outputs to our vision to Connect. Innovate. Diversify.

STRATEGIC GOALS OUTCOMES

1. Engaged, involved and proud community
2. Healthy environment, healthy community
3. Our people, our values
4. Ethical and responsible government
5. Outstanding customer service
6. Smart asset management
7. Operational excellence
8. Grow the region
9. Smart investment



Gladstone Regional Council 2020/21 Annual Report

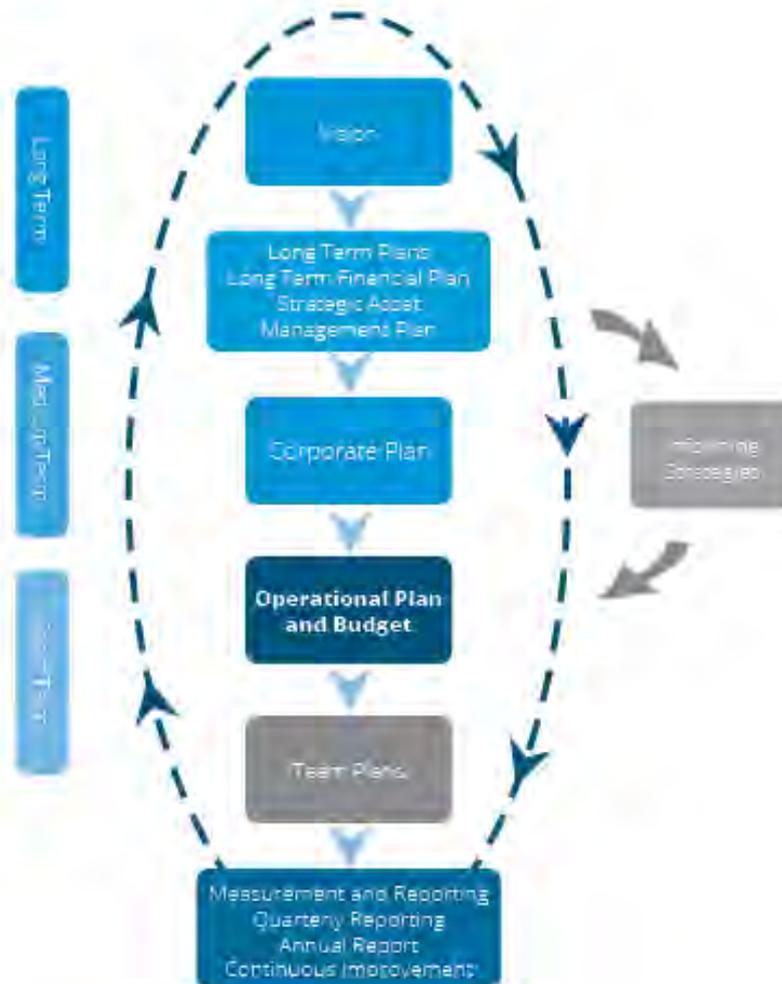
PERFORMANCE REPORTING

Strategic Planning Framework

Our Strategic Planning Framework presents a systematic and continuous process for identifying strategic direction. The framework ensures that strategies and financial resources are aligned to achieve Council's corporate vision to **Connect. Innovate. Diversify.**

This framework includes long, medium and short-term plans which set our direction for what we do and what we aim to achieve as an organisation, for our community. This framework is an important part of our delivery of transparent and effective corporate governance.

This illustration of the Strategic Planning Framework demonstrates how the Corporate Plan aligns to the vision, long term plans, Operational Plan and team plans. It also demonstrates the interaction of strategies within the model. This vision is the element that guides all the work we do. Our current Corporate Plan is a five-year plan (medium-term) and the Operational Plan is a one-year plan (short-term). We strive to complete projects within the annual Operational Plan that provide step-by-step, forward progression, to the Corporate Plan and vision.



CONNECT. INNOVATE. DIVERSIFY.

Our Overall Performance

Our vision is woven throughout our strategic goals and community commitments to create a strong fabric of community connectedness, an organisation whose culture is proudly defined by innovation and a region that celebrates the diversification of opportunities and lifestyle.

Demonstrated Performance

Council has committed to deliver our vision in our 2018-2023 Corporate Plan. This includes nine strategic goals which filter through to our yearly Operational Plan. This year, our Operational Plan was led with the theme of *Our Community, Our Future*.

Our progress of achieving the commitments made in the 2020/21 Operational Plan is

broken down by each vision intention from our Corporate Plan. This year there are seven actions and six KPIs in Connect, four actions and four KPIs in Innovate and four actions and two KPIs in Diversify.

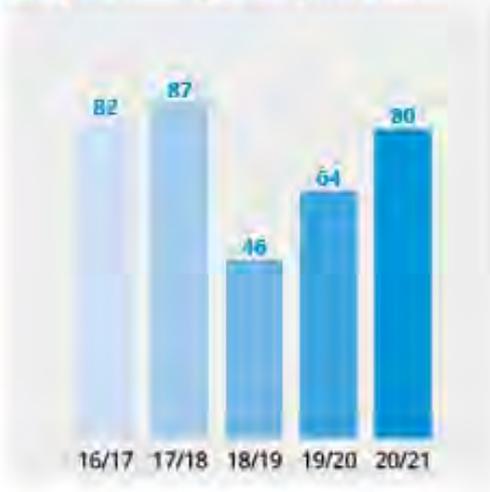
The following pages go into detail on our performance in 2020/21.

Performance is reported on the following pages with an overall health coloured traffic light:

- **Achieved** - Indicates that the action has been 100% delivered.
- **Not Achieved** - Indicates that the action has not been 100% delivered.
- **Amended** - Indicates that the action has been revised due to a change in priority or a shift in targets.



Five year summary of completed actions





Operational and Core Service Performance Outcomes 03

Gladstone Musical Society perform at the Gladstone Regional Art Gallery & Museum.

CONNECT

We're creating a strong fabric of community connectedness



SCORECARD OVERVIEW



Our 2018-2023 Corporate Plan sets out our five-year performance plan for each strategic goal outcome. Our progress on this is measured each year from our Operational Plan.

CONNECT Strategic Goal 1 

ENGAGED INVOLVED AND PROUD COMMUNITIES

Our community is engaged, involved and proud. They say, 'Gladstone Regional Council is easy to deal with and understands my needs'. We will be seen by the community to be efficient, financially and socially responsible and provide value for money. We will know people are confident in our engagement processes and actively participate in providing their feedback and contributing to community decisions.

2/2

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
Community Sentiment Score over 30	61.2	Achieved
100% delivery of endorsed Community Recovery Group plans for the year	100%	Achieved

This year our KPI's were adjusted. In our Corporate Plan we commit to having an increase in community satisfaction, with progress measures through a Net Promoter Score (Community Sentiment Score). To best reflect our progress this year, the progress indicator became our KPI. Additionally, our Covid Recovery Plan progress for Community Recovery was included.

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
1.1. Resilient communities	Focusing on delivering a program of endorsed community initiatives, the Community Recovery Plan supported a connected community by providing avenues for communicating, coming together, advocating and building resilience to the economic and wellbeing impacts of COVID-19. A Virtual Neighborhood Centre and other communication platforms were established to help us stay connected. Council approved \$490,000 to be invested into sporting, recreation and community organisations impacted by COVID-19. A Community Investment Program and Policy were developed following community engagement, which will strengthen how we support our community and fund recovery initiatives. Subsidised Mental Health First Aid training was delivered in May with further funding requested to support a two-year program focusing on a mental health capability program.	Achieved
1.2. Investing in our future.	Construction of the \$17.5M Philip Street Families and Communities Precinct continued this year, getting us closer to completion and activation of the precinct. Delays in construction that resulted in non-completion this financial year were due to weather; however practical completion of construction is expected in July 2021. The facility is a first of its kind, bringing together Council services as well as community and specialized service providers to deliver human and social services. The facility will become home to Council's Community and Neighborhood Centre alongside the Salvation Army Gladstone, GAPDL Communities for Children and will also offer the opportunity for community groups and services to lease rooms and office spaces.	Not Achieved



Community Investment Program - Ignite Event.



Air Beats Open Air Concert.



Education Program at Gladstone Regional Art Gallery & Museum.



Philip Street Communities and Families Precinct.

CONNECT Strategic Goal 2 

HEALTHY ENVIRONMENT HEALTHY COMMUNITY

To take a leadership role in protecting the environment, using resources efficiently and improving the health and safety of the community.

0/1
KEY
PERFORMANCE
INDICATOR
ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
90% or greater closeout of environment non-compliance actions within the agreed timeframe	80%	Not Achieved

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
2.1 Protecting our coastlines	To protect our coastlines, Council set out to develop a Coastal Hazard Adaption Strategy (CHAS) to guide how we manage and adapt to the coastal hazard impacts on our coastline and communities. The nine-month community engagement period resulted in 354 contributions which helped inform the strategy that enables us to better learn about, share knowledge on and build long term resilience to coastal hazards and risks. The strategy considers the variety of sandy beaches, estuaries, wetlands, mangroves and associated ecosystems that exist in the Gladstone Region. This strategy also enables us to be inclusive of key stakeholders including our community's residents, businesses, industries, community groups and Traditional Owners. In April 2021 the Our Coast. Our Future. Strategy was released. Our Coast. Our Future. Strategy	Achieved



Lady Musgrave Island by Stuart McKay.

Surfer at Agnes Water beach.

Police Creek at sunset.



Weaving activity at Ecofest.

CONNECT Strategic Goal 3



OUR PEOPLE OUR VALUES

Our success is built on a foundation of safe, engaged, high performing talent and teams. Safe and engaged people ensure we will have a safety culture that underlies how we operate our business. We will have visible and accessible leaders that provide clear direction and purpose, with community engagement at the forefront. We will be accountable, inclusive and collaborative. We will have established programs for learning and development, succession planning, mentoring, talent identification and utilisation, recognition, and our performance management will be meaningful.

2/2

KEY
PERFORMANCE
INDICATOR
ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
20% reduction on the average LTIFR over a 12-month period	58%	Achieved
5% improvement on employee engagement	43%	Achieved

The second KPI was adjusted from aiming for the top quartile to improving to 5% to better understand our improvement over time.

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
3.1 Keeping us safe	This year we developed a safety management system to create a safe, secure and well-managed workplace that identified and minimised hazards and helped reduce incidents and injuries. The system has a continuous improvement focus towards the ISO 4501 standard. A Safety Management Plan was endorsed by the Executive with renewed commitment to further increase visibility. A Strategic Framework has also been developed which includes objectives and KPIs that target safety performance.	Achieved
3.2. Constructive and collaborative leaders	To better inform how we recruit and develop our leaders so they can effectively lead our people, Council developed a Leadership Capability Framework. The framework outlines the competencies relevant to the different levels of leadership and will support development pathways for our leaders. This framework will be implemented across the organisation from July 2021.	Achieved
3.3 - Engaging our employees	In response to results of the 2019 Employee Engagement Survey, 33 recommendations were made to improve employee experience. An action plan was developed to ensure that these matters were addressed, which has now been delivered and shared with the business. The organisation will continue improving employee experience with further actions planned in 2021/22.	Achieved

CONNECT Strategic Goal 4 

ETHICAL AND RESPONSIBLE GOVERNMENT

To create a culture that minimises risk and maintains compliance by strengthening governance, risk management, and compliance awareness processes, reporting and accountability.

0/1

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

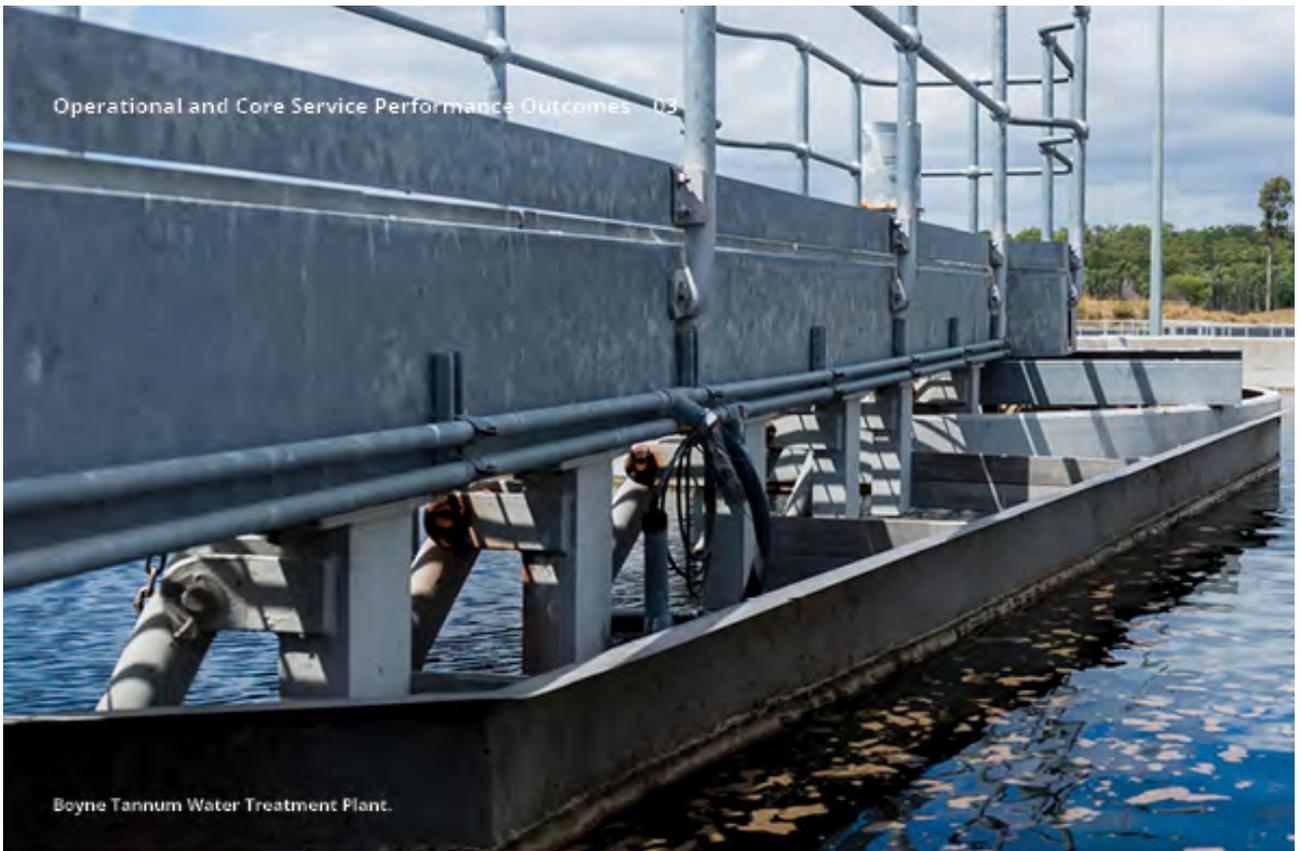
Key Performance Indicator (KPI)	Outputs	Status
90% compliance with audit items within the agreed timeframe	55%	Not Achieved

2020/21 ACTIONS PROGRESS

2018–2023 Performance Indicator	Progress	Status
4.1 Making compliance easier	Council has introduced Beakon as our new software to capture and manage data for risk and compliance activities within the business. Beakon has a range of modules which have been implemented including Audit, Contractors, Incidents, Risk, Registers and Tasks. Implementation of this software enables us to manage and improve our compliance performance.	Achieved



Karly provides information to our community about Council's Environment and Conservation strategies.



..... INNOVATE

We're an organisation whose culture is proudly defined by innovation





SCORECARD OVERVIEW



Our 2018-2023 Corporate Plan sets out our five-year performance plan for each strategic goal outcome. Our progress on this is measured each year from our Operational Plan.

CONNECT, Strategic Goal 5 

OUTSTANDING CUSTOMER SERVICE

We have a reputation for being easy to deal with and delivering value for money customer service.

1/2

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
80% of enquiries resolved at first point	85%	Achieved
85% of Customer Service Requests (CSRs) completed within 10 days	71%	Not Achieved

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
5.1 Delivering value for money	To improve understanding of the value and costs of delivering services to our community, a renewed catalogue of Council services was developed. This also enables the organisation to better understand where our money is spent and how changes in service delivery impact our resources and budgets.	Achieved



Shelby is ready to help residents at Calliope Customer Service Centre.

CONNECT Strategic Goal 6 

SMART ASSET MANAGEMENT

Our asset management practices support smart infrastructure decisions and ensure reliable, affordable, safe and sustainable infrastructure is available for the community, they support the lifestyle and economic goals and sustainability of the region for current and future generations.

1/1

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
100% completion of scheduled Asset Management Improvement Action Plan	100%	Achieved

2020/21 ACTIONS PROGRESS

2018–2023 Performance Indicator	Progress	Status
6.1 - Community focused asset management	The intention of this action was to implement an ISO 55001 aligned asset management system. On review of the immediate requirements of the business, a decision has been made to remove this action. Given that an Asset Manual is not a required ISO artefact, resources have been re-tasked to successfully deliver the Maximising Delivery of Works action (7.1).	Amended



Bunting Park, Calliope.

CONNECT, Strategic Goal 7 

OPERATIONAL EXCELLENCE

Strengthen our competitive advantage and achieve industry-leading performance in our operations by continuously improving our ability to consistently and reliably deliver from at lower cost and lower risk.

1/1

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
100% achievement of the agreed Capital Delivery Program	100%	Achieved

2020/21 ACTIONS PROGRESS

2018–2023 Performance Indicator	Progress	Status
7.1 - Maximising delivery of our works program	Through the Transformation Program, this action set out to align our processes, systems and people so we can collaboratively deliver Council work programs. Progress on the five project streams within this action have enabled us to deliver on our agreed program of works while maturing in how we manage complex change, improve our alignment across services and get a business wide lens on the activities we are undertaking.	Achieved
7.2 - Improved maintenance planning and scheduling	The Computerised Maintenance Management System (CMMS) was rolled out to enable efficient and effective delivery of maintenance programs across the business. This software enables digital record keeping so our field-based workforce can update records while on the job, reducing paper-based record keeping and administrative demands. The project management and roll-out plans are complete with further progress on the CMMS being planned for the next two years. See page 38 to read more about how CMMS is enabling our people to work smarter.	Achieved



Leigh inspecting drains using CCTV.



Josh mixing sound at Gladstone Entertainment Convention Centre.



Tayla preparing the area for water trench works.



Parks team employees Stephen and James using Computerised Maintenance Management System at Lions Park, Gladstone.

Operational and Core Service Performance Outcomes 03



Gladstone heavy vehicle transport corridor

DIVERSIFY

We celebrate the diversification of opportunities and lifestyle



SCORECARD OVERVIEW



Our 2018-2023 Corporate Plan sets out our five-year performance plan for each strategic goal outcome. Our progress on this is measured each year from our Operational Plan.

CONNECT Strategic Goal 

GROW THE REGION

Actively promote and support the Gladstone Region and enable its growth and prosperity.

1/1

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
100% delivery of endorsed Economic Recovery Group plans for the year	100%	Achieved

This year our KPI's were adjusted with our COVID Recovery Plan progress for Economic Recovery being included with focus.

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
8.1 - Economic resilience	<p>Focusing on delivering a program of endorsed initiatives from the Economic Recovery Group, this initiative has worked to better position the region for economic recovery. Council presented a list of shovel ready projects to State and Federal Governments resulting in \$6.8M of Covid funding to support development of critical infrastructure in the Gladstone Region. It provided consultation and advice to around 350 local businesses to help them stay open and operational under the Covid business restrictions. Waivered camping fees for Council controlled facilities with Council's Covid Support Package. Council used the Covid Support Package to waiver camping fees for its facilities. The Gladstone Region Investment Prospectus was released in March 2021 to market the region as investment ready and open for business, with the support of local stakeholders. Council supported the development and release of a Local Buy Campaign by Gladstone Chamber of Commerce and Industry (GCCCI). It partnered with GCCCI and Gladstone Engineering Alliance (GEA) to deliver programs to support small to medium businesses as they recover from the economic impacts of COVID-19.</p> <p>See page 42-49 for more details about our Covid Recovery Plan.</p>	Achieved
8.2 - Develop a new Economic Development Strategy to improve and guide the region's growth and prosperity.	<p>This year we developed an Economic Development Strategy to improve and guide the region's growth and prosperity. Community engagement was sought to help guide implementation of the strategy. The core focus of the strategy is on preparing for, enabling, supporting and promoting prosperity for our region.</p>	Achieved

CONNECT, Strategic Goal 9 

SMART INVESTMENT

We have a reputation for being easy to deal with and delivering value for money, customer service.

1/1

KEY PERFORMANCE INDICATOR ACHIEVED

2020/21 KEY PERFORMANCE INDICATORS

Key Performance Indicator (KPI)	Outputs	Status
The Investment Decision Framework (IDF) is being actively used to ensure prudent decision making and smart investment for our community	100%	Achieved

Our IDF has been developed to improve how we make investment decisions for our community into the future. The success of implementing the IDF directly relates to achieving our Strategic Goal therefore the KPI for this Strategic Goal was adjusted.

2020/21 ACTIONS PROGRESS

2018-2023 Performance Indicator	Progress	Status
9.1 Improving investment decisions	Implemented the Investment Decision Framework (IDF) to support the business in making informed and sustainable investment decisions into the future.	Achieved
9.2 Accessible Technology	The intention of this action was to upgrade Council's current TechnologyOne Modules to intuitive Ci Anywhere user interface to improve user experience and accessibility while streamlining business processes. It was realised that it would be most efficient to align this action with 7.1 Maximising Delivery of Works and progress at a pace determined by that action. Therefore, resources were reassigned, and the action was amended.	Amended



The Port of Gladstone is the world's fourth largest coal exporting terminal and major cargoes include coal, bauxite, alumina, aluminium, cement and Liquefied Natural Gas (LNG).

COVID RECOVERY PLAN

Leading up to the 2020/21 financial year, Council was beginning to adjust to the new post-COVID normal. Threats to our region's people, business and industry from COVID-19 were considered and Council put an action plan into place to support the region to recovery.

On 21 July 2020, Council adopted the Covid Recovery Plan, which represents Council's commitment to support the Gladstone Region through the impacts of the COVID-19 pandemic.

The plan is divided into three sections: Economic Recovery, Community Recovery and Tourism Recovery.

[Covid Recovery Plan Quarter 1 Report](#)

[Covid Recovery Plan Quarter 2 Report](#)

[Covid Recovery Plan Quarter 3 Report](#)

[Covid Recovery Plan Quarter 4 Report](#)

For more details about how Council responded to COVID-19 see pages 42-49.



Economic Recovery

To support economic recovery in our region, effort was put into investment attraction, advocacy and lobbying, working with business and industry to care for our community and seeking funding opportunities. Council delivered a program of endorsed initiatives from the Economic Recovery Group to better position the region for economic recovery. Activities as part of Economic Recovery are detailed in the Covid Recovery Plan and the Operational Plan Performance section on pages 132.



Community Recovery

Connecting to the community to provide and share essential information was critical in supporting the community in recovery. We also invested in sporting, recreation and community organisations, lobbied for increases for health services, delivered a virtual neighborhood center and more. Protecting the health and wellbeing of our community, building social cohesion and community capability was core to this process. Activities delivered through Community Recovery are detailed in the Covid Recovery Plan and the Operational Plan Performance section on pages 118.



Tourism Recovery

To breathe life back into tourism, effort was focused on marketing and communication, promoting the Gladstone Region through events, development of strategies and funding. Activities as part of Tourism Recovery are detailed in the Covid Recovery Plan and highlighted on the following page.



The impacts of the COVID-19 pandemic on the tourism sector were almost immediately felt. Data gathered showed that we had an immediate loss of more than \$1.2M locally and a loss of more than 100 jobs. It was critical that planning for tourism recovery started early and that those plans remained flexible to meet changing restrictions, requirements and sector demands.

The focus of the Tourism Recovery Plan was on the drive market and was to be supported by promotion of the Gladstone Region as a safe place to visit, holiday and stay. Pop-up information hubs were implemented across the region, a new RV and Caravan dump point was installed in Gladstone Central and marketing and promotion of the Gladstone Region's RV and Caravan Tourism infrastructure was updated and shared through various campaigns and networks.

It became increasingly clear that the drive market would remain our focus following

advocacy efforts and the introduction of various package deals in the air access space. While they gained interest, these did not convert to bookings. This, combined with the ban on cruise ships for an undefined period of time, saw us again divert more focus to the drive market. New signage has been installed across the region with an audit and signage plan also prepared. This project will continue to be rolled out during 2021/22. Community consultation has commenced which will guide our investment in RV tourism over the coming years and a Tourism Innovation Fund has been established which will provide seed funding for innovative tourism products and services.

Finally of note and contributing greatly to the Gladstone Region being positioned as a safe place to visit and stay, we created and delivered innovative and Covid Safe events featuring headline artists and attracting news coverage from across the state.

4 GOVERNANCE AND DISCLOSURES

This section details the statutory annual reporting requirements that have not already been included elsewhere in the Annual Report. This includes information on our investment in the community, our concessions provided to rates and charges as well as how we respond to complaints and requests for information.





GOVERNANCE AND DISCLOSURES

GOVERNANCE

RIGHT TO INFORMATION/INFORMATION PRIVACY

Council is committed to providing the community with open and transparent access to information about Council services, activities and business operations.

In 2020/21, Council received the following requests for information under the *Right to Information Act 2009 (RTI Act)* and the *Information Privacy Act 2009 (IP Act)*:

Table: 2020/21 Requests for Information

APPLICATION TYPE	RECEIVED	WITHDRAWN	FINALISED
Access under the RTI Act	10	2	8
Access under the IP Act	1	0	1

Council works closely with the Office of the Information Commissioner Qld for support in assessing and responding to complex applications and adhered to all statutory timeframes with respect to the above applications.

ADMINISTRATIVE ACTION COMPLAINTS

An Administrative Action Complaint (AAC) is defined in the *Local Government Act 2009* as a complaint that is about an administrative action of a local government and is made by an Affected Person (a person who is apparently directly affected by an administrative action of a local government or as defined in s43 of the Act with respect to competitive neutrality).

AACs are managed in accordance with Council's Complaint Management Policy. The policy and associated corporate standard underwent a significant review in early 2021 with a revised policy and corporate standard adopted by Council on 20 April 2021 (via resolution GM/21/4490). This review streamlined the process for managing complaints and included provision for assessment and consideration of human rights complaints in accordance with the *Human Rights Act 2019*.

Council views the complaints handling process as a valuable tool to identify avenues for continuous improvement and is committed to dealing with AACs in a fair and transparent manner.

In accordance with Council's Complaints Management Policy and procedures, when received an AAC is recorded in Council's Complaint Management System and assigned a Case Manager. The Case Manager will work with the relevant subject matter expert to determine an appropriate outcome and response. Where a customer is unsatisfied with an AAC outcome, the AAC will be referred to a Complaint Review Panel and ultimately can be escalated to the Qld Ombudsman.

Table: 2020/21 Administrative Action Complaints

ADMINISTRATIVE ACTION COMPLAINTS	NUMBER
Number of AACs received during 2020/21	393
Number of AACs resolved during 2020/21	335
Number of unresolved AACs received during 2020/21	58
Number of unresolved AACs during 2020/21 that were made in the previous financial year	3

There were 25 improvements to operations identified through assessment of complaints ranging from improvements to procedures, training of staff and improved communication processes with customers.

In addition, the Queensland Ombudsman referred five complaint matters to Council for review. Of these matters, one complaint escalated for detailed review by the Ombudsman. The Ombudsman dismissed this complaint and took no further action. Two matters remain pending advice on if the Ombudsman intends to investigate further.

One employee matter was referred to the Crime and Corruption Commission (CCC) with the CCC referring this matter back to Council to investigate. Three Public Interest Disclosures (PIDs) were made in 2020/21 with two resolved and one PID in progress.

HUMAN RIGHTS COMPLAINTS

Human rights refer to an act or decision made in a way that is not compatible with human rights or when making a decision, failing to give proper consideration to the human right relevant to the decision. No human rights complaints were received in 2020/21.

COMPETITIVE NEUTRALITY COMPLAINTS

Competitive neutrality refers to the process of identifying and, where appropriate, removing any advantages (and disadvantages) that may accrue to a local government business by virtue of its Local Government ownership, so that the business competes on the same basis as its competitors.

No competitive neutrality complaints were received in 2020/21.

EXPENDITURE ON GRANTS TO COMMUNITY ORGANISATIONS

Section 189 of the *Local Government Regulation 2012* requires Council to provide a summary of the expenditure on grants to community organisations and expenditure from Councillor discretionary funds.

MAYOR'S DISCRETIONARY FUND

Discretionary funds are allocated for use by the Mayor only in accordance with Council's Community Investment Policy. The Prescribed amount for Gladstone Regional Council for the 2020/21 financial year was \$82,791.

Council budgeted a total of \$82,000 for the Mayor's Discretionary Fund for use for other community purposes.

Table: 2020/21 Mayor's Discretionary Fund allocations

APPLICANT	PURPOSE OF FUNDING	MONTH	AMOUNT
Gladstone Rugby Union Club	COVID-19 Funding	September	\$500
Volunteer Marine Rescue	Mower & Brush Cutter Replacement Contribution	October	\$5,158
Variety Qld Inc	Variety QLD 4x4 Adventure (Children's Charity)	October	\$550
Agnes Water State School	Local Guide & Directory Project	November	\$200
Gidarjit Development Corp	Contribution to purchase of safety equipment for new vessel	November	\$3,982.33
Returned Services League (RSL) Mt Larcom	Public Address System	February	\$250
Gladstone Municipal Band	Donations for uniforms, instrument maintenance and similar expenses	March	\$6,000
Miniam Vale Ladies Bowling Club	Contribution to purchase of equipment	March	\$500
Gladstone Roller Derby	Contribution to First Aid Kit	March	\$312.34
Gladstone Engineering Alliance Inc	Contribution to events	March	\$1,000
Gladstone Croquet Club	Contribution to equipment maintenance	March	\$500
Rotary Club Gladstone - Sunrise	Contribution to RSL Gala Dinner	April	\$1,000
Rosedale State School P&C Association	125th Celebrations and commemorative book	April	\$500
Bravehearts Foundation	Claude Harvey 'The Mower Man'	May	\$100
Evenglow Inc	Annual Easter Luncheon	May	\$1,200

GOVERNANCE AND DISCLOSURES 14

Gladstone Chamber of Commerce and Industry	The 3 G's Breakfast contribution	May	\$3,000
Australian Native Bee Association Gladstone Branch	Information Board & Memorial Plaque	May	\$1,000
Gladstone Thistle Pipe Band	Renovations contribution	May	\$6,000
Bororen Pony Club	Panel's to replace round yard contribution	May	\$1,000
Rotary Club of Gladstone	Sponsorship of students - National Youth Science Forum	May	\$1,000
Capricorn Film Festival	Shanko	June	\$3,000
Burlyan Water Supply	Water for Burlyan Township	June	\$1,000
Gladstone Show Society	The Annual Gladstone Show	June	\$5,000
Gladstone South Swimming Club	Contribution to Supply and Install Safety Pads	June	\$1,045.45
The Community Shed Boyne Valley Inc	Contribution to design of new storage / work shed	June	\$5,000
Gladstone West State School	Family Fun Night	June	\$250
The Queensland Retired Police Association	Branch Uniform	June	\$500
Start-Up Gladstone	Gladstone Region Young Entrepreneurs Network	June	\$6,000
Start-Up Gladstone	Mayors Innovation Award	June	\$7,500
Calliope Kindergarten and Preschool Assoc Inc	Contribution to Replacement of Child Safety Gates	June	\$3,000

DONATIONS

In 2020/21, a total of \$1,944,753 was granted as donations in the community as outlined below:

Table: 2020/21 Community donations

Category	Amount
Surf Life Saving	\$ 375,790
Sporting Body Subsidies	\$ 683,388
Rural Fire Brigade	\$ 223,109
Calliope Junior Rugby League	\$ 26,526
Community Services Obligations	\$ 31,889
Capricorn Helicopter Rescue	\$ 25,000
Rosedale State School Multipurpose Court	\$ 50,000
Regional Arts Development Fund	\$ 126,255
Martin Hanson Awards	\$ 34,780
Gladstone Region Rise Up Funding	\$ 139,310
Animal Desexing Program	\$ 15,000
Sister City Events	\$ 4,865
Capras Rugby League Game Sponsorship	\$ 20,000
Gladstone Harbor Festival	\$ 44,500
Slouch Hat Museum Gladstone Bowls Club	\$ 75,000
Other Donations & Sponsorships	\$ 69,340

COMMUNITY INVESTMENT

In 2020/21, a total of \$728,825 was granted to the community in accordance with Council's Community Investment Policy as outlined below.

CONNECTED COMMUNITIES FUND

Table: Connected Communities Fund

Category	Amount
Community Hall Subsidy	\$ 26,999
Gladstone & District Sports Foundation Trust	\$ -
Sport & Recreation Operations	\$ 17,205
Performing Arts	\$ 5,000
Historical and Heritage Museums	\$ 7,059
Charity Waste Tipping Waiver	\$ 12,142

REGIONAL ENHANCEMENT FUND

Table: Regional Enhancement Fund

Category	Amount
Sport & Active Recreation - Strategic Projects	\$ 99,853
Sport & Active Recreation - Community Projects	\$ 101,730
Jumpstart City Heart	\$ 4,750
Environmental Care	\$ 7,800
Plant & Equipment	\$ -
Development Application Fee Reimbursement	\$ 8,891

COMMUNITY CELEBRATION FUND

Table: Community Celebration Fund

Category	Amount
Ignite Event - Funds up to \$10,000 (0-2,500 people)	\$ 92,520
Impact Event - Funds up to \$25,000 (2,500 - 5,000 people)	\$ 86,200
Destination Event - Funds up to \$50,000 (over 5,000 people)	\$ 61,500
Signature Event	\$ 127,369
Community Event	\$ 11,585

COMMUNITY EDUCATION FUND

Table: Community Education Fund

Category	Amount
Regional Education Program - Bursary	\$ 10,920
Regional Education Program - Education Development	\$ 47,302
School Engagement Subsidy	\$ -

CONCESSIONS FOR RATES AND CHARGES

In 2020/21, Council granted concessions in the following categories:

Table: Concessions for rates and charges

Category	2020/2021
Pensioner Remissions	\$901,712.34
Water & Sewerage Concessions	\$587,327.26
Concealed Water Leak Concessions (under policy)	\$69,760.86
General Rates Discounts	\$12,456,453.58
Out of Policy Concessions	\$0

GOVERNANCE AND DISCLOSURES 04

DISCLOSURES

SIGNIFICANT BUSINESS ACTIVITIES

A Significant Business Activity (SBA) is a business activity of a local government that:

- (a) is conducted in competition or potential competition with the private sector (excluding a building certifying activity, a roads activity or an activity related to the provision of library services); and
- (b) meets the threshold prescribed under a regulation.

During 2020/21, Council undertook the following SBAs to which the code of competitive conduct was applied:

- Water
- Sewerage
- Waste Management
- Plant Operations

No new SBAs were undertaken in 2020/21.

PUBLIC BENEFIT

As there were no new SBAs, Council did not undertake any public benefit assessments during 2020/21.

COMMERCIAL BUSINESS UNITS

A Commercial Business Unit is defined in the *Local Government Act 2009* as a business unit that conducts business in accordance with the key principles of commercialisation including clarity of objectives, management autonomy and authority, accountability for performance, and competitive neutrality.

No commercial business units were undertaken by Council in 2020/21.

JOINT GOVERNMENT ACTIVITY

Council is required to disclose details of any joint local government activities, that is, action taken for, and expenditure on a service, facility or activity:

- Supplied by another local government under an agreement for conducting a joint government activity; and
- For which the local government levied special rates or charges for the financial year.

Council did not undertake any joint local government activities in 2020/21.

BENEFICIAL ENTERPRISES

In 2020/21, Council adopted a new Controlled Entities and Beneficial Enterprises Corporate Standard to provide a framework for the establishment, participation in, monitoring and disposal of controlled entities and beneficial enterprises of Gladstone Regional Council.

A beneficial enterprise is an enterprise conducted by Council that Council considers is directed to benefiting and can reasonably be expected to benefit the whole or part of the local government area. Council conducted the following beneficial enterprises in 2020/21:

- Gladstone Area Promotion and Development Limited

INVITATION TO CHANGE TENDERS

Section 190(1)(e) of the *Local Government Regulation 2012* requires Council to advise the number of invitations to change tenders under section 228(7). In 2020/21, there were no invitations to change a tender.

RESOLUTION RELATING TO NON-CURRENT PHYSICAL ASSETS

Section 185 of the *Local Government Regulation 2012* requires disclosure of any resolutions made regarding amounts and types of non-current physical assets. At Council's General Meeting held on 17 November 2020, the below resolution was adopted (viz resolution GM/20/4371):

That Council, in accordance with section 206(2) of the *Local Government Regulation 2012* set the following 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:

Table: Non-current physical assets class and threshold

Asset Class	Asset Recognition Threshold (\$)
Freehold Land	1
Plant and Equipment	5,000
Major Plant	350,000
All Other Asset Classes	10,000

ORDERS AND RECOMMENDATIONS

Councillor conduct is governed by the provisions of the *Local Government Act 2009* and *Local Government Regulation 2012* and Council's Councillor Code of Conduct Policy adopted by Council on 19 January 2021 (viz resolution GM/20/4420). The Councillor Code of Conduct Policy confirms Council's commitment to adhere to the standards of behaviour outlined in the Code of Conduct for Councillors in Queensland.

The Act establishes a range of consequences for failing to comply with the Code of Conduct.

In 2020/21 there were no decisions, orders or recommendations made under ss150(2), 150AH(1) or 150AR(1) of the Act against a Councillor.

COUNCILLOR COMPLAINTS AND MISCONDUCT

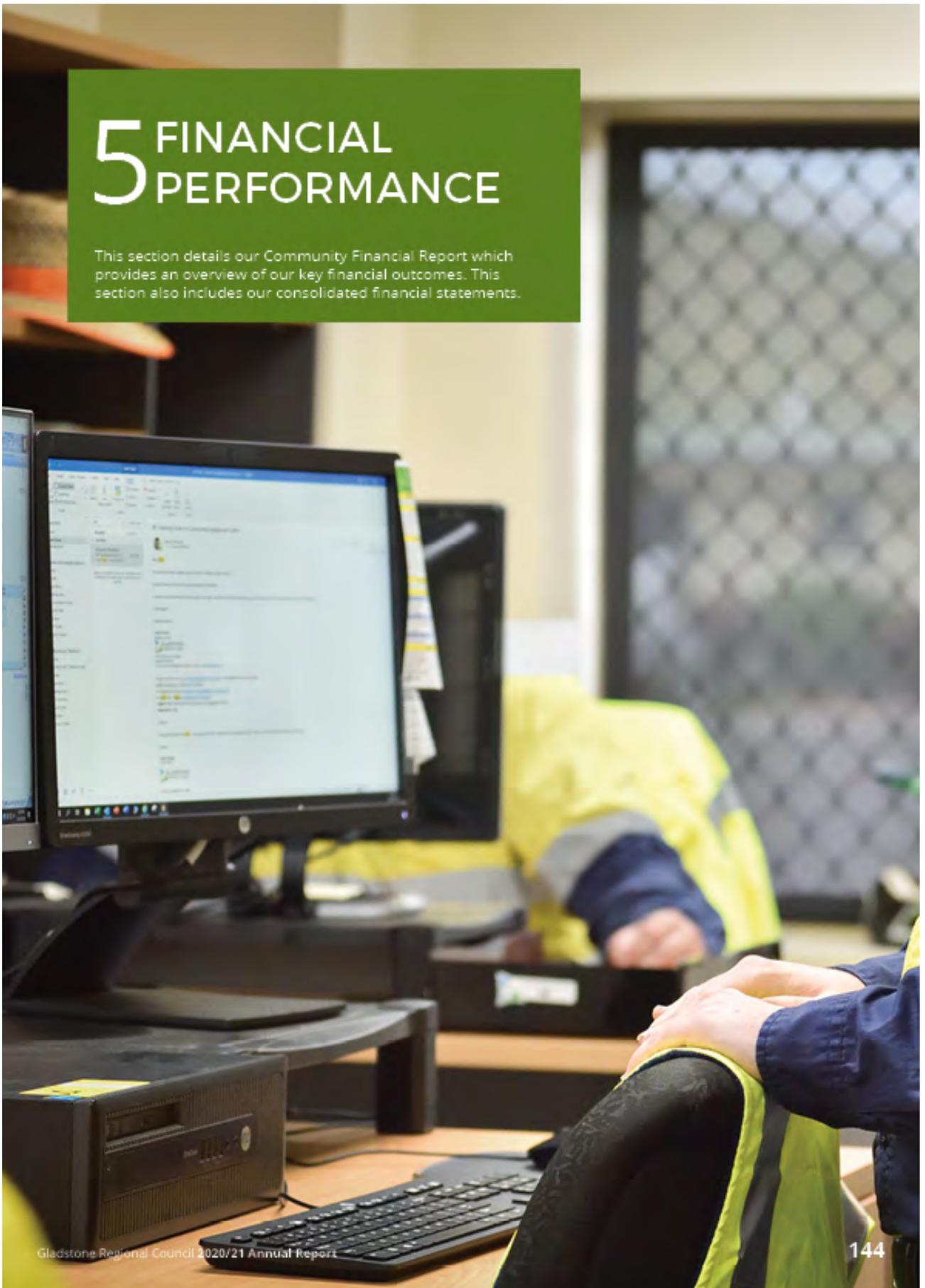
The Office of the Independent Assessor (OIA) is responsible for the assessment and investigation of complaints of inappropriate conduct or misconduct of councillors.

In 2020/21 one complaint against a Councillor was assessed by the OIA. This complaint was dismissed as not raising a reasonable suspicion of inappropriate conduct or misconduct.

Councillor Complaints are detailed in Council's Councillor Conduct Register available to the public on Council's website.

5 FINANCIAL PERFORMANCE

This section details our Community Financial Report which provides an overview of our key financial outcomes. This section also includes our consolidated financial statements.





FINANCIAL PERFORMANCE 05

COMMUNITY FINANCIAL REPORT

This report provides a summary of the financial position and performance of Council and its controlled entities (consolidated results) for the 2020/21 financial year. It is designed to be easily understood by readers who do not have a financial background.



Measures of sustainability

Council aims to operate in a manner that ensures financial sustainability in the short and long term. Council uses a series of sustainability ratios that collectively act as a guide to understand the health of the organisation. Ratios are presented monthly to Council to ensure Council is fully informed and in a position to identify any corrective action necessary.

Individually, ratios may not provide enough information to form a full opinion on Council's financial position and performance, however, when considered in combination, these ratios combined with financial results form an important tool to analyse annual results and to compare performance with other Councils. This contributes to good decision making and sustainable use of resources now and into the future.

Council made an operating deficit of \$24.5M in 2020/21. This result is a deficit increase of \$21.7M on the previous financial year. The result is predominantly due to an early repayment adjustment of \$17M because of refinanced borrowings. The loan refinancing was undertaken as a means of securing low interest rates to provide an increase in cash flows in future periods. Excluding this adjustment, the operating surplus is negative 3.91 per cent. Although this is outside the target range, Council's operating deficit is projected to return to surplus from the 2022/23 financial year.

Expenditure on asset replacement is anticipated to increase in the coming years from the 2020/21 result. The 2020/21 result of 87.20 per cent has increased from 40.94 per cent in 2019/20 due to a successful capital

renewal program and spend during the year. This ratio is expected to reach 107.42 per cent in 2021/22, aiming to exceed the year-on-year target of 90 per cent. When considering the renewal of Council's asset base, it is expected that there will be periods of heavier investment. It is important to consider the long-term trends when looking at this indicator as Council's infrastructure assets have lives up to, and in some cases, exceeding 100 years.

Council uses the net financial liabilities ratio to monitor the extent to which financial liabilities can be serviced by its operating revenue. A positive value less than 60 per cent indicates that Council has the capacity to fund its liabilities and increase its loan borrowings. The 2020/21 position of 23.88 per cent is within target levels and reflects an ability to service further debt, if necessary.

With a working capital ratio of 2.10, Council is well positioned to continue to fund its short-term obligations. If the value is greater than one, it means Council is in good financial health. These results are strengthened by a healthy cash balance.

Council has currently committed 2.12 per cent of operating revenue to cover interest expenses. This result is within the target range of 0-10 per cent and will significantly reduce in line with interest expenditure in coming years as a result of refinancing under lower interest rates.

At 2.66, Council is currently well above the target for its debt service coverage ratio, indicating Council can service its current debt obligations from its operating result before depreciation. Council's income is utilised to meet debt obligations associated with the borrowings for long term assets such

as sewerage treatment plants, trunk water infrastructure and airport infrastructure. No increases in borrowings were incurred during this financial year and a reducing interest expense is anticipated during the forecast period.

Overall, Council remains in a sound position to service our community, support its growth and respond to any significant emergent financial impacts.

Table: Debt service coverage ratios

RATIO	DESCRIPTION	TARGET	TARGET STATUS	2020/21 ACTUAL [▲]	2019/20 ACTUAL [▲]	2021/22 FORECAST
Operating Surplus Ratio	The operating surplus ratio measures the percentage by which our operating revenue varies from our operating expenses. It indicates our financial capacity and ability to fund ongoing operations.	Between 0% - 0%	●	Negative 12.27%	Negative 1.37%	Positive 0.47%
Asset Sustainability Ratio	This ratio indicates whether we are renewing or replacing existing non-financial assets at the same rate that the assets are wearing out.	Greater than 90%	●	87.20%	40.94%	107.42%
Net Financial Liabilities Ratio	The net financial liabilities ratio measures Council's ability to pay its obligations by comparing its debt to its assets. It shows our ability to pay off the net amount with operational income if we were called to do so.	Below 60%	●	23.88%	4.87%	43.42%
Working Capital Ratio	The working capital ratio measures the ability of Council to meet its short-term debt obligations. If the value is greater than one, it means the short-term obligations are fully covered. A ratio greater than one also shows Council is in good financial health and is less likely to fall into financial difficulties.	Greater than 1:1	●	2.1x	3.12x	3.12x
Net Interest Coverage Ratio	This ratio provides the share of operating revenue that is committed to covering the gap between interest earned and interest paid. It's an indicator of our ability to meet our interest payments. For this ratio a low result is desirable.	Between 0%-10%	●	2.12%	1.88%	0.41%
Debt Service Coverage	This ratio measures the ability of Council to use its operating cash flows to repay its debt obligations.	>2x	●	2.66	3.41	5.41

*This table presents consolidated group results

● Achieved ● Not achieved but improved from last financial year ● Not achieved

FINANCIAL PERFORMANCE 05

FINANCIAL OVERVIEW

Below is Council's key financial performance highlights based on consolidated financial results.

Table: Consolidated financial results at a glance

AT A GLANCE	ACTUALS		
	2020/21	2019/20	2018/19
Operating revenue	\$199.4M	\$199.0M	\$201.4M
Capital revenue	\$32.6M	\$12.9M	\$ 14.8M
Total Income	\$232M	\$211.9M	\$216.2M
Operating expenditure	\$223.9M	\$201.7M	\$191.2M
Other expenditure	\$12.6M	\$34.0M	\$4.7M
Total Expenditure	\$236.5M	\$235.7M	\$195.9M
Operating Result	\$(24.5)M	\$(2.7)M	\$10.2M
Net Result	\$(4.5)M	\$(23.8)M	\$20.3M

See page 152 for more detail.

WHAT WERE THE MAJOR SOURCES OF CASH IN AND CASH OUT?

The movement of money in and out of Council is presented in the Statement of Cashflows. The statement excludes non cash movements like accruals and depreciation of assets. See page 157 for further information.

This year, Council started with a cash balance of \$113.8M and ended the year with \$83.7M, with the largest movement being \$17M in an early repayment adjustment to Queensland Treasury Corporation upon refinancing of borrowings.

This table below compares the main sources of cash receipts and cash payments during the financial years 2018/19, 2019/20, 2020/21.

Table: Three-year comparison of main sources of cash receipts and cash payments

Main sources of cash in and out	2020/21 \$ millions	2019/20 \$ millions	2018/19 \$ millions
Net cash received from operations (includes rates, fees and charges offset by employee costs and materials and services)	\$37.0M	\$49.0M	\$51.6M
Purchase and construction of Council assets	\$70.6M	\$44.7M	\$52.3M
Interest received from our investments	\$1.9M	\$3.0M	\$4.4M
Non capital grants and contributions	\$5.3M	\$12.4M	\$15.7M
Income tax equivalents	\$2.2M	\$2.2M	\$6.4M
Capital grants, subsidies and contributions	\$25.5M	\$7.3M	\$14.3M
Finance costs (interest and charges on our loans held with Queensland Treasury Corporation)	\$23.4M	\$6.8M	\$7.3M
Principal repayments made on loans	\$2.1M	\$10.0M	\$9.4M
Early repayment adjustment (cost to refinance Council loans held with Queensland Treasury Corporation)	\$17.0M	\$0M	\$0M

Figure: Income

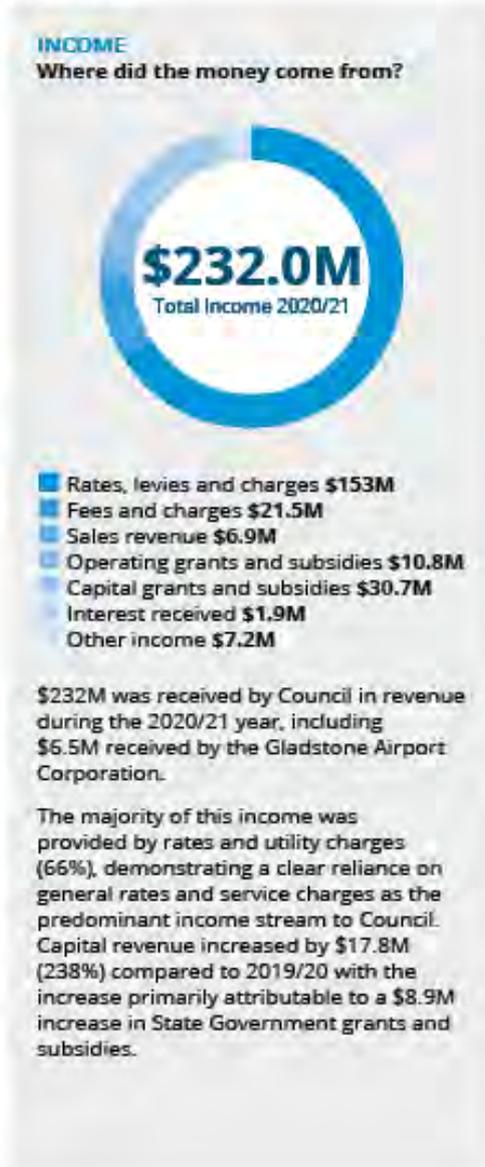


Figure: Expenditure



FINANCIAL PERFORMANCE 05

Figure: Assets

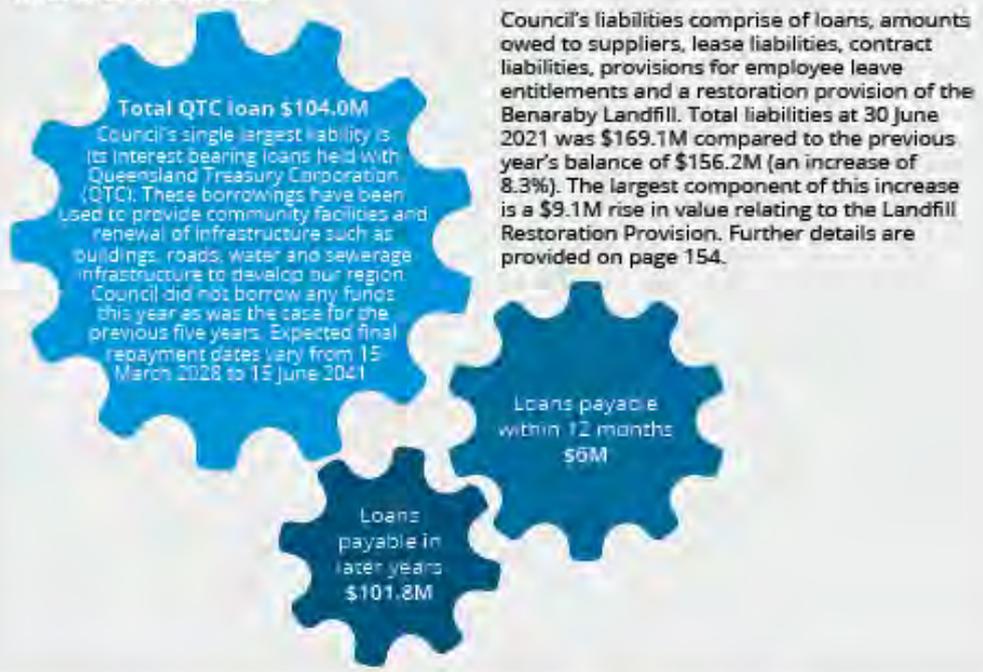


Figure: Total Property, Plant and Equipment



LIABILITIES

What does Council owe?



Community Future Vision and Summary

This year, Council continued to devote resources to support the Gladstone Region through COVID-19 and enacted 46 recovery actions. As we move into 2021/22, Council will continue to integrate recovery activities as part of the 2021/22 Operational Plan and Budget.

Maintaining Council's financial position to support long-term financial sustainability also remains a priority for Council. We are embracing innovation and collaboration to continue to deliver projects and services while maintaining community assets. Council's financial outlook is stable and is trending positively which ensures that Council is in a sound position to deal with any significant emergent financial impacts.

Key 2020/21 Highlights

- Philip St Families and Community Precinct Project Spend **\$12.7M**
- Replacement of **106** items of plant
- Refinancing of Council loans to secure low interest rates and increase cashflow in future periods.

FINANCIAL PERFORMANCE 05

CONSOLIDATED FINANCIAL STATEMENT

FINANCIAL STATEMENTS TABLE OF CONTENTS

Statements of Comprehensive Income	153	19 Payables.....	195
Statements of Financial Position	154	20 Borrowings	196-197
Statements of Changes in Equity	155-156	21 Provisions	197-199
Statements of Cash Flows	157	22 Equity reserves	200-201
 		23 Commitments for expenditure	202
Notes to the Financial Statements		24 Contingent liabilities	203
1 Information about these financial statements	158-160	25 Superannuation - Regional Defined Benefit Fund	204
2 Council functions	161-162	26 Reconciliation of net result for the year to net cash inflow (outflow) from operating activities	205
3 Revenue	163-166	27 Reconciliation of liabilities arising from finance activities	206
4 Interest and other income	167	28 Financial instruments and financial risk management	207-209
5 Capital income	167	29 National competition policy	210-211
6 Employee benefits	168	30 Transactions with related parties	212-215
7 Materials and services	169	 	
8 Finance costs	169	Management Certificate	216
9 Capital expenses and impairment	170-171	Independent Auditor's Report	217-219
10 Cash, cash equivalents and financial assets	172-173	Current-year Financial Sustainability Statement	220-221
11 Receivables	174-175	Certificate of Accuracy	222
12 Inventories	176	Independent Audit Report - Current Year Financial Sustainability Statement	223-225
13 Other assets	177	Unaudited Long-term Financial Sustainability Statement	226-228
14 Interests in other entities	177	Certificate of Accuracy	229
15 Investment property	178		
16 Property, plant and equipment	179-188		
17 Contract balances	189		
18 Leases	190-195		

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 30 June 2021

	Notes	Consolidated		Council	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Income					
Revenue					
Recurrent revenue					
Rates, levies and charges	2a	153,033	150,434	153,124	150,518
Fees and charges	3b	21,520	21,451	16,660	14,653
Sales revenue	3c	6,916	6,788	6,905	6,841
Grants, subsidies, contributions and donations	3d	10,816	11,929	10,816	11,929
Total recurrent revenue		192,265	190,602	187,505	183,941
Capital revenue					
Grants, subsidies, contributions and donations	3d	30,701	12,908	29,948	12,908
Total capital revenue		30,701	12,908	29,948	12,908
Other income					
Rental income	16	1,894	1,508	703	541
Interest received	4a	1,858	3,017	1,764	2,789
Other income	4b	3,579	3,858	3,573	4,185
Capital income	5	1,926	-	1,926	-
Total other income		9,057	8,381	7,966	7,515
Total income		232,043	211,891	225,479	204,364
Expenses					
Recurrent expenses					
Employee benefits	6	72,248	66,033	70,373	64,217
Materials and services	7	87,857	85,146	85,770	82,555
Finance costs	8	23,819	7,040	21,681	4,956
Depreciation and amortisation:					
- Property, plant and equipment	16	39,837	43,333	38,870	40,972
- Intangible assets		14	40	14	40
- Right of use assets	16	104	121	55	71
Total recurrent expenses		223,879	201,713	216,763	192,811
Other expenses					
Capital expenses	9	12,627	33,993	12,627	33,226
Impairment of investment in controlled entity	9	-	-	-	55,196
Total other expenses		12,627	33,993	12,627	88,422
Total expenses		236,506	235,706	229,390	281,233
Operating result		(24,463)	(2,730)	(23,158)	(1,355)
Net result		(4,463)	(23,815)	(3,911)	(76,869)
Other comprehensive income					
Items that will not be reclassified to net result					
Increase in asset revaluation surplus	16	29,442	268,358	29,841	319,194
Total other comprehensive income for the year		29,442	268,358	29,841	319,194
Total comprehensive income for the year		24,979	244,541	25,930	242,325

The above statements should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

FINANCIAL PERFORMANCE 05

STATEMENTS OF FINANCIAL POSITION

as at 30 June 2021

	Notes	Consolidated		Council	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	10	83,690	113,840	71,403	99,627
Receivables	11	14,728	15,728	13,477	15,265
Inventories	12	2,935	3,216	2,935	3,216
Contract assets	17	6,262	915	6,262	915
Other assets	13	13,863	12,858	13,706	12,678
Total current assets		121,478	146,555	107,783	131,699
Non-current assets					
Receivables	11	1,465	-	35,201	33,718
Contract assets	17	-	1,450	-	1,450
Interests in other entities	14	-	-	16,658	16,658
Investment property	15	4,928	3,002	4,928	3,002
Property, plant and equipment	16	2,391,804	2,331,102	2,356,852	2,296,208
Right of use assets	18	1,991	1,495	1,946	1,401
Intangible assets		35	88	35	88
Total non-current assets		2,400,043	2,337,137	2,415,620	2,352,522
TOTAL ASSETS		2,521,521	2,483,692	2,523,403	2,484,222
LIABILITIES					
Current liabilities					
Payables	19	29,250	25,174	28,884	24,564
Contract liabilities	17	2,895	3,222	2,571	2,817
Borrowings	20	5,983	10,468	5,983	10,468
Lease liabilities	18	86	93	38	44
Provisions	21	19,758	13,639	19,575	13,416
Total current liabilities		57,972	52,596	57,051	51,309
Non-current liabilities					
Borrowings	20	101,844	99,145	101,844	99,145
Lease liabilities	18	1,970	1,435	1,970	1,387
Provisions	21	7,308	3,068	7,280	3,053
Total non-current liabilities		111,122	103,648	111,094	103,585
TOTAL LIABILITIES		169,094	156,244	168,145	154,894
Net community assets		2,352,427	2,327,448	2,355,258	2,329,328
COMMUNITY EQUITY					
Asset revaluation surplus	22	848,446	819,004	912,841	883,000
Retained surplus/(deficiency)		1,418,017	1,414,397	1,357,453	1,352,281
Reserves	23	84,964	94,047	84,964	94,047
Total community equity		2,352,427	2,327,448	2,355,258	2,329,328

The above statements should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

STATEMENTS OF CHANGES IN EQUITY

for the year ended 30 June 2021

Consolidated	Asset			Total equity
	revaluation surplus	Retained surplus	Other reserves	
	\$'000	\$'000	\$'000	\$'000
2021				
Balance as at 1 July 2020	819,004	1,414,397	94,047	2,327,448
Net result	-	(4,463)	-	(4,463)
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	29,442	-	-	29,442
Total comprehensive income for the year	29,442	(4,463)	-	24,979
Transfers to reserves	-	(10,680)	10,680	-
Transfers from reserves	-	19,763	(19,763)	-
Balance as at 30 June 2021	848,446	1,419,017	84,964	2,352,427
2020				
Balance as at 1 July 2019	550,650	1,454,630	84,149	2,089,429
Adjustment on initial application of AASB 15 / AASB 1056	-	(6,511)	-	(6,511)
Adjustment to opening balance - inventory	-	52	-	52
Adjustment to opening balance - property, plant and equipment	-	(325)	-	(325)
Consolidation adjustment pertaining to prior period	(2)	-	-	(2)
Found assets first recognised	-	264	-	264
Restated balance at 1 July 2019	550,648	1,448,110	84,149	2,082,907
Net result	-	(23,815)	-	(23,815)
Other comprehensive income				
- Increase/(decrease) in asset revaluation surplus	268,356	-	-	268,356
Total comprehensive income for the year	268,356	(23,815)	-	244,541
Transfers to/(from) capital	-	(24,899)	24,899	-
Transfers to/(from) reserves	-	15,001	(15,001)	-
Balance as at 30 June 2020	819,004	1,414,397	94,047	2,327,448

The above statements should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

FINANCIAL PERFORMANCE 05

STATEMENTS OF CHANGES IN EQUITY
for the year ended 30 June 2021

Council	Asset revaluation surplus	Retained surplus	Other reserve	Total equity
	\$'000	\$'000	\$'000	\$'000
2021				
Balance as at 1 July 2020	883,000	1,352,281	94,047	2,329,328
Net result	-	(3,911)	-	(3,911)
Other comprehensive income for the year				
- increase/(decrease) in asset revaluation surplus	29,841	-	-	29,841
Total comprehensive income for the year	29,841	(3,911)	-	25,930
Transfers to reserves	-	(10,680)	10,680	-
Transfers from reserves	-	19,763	(19,763)	-
Balance as at 30 June 2021	912,841	1,357,453	84,964	2,355,258
2020				
Balance as at 1 July 2019	563,806	1,445,559	84,149	2,093,514
Adjustment on initial application of AASB 15 / AASB 1058	-	(6,511)	-	(6,511)
Adjustment to opening balance - inventory	-	52	-	52
Adjustment to opening balance - property, plant and equipment	-	(316)	-	(316)
Found assets first recognised	-	264	-	264
Restated balance at 1 July 2019	563,806	1,433,048	84,149	2,087,003
Net result	-	(76,869)	-	(76,869)
Other comprehensive income				
- increase/(decrease) in asset revaluation surplus	319,194	-	-	319,194
Other comprehensive income	319,194	-	-	319,194
Total comprehensive income for the year	319,194	(76,869)	-	242,325
Transfers to/(from) capital	-	(24,899)	24,899	-
Transfers to/(from) reserves	-	15,001	(15,001)	-
Balance as at 30 June 2020	883,000	1,352,281	94,047	2,329,328

STATEMENTS OF CASH FLOWS
for the year ended 30 June 2021

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities				
Receipts from customers	184,051	175,313	179,704	165,818
Payments to suppliers and employees	(167,378)	(151,229)	(162,762)	(146,502)
	16,673	24,084	16,942	19,316
Receipts:				
Interest received	1,913	3,017	1,819	2,769
Rental income	1,864	1,656	773	595
Non capital grants and contributions	5,302	12,372	5,383	12,372
Other	11,216	7,833	11,383	8,175
Net cash - operating activities	36,968	48,962	36,300	43,047
Cash Flows from investing activities				
Receipts:				
Proceeds from sale of property, plant and equipment	1,388	186	1,388	186
Capital grants, subsidies, contributions and donations	25,486	7,316	24,733	7,316
Other investing activity receipts	2,226	2,223	2,226	2,729
Payments:				
Payments for property, plant and equipment	(70,598)	(44,748)	(69,374)	(42,328)
Net cash - investing activities	(41,498)	(35,023)	(41,027)	(32,097)
Cash flows from financing activities				
Receipts:				
Nil				
Payments:				
Repayment of borrowings	(2,138)	(9,953)	(2,138)	(9,953)
Repayments made on leases	(104)	(129)	(55)	(75)
Borrowing Costs	(23,378)	(6,760)	(21,304)	(4,707)
Net cash flow - financing activities	(25,620)	(16,842)	(23,497)	(14,735)
Net increase/(decrease) for the year	(30,150)	(2,903)	(28,224)	(3,785)
Plus: cash and cash equivalents - beginning	113,840	116,743	99,627	103,412
Cash and cash equivalents - closing	83,690	113,840	71,403	99,627

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 1. Information about these financial statements

(1.a) Basis of preparation

The Gladstone Regional Council is constituted under the Queensland Local Government Act 2009 and is domiciled in Australia.

These general-purpose financial statements are for the period 1 July 2020 to 30 June 2021. They are prepared in accordance with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

These financial statements comply with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB). Council is a not-for-profit entity for financial reporting purposes and complies with Australian Accounting Standards as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for the revaluation of certain classes of property, plant and equipment, land held for sale and investment property.

(1.b) Basis of consolidation

Council and its controlled entities together form the consolidated entity. The financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions between Council and entities controlled by Council have been eliminated when preparing consolidated accounts. In addition, the accounting policies of controlled entities have been adjusted on consolidation where necessary, to ensure the financial statements of the consolidated entity are prepared using accounting policies that are consistent with those of the Council. Information on controlled entities that have been consolidated is included in note 14.

(1.c) New and revised Accounting Standards adopted during the year

Gladstone Regional Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2020. None of the standards had a material impact on reported position, performance and cash flows.

(1.d) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretations, that were issued but not yet effective at the time of compiling these statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.

(1.e) Estimates and judgements

Council makes a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items and specific information is provided in the relevant note:

- Valuation of investment in controlled entity - Gladstone Airport Corporation - note 14
- Valuation of investment property - note 15

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 7. Information about these financial statements (continued)

- Valuation and depreciation of property, plant and equipment - note 16
- Impairment of property, plant and equipment - note 16
- Provisions - note 21
- Contingent liabilities - note 24
- Financial instruments and financial liabilities - note 28
- Revenue recognition - note 3
- Payments to suppliers and employees \$146,501,710 (previously \$143,822,308)
- Rental income \$695,044 (previously \$540,949)
- Non-capital grants and contributions \$12,372,403 (previously \$11,929,013)
- Other \$3,174,515 (previously nil)

The following amounts were adjusted for Consolidated

(1.f) Rounding and comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors and changes in accounting policies unless permitted otherwise by transition rules in a new Accounting Standard. Comparative information is prepared on the same basis as prior year. During the year the following comparatives were restated:

A portion of long service leave provisions were adjusted from non-current to current to reflect a modification in key assumptions in the determination of the classification of the provision. The following amounts were adjusted for Council:

- Current provision for long service leave \$6,692,819 (previously \$1,135,821)
- Non-current provision for long service leave \$781,505 (previously \$8,348,503)

The following amounts were adjusted for Consolidated:

- Current provision for long service leave \$8,790,748 (previously \$1,233,750)
- Non-current provision for long service leave \$905,857 (previously \$8,362,855)

These adjustments are reflected in the comparative Statements of Financial Position.

Adjustments were made to the Statements of Cash Flows following a review and change in methodology. The major changes relate to the reclassification of GST on cashflows to the appropriate line items and GST refunds included as 'Other' cash flows. The following amounts were adjusted for Council:

- Cash flows from operating activities
- Receipts from customers \$165,817,849 (previously \$171,610,445)

Cash flows from operating activities

- Receipts from customers \$175,313,131 (previously \$180,659,783)
- Payments to suppliers and employees \$151,229,102 (previously \$148,050,102)
- Rental income \$1,856,328 (previously \$1,505,751)
- Non-capital grants and contributions \$12,372,403 (previously \$11,929,013)
- Other \$7,832,688 (previously nil)

(1.g) Volunteer services

Council receives volunteer services from community members at multiple sites including libraries, Tondoon Botanic Gardens and the Gladstone Entertainment Convention Centre. Volunteer services are not recognised in the Statement of Comprehensive Income, as Council would not purchase these services if they were not donated.

(1.h) Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax, Goods and Services Tax ('GST') and payroll tax on certain activities. The net amount of GST recoverable from the ATO or payable to the ATO is shown as an asset or liability respectively.

Council pays payroll tax to the Queensland Government in relation to the following activities:

- Cemeteries
- Water supply
- Sewerage
- Quarries

The controlled entity of Council pays an income tax equivalent to Council in accordance with the requirements of the Local Government Act 2009.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 1. Information about these financial statements (continued)

Where an activity of the controlled entity of Council is subject to the tax equivalents regime, the income tax expense is calculated on the operating surplus adjusted for permanent differences between taxable and accounting income. These transactions are eliminated upon consolidation.

11.i) COVID-19

On 11 March 2020 the World Health Organisation declared COVID-19 a worldwide pandemic. Council responded swiftly to the changing requirements of operating in accordance with the relevant public health guidelines. The response and subsequent adaptation to operations continues to impact financial results.

Revenue targets for 2020-21 were set with a view to avoid additional burden on the ratepayers. The guidelines followed during expenditure budget preparations for 2020-21 included:

Operational expenditure

- Reduction in discretionary spending to nil
- Minimisation of consultancy spend
- Minimisation of non-mandatory training, seminars and conferences

Capital expenditure

- Carry over projects from 2019/2020
- Essential Renewal Program only
- Critical Community Asset Investment

Council achieved its objective and delivered a budget for the 2020-21 year with a rates freeze for ratepayers in rural, residential, commercial and light industrial categories for general rates, water access and sewerage charges. Refuse charges were also frozen for all premises receiving a domestic waste and recycling service.

To effect the rates freeze, properties that would have otherwise received an increase due to the implementation of the rate cap received a COVID-19 concession. The concession reduced their effective general rate to be equivalent to the 2019-20 general rate levy. Water, sewerage and refuse charges were levied at the same rate as 2019-20.

The internal response to COVID-19 as well as the greater economic impacts have influenced Council's 2020-21 financial results across multiple areas including:

- Decrease in rates & utilities revenue as compared to prior forecasts pre-COVID (as outlined)
- Decrease in interest revenue
- Decrease in event income due to snap lockdowns within Queensland, as well as the general recovery of the entertainment industry
- Increase in government funding for capital projects
- Increased employee benefits expenditure attributable to reduced turnover
- Additional operational expenditure requirements
- Increase in employee entitlement provisions

Council continues to devote resources to support the Gladstone region through COVID-19. As part of the operational plan for 2020-21, Council enacted a COVID recovery program containing 46 actions, split into the following categories:

- Economic recovery
- Community recovery
- Tourism recovery

The 2021-22 operational plan integrates recovery activities into the 5 strategic goals of Gladstone Regional Council, with the budget for 2021-22 aligned with these goals.

Controlled Entity - Gladstone Airport Corporation

The Aviation Industry has been substantially impacted by the ongoing COVID-19 situation, with periods of interstate and intrastate travel restrictions causing passenger numbers through the Gladstone Airport to significantly reduce.

The Gladstone Airport Corporation (GAC) has taken steps to mitigate the impact of the pandemic and reduction in passenger numbers and will continue to adapt to the changing operating environment going forward.

GAC has actively sought government grant funding to support its continued capital expenditure and investment in the future of Gladstone and its community. GAC was successfully awarded 50% funding for capital works under the Regional Airport Program and provided with three grants to carry out works on the airside. GAC will continue to seek further funding opportunities that assist in future proofing its business.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 2(a). Council functions – component descriptions

Details relating to Council's functions / activities as reported in Note 2(b) are as follows:

Strategy and Transformation

Strategy and Transformation is responsible for developing Council's business strategy, process, innovation and technology agenda. The team delivers change initiatives that enable Council to execute on plans with a clear focus, sense of shared purpose and agreed-upon priorities, and a basis for measuring progress and impact both organisationally and within the wider community. This business unit includes the Mayor, Executive Services, CEO, Elected Members, Strategy and Planning, Insights and Innovations, Strategic Information and Technology, Transformation Program Management, Economic Development and Strategic Funding and Grants.

Strategic Asset Performance

Strategic Asset Performance fulfils the Asset Manager role, through strategically managing Council's assets and level of service to optimise the life cycle costs of our assets. This team ensures that services to the community are sustainable, efficient, and affordable and that assets are appropriately planned, built, acquired, used, maintained and disposed of. This business unit includes Asset Governance, Asset Planning, Design and Innovation, Asset Performance and Monitoring, and Environment and Conservation.

Operations

The Operations business unit acts as a service provider to the asset owner of Council, through ensuring that the right mix of internal and external resources is consistently used to safely deliver the program of work on time, on budget and to the required quality. The team also manages safe and efficient responses to disaster and emergency events. This business unit includes Works Planning, Support Services, Works Delivery Teams, Contract and Procurement, and Disaster Management and Response.

Customer Experience

For Customer Experience the objective is to transform Council's customer experience, liveability and sustainable development by delivering high quality, low effort, cost effective customer, planning and regulatory services. This business unit includes Customer Experience, Biosecurity and Environmental Health, Local Laws and Animal Management, and Planning, Building and Plumbing Services.

Community Development and Events

For Community Development and Events the objective is to position Council as an accountable, transparent business that delivers on its promises and to develop strength in Council's brand through a variety of mediums; by creating experiences that engage and deliver outcomes for the community and Council; and by empowering our community, embracing diversity and enhancing our social landscape. This business unit includes Events and Entertainment, Brand and Communications, Community Engagement and Partnerships, and Arts and Culture.

People Culture and Safety

The objective of the People Culture & Safety business unit as part of the corporate function of Council is to build a safe, healthy, high performance culture across Council that reflects the community and its spirit, our organisational values and our internal diversity. Council's success is enabled by partnering with people to continually develop their capability, talent and performance. This business unit includes Industrial Relations, Talent Management, Health Safety and Wellbeing, Remuneration and Benefits, and Performance Framework.

Finance Governance and Risk

The objective of the Finance Governance & Risk business unit as part of the corporate function of Council is to provide the governance, financial, compliance and risk management to build a sustainable business through reporting accurate financial and compliance results, preserving Council assets, and supporting the highest standards of integrity. This business unit includes Financial Operations, Revenue, Cost Analytics, Governance, Risk and Compliance, Ethics, Integrity and Audit, Records, and Legal Services.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Note 2(b). Council functions - analysis of results by function

Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net Result from recurring operations	Net result	Total assets
	Recurring		Grants		Capital			Recurring	Capital impairment				
	Grants	Other	Grants	Other	Grants	Other							
2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Strategy and Transformation	228	76	5,447	-	5,751	(5,287)	-	(5,287)	(4,983)	464	21,815	21,815	
Strategic Asset Performance	363	73,165	24,366	1,826	99,863	(128,667)	(12,366)	(141,262)	(65,339)	(41,469)	2,227,742	2,227,742	
Operations	720	21,946	52	-	22,718	(33,476)	256	(33,220)	(10,810)	(10,502)	88,842	88,842	
Customer Experience	246	3,292	-	-	3,538	(9,877)	(5)	(9,890)	(6,349)	(6,352)	3,658	3,658	
Community Developments and Events	753	10	50	-	813	(21,985)	(483)	(22,469)	(21,223)	(21,666)	67,471	67,471	
People Culture and Safety	390	71	-	-	461	(1,904)	-	(1,904)	(1,443)	(1,443)	22	22	
Finance Operations and Risk	8,116	84,227	-	-	92,343	(15,366)	(2)	(15,368)	(76,967)	(76,965)	134,052	134,052	
Total Council	10,816	162,757	29,548	1,308	225,477	(215,783)	(12,827)	(229,390)	(23,191)	(23,913)	2,523,463	2,523,463	
Eliminations	-	5,815	753	-	6,588	(7,116)	-	(7,116)	(1,303)	(590)	(1,882)	(1,882)	
Total Consolidated	10,816	168,600	30,701	1,308	232,043	(223,079)	(12,827)	(236,206)	(24,463)	(4,453)	2,521,581	2,521,581	
Functions	Gross program income						Total income	Gross program expenses		Total expenses	Net Result from recurring operations	Net result	Total assets
Recurring		Grants		Capital		Recurring		Capital impairment					
Grants	Other	Grants	Other	Grants	Other								
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Strategy and Transformation	98	1,180	310	-	1,568	(13,523)	(55,280)	(66,803)	(12,245)	(67,215)	8,056	8,056	
Strategic Asset Performance	1,063	68,268	12,438	-	81,769	(105,616)	(32,884)	(138,500)	(36,265)	(56,711)	2,150,895	2,150,895	
Operations	1,145	21,959	32	-	23,127	(35,438)	(7)	(35,500)	(12,343)	(12,382)	60,827	60,827	
Customer Experience	516	2,304	-	-	2,820	(9,915)	(4)	(9,917)	(7,063)	(7,097)	3,468	3,468	
Community Developments and Events	800	583	126	-	1,509	(17,101)	(183)	(17,284)	(15,709)	(15,784)	68,443	68,443	
People Culture and Safety	276	10	-	-	286	(2,788)	-	(2,788)	(2,502)	(2,502)	25	25	
Finance Operations and Risk	8,002	85,232	-	-	93,234	(8,433)	-	(8,432)	(84,802)	(84,802)	183,556	183,556	
Total Council	11,928	179,927	12,808	-	204,363	(192,811)	(68,422)	(261,233)	(1,355)	(16,869)	2,494,222	2,494,222	
Eliminations	-	7,927	-	-	7,927	(8,902)	54,129	45,528	(1,375)	55,054	(500)	(500)	
Total Consolidated	11,928	187,854	12,808	-	212,290	(201,713)	(33,993)	(215,704)	(2,730)	(23,815)	2,489,692	2,489,692	

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 3: Revenue

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

(a) Rates, levies and charges

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

General rates	89,386	88,172	89,477	88,266
Water	16,016	16,067	16,016	16,067
Water consumption, rental and sundries	20,015	17,873	20,015	17,873
Sewerage	31,930	31,804	31,930	31,804
Waste management	9,722	9,752	9,722	9,752
Total rates and utility charge revenue	167,069	163,768	167,160	163,862
Less: discounts	(12,426)	(12,346)	(12,426)	(12,346)
Less: concessions and pensioner remissions	(902)	(848)	(902)	(848)
Less: concealed water concessions	(70)	(140)	(70)	(140)
Less: COVID-19 concessions	(638)	-	(638)	-
TOTAL RATES, LEVIES AND CHARGES	153,033	150,434	153,124	150,518

(b) Fees and charges

Revenue arising from fees and charges is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods/ services being provided. The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

Airport fees and charges include runway and terminal charges. Aeronautical revenue is charged on the basis of number of arriving and departing airline passengers and maximum take-off weight of landing scheduled and chartered airline aircraft at Gladstone Airport. General aviation is charged based on the maximum take-off weight of aircraft on landings only. Recovery of the cost of Government mandated security measures in respect of passenger and baggage screening, is also included in aeronautical revenue.

Revenue from infringements is recognised on issue of infringement notice after applying the expected credit loss model relating to impairment of receivables for initial recognition of statutory receivables.

Building and development fees	1,993	1,368	1,994	1,368
Infringements	313	264	313	264
Licences and registrations	896	624	896	624
Airport fees and charges	4,861	6,798	-	-
Waste management fees - tipping fees	11,799	10,963	11,799	10,963
Other fees and charges	1,668	1,436	1,668	1,436
TOTAL FEES AND CHARGES	21,520	21,451	18,660	14,653

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 3: Revenue (continued)

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

(c) Sales revenue

Council generates sales revenue from a number of services including contracts with the Queensland State Government for road and earthworks, and operation of Council owned facilities. Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for the use of equipment and employees. Contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. Where consideration is received for the service in advance it is included in contract liabilities and is recognised as revenue in the period when the service is performed.

Sales of goods is recognised when the significant risks and rewards of ownership are transferred to the buyer, generally when the customer has taken undisputed delivery of the goods.

Contract and recoverable works	6,394	6,417	6,433	6,470
Other sale of goods	532	371	532	371
TOTAL SALES REVENUE	6,916	6,788	6,965	6,841

(d) Grants, subsidies, contributions and donations

Cash contributions

Developers pay infrastructure charges for trunk infrastructure, such as pumping stations, treatment works, mains, sewers, water and parks. These infrastructure charges are recognised as income when received as there is no performance obligation associated with them.

Non-cash contributions

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when the development becomes "on maintenance" (i.e. Council obtains control of the assets and becomes liable for any ongoing maintenance) and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value in excess of the recognition thresholds, are recognised as non-current assets. Those below the thresholds are recorded as expenses. All non-cash contributions are recognised at the fair value of the contribution received on the date of acquisition.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 3: Revenue (continued)

(d) Grants, subsidies, contributions and donations (continued)

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, revenue is recognised when control of each performance obligations is satisfied. The performance obligations are varied based on the agreement: such as hosting events, the provision of contracted services and other milestones as specified. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either costs or time incurred.

Grant income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, related liability (or equity items) are recorded and income then is recognised for any remaining asset value at the time that the asset is received.

Capital grants

Where council receive funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
(i) Recurrent				
General purpose grants	8,116	8,002	8,116	8,002
State government subsidies and grants	2,284	2,487	2,284	2,487
Commonwealth government subsidies and grants	372	1,439	372	1,439
Donations	13	-	13	-
Contributions	1	-	1	-
Non-government subsidies and grants	30	1	30	1
TOTAL RECURRENT GRANTS, SUBSIDIES, CONTRIBUTIONS AND DONATIONS	10,816	11,929	10,816	11,929

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 3: Revenue (continued)

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

(d) Grants, subsidies, contributions and donations (continued)

(ii) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

A discount of 50% was applied to contributions that met the conditions of Council's Infrastructure Charges Rebate Scheme. The scheme was introduced in November 2019 to provide a rebate on levied charges for developments proposing a material change of use (other than those defined in the policy) which deliver economic development and growth outcomes that align with Council's Economic Development and Planning Scheme.

State government subsidies and grants	13,267	4,414	13,267	4,414
Commonwealth government subsidies and grants	8,631	1,546	7,878	1,546
Developer contributions	360	377	360	377
Donated assets at fair value	5,215	5,592	5,215	5,592
Other contributions	3,234	993	3,234	993
	<u>30,707</u>	<u>12,921</u>	<u>29,954</u>	<u>12,921</u>
Less: discount allowed developer contributions	(6)	(13)	(6)	(13)
TOTAL CAPITAL GRANTS, SUBSIDIES, CONTRIBUTIONS AND DONATIONS	<u>30,701</u>	<u>12,908</u>	<u>29,948</u>	<u>12,908</u>

	2021		2020	
	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
	\$'000	\$'000	\$'000	\$'000

(iii) Timing of revenue recognition for grants, subsidies, contributions and donations

Consolidated

Grants, subsidies, contributions & donations	23,187	18,330	19,330	5,507
	<u>23,187</u>	<u>18,330</u>	<u>19,330</u>	<u>5,507</u>

Council

Grants, subsidies, contributions & donations	23,187	17,577	19,330	5,507
	<u>23,187</u>	<u>17,577</u>	<u>19,330</u>	<u>5,507</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 4. Interest and other income

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

(a) Other income

All other revenue is recognised upon receipt, unless alternative treatment is specifically required under Australian Accounting Standards.

Entertainment Convention Centre income	577	622	583	623
Commissions	209	208	209	208
Income tax equivalent - state government entity	2,031	2,223	2,031	2,223
Income tax equivalent - controlled entity	-	-	198	508
Other	762	805	554	625
TOTAL OTHER INCOME	3,579	3,858	3,573	4,185

(b) Interest received

Interest received from bank and term deposits is accrued over the term of the investment.

Other interest and investment revenue includes amounts earned from the Special Charge Agreement with the Gladstone City Plaza Body Corporate. Repayments are made annually via a special charge, generated through rates. The agreement sets out a repayment schedule over 10 years, concluding in the 2031-32 financial year. Interest on the outstanding balance is accrued at the end of each financial year and included in the special charge.

Interest received from investments	945	2,417	751	2,189
Interest from overdue rates and utility charges	939	600	939	600
Other interest and investment revenue	74	-	74	-
TOTAL INTEREST RECEIVED	1,958	3,017	1,764	2,789

Note 5. Capital income

	Notes	Consolidated		Council	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

(a) Revaluations

Revaluation increment relating to investment property	15	1,926	-	1,926	-
TOTAL CAPITAL INCOME		1,926	-	1,926	-

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 6. Employee benefits

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Employee benefit expenses are recorded when the service has been provided by the employee.				
Wages and salaries	58,072	53,095	54,430	51,541
Councillors remuneration	1,048	988	1,048	988
Termination benefits	415	249	415	249
Superannuation	7,025	8,558	6,850	8,400
Employee leave entitlements	8,076	7,554	9,103	7,527
	<u>73,636</u>	<u>68,444</u>	<u>71,846</u>	<u>66,705</u>
Other employee related expenses	448	367	363	310
	<u>74,084</u>	<u>68,811</u>	<u>72,209</u>	<u>67,015</u>
Less: capitalised employee expenses	(1,836)	(2,798)	(1,836)	(2,798)
TOTAL EMPLOYEE BENEFITS	<u>72,248</u>	<u>66,013</u>	<u>70,373</u>	<u>64,217</u>

In response to COVID-19, Council staff were able to access up to 20 days of special, non vesting leave upon the satisfaction of criteria set out in a CEO emergency directive effective from 18 March 2020 to 10 July 2020.

Essential operations staff were placed on standby at times to allow Council the continued ability to respond to emergency situations.

The total cost attributable to these situations was \$5,885 (\$719,704 in 2019-20) and is reflected within total staff wages and salaries above.

Councillor remuneration represents salary, and other allowances paid in respect of carrying out their duties.

Full time equivalent employees and elected members at the reporting date:

Elected members	9	9	9	9
Office of the CEO	5	4	5	4
Community Developments and Events	93	94	93	94
Customer Experience	55	89	55	89
Finance Governance and Risk	44	45	44	45
Operations	333	321	333	321
People Culture and Safety	25	26	25	26
Strategic Asset Performance	60	60	60	60
Strategy and Transformation	32	38	32	38
Controlled Entity - Airport Operations	17	15	-	-
Controlled Entity Board members	6	6	-	-
Total full time equivalent employees and elected members	<u>709</u>	<u>705</u>	<u>686</u>	<u>684</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 7. Materials and services

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Expenses are recorded on an accruals basis as Council receives the goods or services.				
Audit of annual financial statements by the Auditor-General of Queensland	275	225	216	145
Consultants	5,361	6,153	5,203	5,948
Contractors	21,971	21,844	20,980	20,888
Donations and sponsorships	2,722	3,125	2,722	3,125
Equipment expenses	3,606	3,171	3,510	3,022
Fuel	1,450	1,861	1,441	1,952
Insurance	2,522	2,394	2,300	2,202
Motor vehicle expenses	2,118	1,838	2,091	1,812
Property expenses	3,451	3,228	3,348	3,074
Software expenses	2,795	2,067	2,775	1,994
Staff and councillor associated expenses	1,747	2,438	1,674	2,400
Utility expenses	4,467	4,655	4,213	4,355
Waste disposal and tipping fees	8,644	7,400	8,813	7,347
Water purchases	21,858	18,143	21,858	18,143
Other materials and services	4,770	6,505	4,628	6,348
TOTAL MATERIALS AND SERVICES	87,857	85,146	85,770	82,555

Council's total audit fees quoted by the Queensland Audit Office relating to the 2020-21 financial statements are \$157,200 (\$156,000 in 2019-20). Total consolidated audit fees quoted by the Queensland Audit Office are \$236,200 for 2020-21 (\$184,000 in 2019-20).

Note 8. Finance costs

Finance costs charged by the Queensland Treasury Corporation	6,120	6,717	4,077	4,674
Early repayment adjustments charged by the Queensland Treasury Corporation	17,011	-	17,011	-
Bank charges	239	233	215	203
Impairment of receivables	55	(32)	(10)	(34)
Interest on leases	38	43	32	34
Unwinding of discount on provisions	4	25	4	25
Fair value adjustment	352	54	352	54
TOTAL FINANCE COSTS	23,819	7,040	21,681	4,958

On 29 June 2021 all loans held with QTC were refinanced resulting in an early repayment adjustment of \$17,011,040. Additional details are provided in note 20.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 9. Capital expenses and impairment

	Consolidated		Council	
	2021	2020	2021	2020
Notes	\$'000	\$'000	\$'000	\$'000
(a) Loss on disposal of non-current assets				
Proceeds from the disposal of property, plant and equipment	1,388	188	1,388	188
Less: carrying value of disposed property, plant and equipment	(13,866)	(33,034)	(13,866)	(33,034)
Loss on disposal of non-current assets	12,578	32,846	12,578	32,846
(b) Loss on impairment				
Impairment of property, plant and equipment:				
Plant and equipment	-	787	-	-
Impairment of investment in controlled entity:				
Gladstone Airport Corporation	-	-	-	55,198
	-	787	-	55,198
Impairment (gain)/losses recognised in the Statements of Comprehensive Income	-	787	-	55,198

Physical assets, intangibles and other financial assets including investment in controlled entities are assessed individually and grouped as appropriate for indicators of impairment on an annual basis. If an indicator of possible impairment exists, Council determines the asset's recoverable amount as the higher of fair value less costs to dispose or value in use. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

An impairment loss is recognised as an expense in the Statements of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as an asset revaluation surplus increase.

For the year ended 30 June 2021, indicators of impairment were observed for Council's investment in the Gladstone Airport Corporation (GAC) as a controlled entity. Actual results for passenger numbers and associated revenue for the 2020-21 financial year did not align with amounts previously forecast by GAC. As a result, a review of the recoverable amount of the airport cash-generating unit (CGU) was undertaken as at 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 9. Capital expenses and impairment (continued)

Notes	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

The value-in-use of the airport CGU was determined to be within the range of \$35,535,000 and \$46,813,000. Council has elected to apply the mid-point of this range, and adjusted for cash and cash equivalents, borrowings and other financial liabilities to arrive at an implied equity value of \$19,890,000.

Sensitivity analysis was undertaken over the following assumptions within the valuation:

- Discount rate
- Passenger growth rate
- COVID-19 recovery into 2022
- Forecast capital expenditure
- Receipt of significant capital funding in 2030

It was determined that any reasonable change in these assumptions was unlikely to lead to further impairment.

As the parent entity, Council assessed the recoverable amount of the airport CGU to include surplus cash, and therefore compared the recoverable value to Council of \$53,461,000 to the carrying amount of the CGU (inclusive of both the investment and loan receivable) to determine that there are no impairment losses in the 2020-21 year.

Council did not impair any other assets.

Consolidated

GAC has recorded impairment losses of \$1,662,535 relating to roads, taxiways, aprons and infrastructure assets. As these assets are held at fair value at the consolidated level, this movement has been applied against the roads revaluation reserve, and reflected in other comprehensive income in the Statements of Comprehensive Income.

(c) Revaluation decrement

Revaluation decrement of investment property	-	332	-	332
	-	332	-	332

(d) Other capital expenses

Loss on write-off of assets	49	48	49	48
	49	48	49	48

TOTAL CAPITAL EXPENSES AND IMPAIRMENT

	12,827	33,993	12,627	88,422
--	--------	--------	--------	--------

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 10. Cash, cash equivalents and financial assets

	Consolidated		Council	
	2021	2020	2021	2020
Notes	\$'000	\$'000	\$'000	\$'000

Cash and cash equivalents in the Statements of Cash Flows include cash on hand, all cash and cheques received but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash, deposits at call, and term deposits are held at a variety of Australian Banks and Credit Unions and the Queensland Treasury Corporation (QTC) with credit ratings ranging from AAA to A. All Gladstone Airport Corporation investments are held in the QTC cash management account bearing variable interest rates.

Deposits with the QTC Cash Fund are capital guaranteed.

Cash and cash equivalents

Cash at bank and on hand	1,444	5,708	533	4,814
Deposits at call	82,246	87,941	70,570	74,622
Term deposits	-	20,191	-	20,191
BALANCE PER STATEMENTS OF CASH FLOWS	83,890	113,840	71,403	99,627

Restricted and internally allocated cash and cash equivalents

Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	7,447	6,600	7,447	6,600
Total externally imposed restrictions on cash assets	7,447	6,600	7,447	6,600

(ii) Internal allocations of cash at the reporting date:

Internal allocations of cash may be lifted by a Council with a resolution.

Reserves	84,964	94,047	84,964	94,047
Total internally allocated cash	84,964	94,047	84,964	94,047
Total unspent restricted cash	92,411	100,647	92,411	100,647

Council regularly monitors future cash forecasts and expects to meet its debts as and when due. Rates levied in July 2021 are due and payable to Council in October 2021.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 10. Cash, cash equivalents and financial assets (continued)

	Consolidated		Council	
	2021	2020	2021	2020
Notes	\$'000	\$'000	\$'000	\$'000

Trust funds

In accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust account include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies. Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities

	462	486	462	486
Security deposits	3,367	3,299	3,367	3,299
	<u>3,829</u>	<u>3,785</u>	<u>3,829</u>	<u>3,785</u>

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 11. Receivables

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

Receivables, loans and advances are amounts owed to Council at year end. They are recognised at the amount due at the time of sale or service delivery or advance. Settlement of receivables is required within 30 days after the invoice is issued.

Debts are regularly assessed for collectability and allowance is made, where appropriate, for impairment. All known bad debts were written-off at 30 June. If an amount is recovered in a subsequent period it is recognised as revenue.

Because Council is empowered under the provisions of the *Local Government Act 2009* to sell an owner's property to recover outstanding rate debts, Council does not impair rate receivables.

Interest is charged on outstanding rates (8.33% per annum from 1 July 2020, previously 9.53% per annum). No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtors receivable.

Accrued revenues (current and non-current) include amounts relating to the Special Charge Agreement with the Gladstone City Plaza Body Corporate. These amounts will be paid over a 10 year period, with repayments commencing in the 2021-22 year. See note 4 for additional details.

Current

Rateable revenue and utility charges	7,892	11,942	7,682	11,942
Other debtors	5,255	2,863	4,042	2,157
Accrued revenues				
- Interest on investments	74	129	74	129
- Other income accruals	1,892	1,124	1,775	1,098
Gladstone Airport Corporation	-	-	(1)	55
Total	14,913	15,858	13,582	15,381
Less: Provision for impairment				
Other debtors	(155)	(132)	(105)	(118)
Total provision for impairment - receivables	(155)	(132)	(105)	(118)
TOTAL CURRENT RECEIVABLES	14,728	15,726	13,477	15,265

Non-current

Shareholder loan - Gladstone Airport Corporation	-	-	33,718	33,718
Accrued revenues				
- Other income accruals	1,485	-	1,485	-
Total	1,485	-	35,201	33,718
TOTAL NON-CURRENT RECEIVABLES	1,485	-	35,201	33,718

Shareholder loan

On 1 July 2012 Gladstone Airport Corporation came into existence under the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010 (repealed)*. The Statement of Corporate Intent outlines the acknowledgement of debt which Council currently holds as a QTC liability and controlled entity receivable.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 11. Receivables (continued)

The loan is secured by a fixed and floating charge over the Gladstone Airport Corporation's assets and undertakings.

For the purposes of completing the maturity analysis, the principal component of these loans has been included in the more than five year time band.

A competitive neutrality margin of 0.58% on the outstanding loan balance is also payable by the Gladstone Airport Corporation to Council, in accordance with the requirements of the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010 (repealed)*.

Loans to the Gladstone Airport Corporation are at a fixed rate with an interest rate of 6.06%, together with an administration fee of 0.1% per annum. The facility is an amortising loan with full repayment of principle due upon expiry of the agreement on 30 June 2030.

When determining whether to apply impairment against the Gladstone Airport Corporation (refer to Note 9 for additional detail) Council has assessed the recoverability of the loan receivable. Through cashflow modelling, Council concluded that the credit risk associated with this loan had not significantly increased since initial recognition, and therefore would only need to be impaired to the extent of 12 months' worth of expected credit losses. The cash reserves held by the Gladstone Airport Corporation are adequate to service 12 months of repayments and therefore, no impairment has been recognised against the loan.

Receivables credit risk

In the case of rate receivables, Council has the power to sell the property to recover any defaulted amounts and therefore generally for rates debtors the credit risk is low.

In other cases, Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

By the nature of Council's operations, there is a geographical concentration of risk in Council's area. Because the area is largely commercial, there is also a concentration in the commercial sector.

Expected credit loss assessment

Council considers a variety of factors when measuring the expected credit losses of trade receivables from individual customers. These factors include amount, ageing, the existence of a contract, the existence of an approved payment plan and the historical repayment activity of the customer. Following these assessments, Council reached the conclusion that forward looking conditions indicated no foreseeable expected deviations from historically calculated rates of default; thus no forward looking adjustments were made.

Council does not require collateral in respect of trade and other receivables.

Refer also to Note 28 for further information about credit risk.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 12. Inventories

Stores and raw materials held for resale are valued at the lower of cost and net realisable value and include, where applicable, direct material, direct labour and an appropriate portion of variable and fixed overheads. Costs are assigned on the basis of weighted average cost.

Inventories held for distribution are:

- goods to be supplied at no or nominal, charge, and
- goods to be used for the provision of services at no or nominal, charge.

These goods are valued at cost, adjusted, when applicable, for any loss of service potential.

Land acquired by Council with the intention of reselling it (with or without further development) is classified as inventory. This land is valued at the lower of cost or net realisable value. As an inventory item, this land held for resale is treated as a current asset. Proceeds from the sale of this land will be recognised as sales revenue on the signing of a valid unconditional contract of sale.

Write down of inventories to net realisable value amounted to \$601,190, including the following items:

- Inventory held for sale \$458,205. New cemetery crypts constructed during the year were subsequently written down to net realisable value.
- Quarry and road materials \$79,635. Materials were adjusted to the weighted average of cost as at 30 June 2021.
- Land purchased for development and sale \$63,351. This land was written down to net realisable value based on the comprehensive revaluation undertaken as at 30 June 2021 by APV Valuers and Asset Management.

Write downs of inventory were recognised as an expense and included in materials and services in the Statements of Comprehensive Income.

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current inventories				
(a) Inventories held for sale				
Inventories held for sale	147	61	147	61
	<u>147</u>	<u>61</u>	<u>147</u>	<u>61</u>
(b) Inventories held for distribution				
Quarry and road materials	1,849	2,128	1,849	2,128
Plant and equipment stores	747	772	747	772
	<u>2,596</u>	<u>2,900</u>	<u>2,596</u>	<u>2,900</u>
(c) Land purchased for development and sale				
	192	255	192	255
TOTAL CURRENT INVENTORIES	<u>2,935</u>	<u>3,216</u>	<u>2,935</u>	<u>3,216</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 13. Other assets

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Water charges not yet levied	10,215	8,565	10,215	8,565
GST recoverable	2,014	1,809	2,087	1,814
Prepayments	1,634	2,484	1,404	2,297
TOTAL CURRENT OTHER ASSETS	13,863	12,858	13,706	12,676

Note 14. Interests in other entities

Gladstone Airport Corporation				
Investment at cost	-	-	71,854	71,854
Less: accumulated impairment	-	-	(55,196)	(55,196)
TOTAL OF INTERESTS IN OTHER ENTITIES	-	-	16,658	16,658

Gladstone Airport Corporation is a Local Government owned Corporation wholly owned by Gladstone Regional Council.

Gladstone Airport Corporation became a corporatised entity on 1 July 2012 in the state of Queensland under the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010 (repealed)* to administer the for-profit airport activities.

Council's consolidated financial statements incorporate the assets, liabilities and result of the Gladstone Airport Corporation in accordance with AASB 10 *Consolidated Financial Statements* and the accounting policy described in note 1(b).

Council's investment in the controlled entity, Gladstone Airport Corporation, is accounted for at cost in Council's separate financial statements as fair value cannot be reliably measured. This investment is eliminated in the financial statements of the economic entity upon consolidation.

No impairment has been recognised against the investment in the 2020-21 year. The carrying amount of the Gladstone Airport Corporation cash-generating unit exceeded the recoverable amount as determined by a value in use valuation as at 30 June 2021. Additional information regarding the valuation is provided in note 9.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 15. Investment property

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

Investment property is property held for the primary purpose of earning rentals and/or capital appreciation. This includes land held by Council for a currently undetermined future use. Investment property does not include community housing or other property held to provide a social service.

Investment property is initially recognised at cost (including transaction costs) and subsequently at fair value. Where investment property is acquired for significantly below fair value it is recorded at fair value on initial recognition. All investment property owned by Council has been subsequently revalued at the balance date. Gains or losses arising from changes in the fair value of investment property are included in the Statements of Comprehensive Income in the period in which they arise. Investment property is not depreciated and is not tested for impairment.

Fair value at beginning of financial year	3,002	3,334	3,002	3,334
Revaluation adjustment to the income account	1,926	(332)	1,926	(332)
TOTAL INVESTMENT PROPERTY	4,928	3,002	4,928	3,002

Investment property comprises commercial properties which are rented out. The income derived from these properties is shown at note 18.

These properties were valued at fair value by APV Valuers and Asset Management, an independent professionally qualified valuation firm, with a comprehensive revaluation effective as at 30 June 2021. Fair value was determined by reference to market based evidence including observable historical sales data in the relevant market for properties of similar nature and specification.

A revaluation increment has been recorded for the investment property asset sub class as at 30 June 2021.

At reporting date there was no property being constructed or developed for future use as investment property.

No contingent rentals were recognised during the current or prior reporting periods.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Note 16: Property, plant and equipment

Measurement Unit	2021		2020		Net book value at start of year	Additions	Disposals	Transfers	Revaluations	Depreciation	Impairment	Total
	\$'000	% of Gross	\$'000	% of Gross								
Measurement Unit	\$'000	% of Gross	\$'000	% of Gross								
Opening gross balance	123,440		123,440		123,440							123,440
Additions - new	170,582		170,582		170,582							344,022
Additions - other	8,174		8,174		8,174							352,196
Increases to landfill provisions	(5,441)		(5,441)		(5,441)							346,755
Contributed assets												346,755
Disposals	(13,406)		(13,406)		(13,406)							333,349
Write-offs	239		239		239							333,588
Revaluation increments to equity (APRS)	283		283		283							333,871
Revaluation increments to equity (AASB)	283		283		283							334,154
Work in progress transfers	3,425		3,425		3,425							337,579
Inventory transfers												337,579
Adjustments and other transfers*												337,579
Total consolidated gross value of property, plant and equipment	119,388		119,418		119,418							337,579
Opening accumulated depreciation	2,572		2,572		2,572							340,151
Contributed assets	312		312		312							340,463
Depreciation expense	1,847		1,847		1,847							342,310
Disposals	(3,296)		(3,296)		(3,296)							339,014
Write-offs	(52)		(52)		(52)							338,962
Revaluation increments to equity (APRS)	938		938		938							339,900
Revaluation increments to equity (AASB)	938		938		938							340,838
Adjustments and other transfers*	3,712		3,712		3,712							344,550
Total consolidated accumulated depreciation of property, plant and equipment	3,712		3,712		3,712							348,262
Total consolidated net book value of property, plant and equipment	115,676		115,706		115,706							340,288
Other information												
Recognition threshold	>\$1		>\$5,000		>\$50,000							
Range of estimated useful life (years)			10-185		2-52		7-16		10-100		15-50	10-100, not operational

*Consolidation adjustments between gross value and accumulated depreciation and impairment

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Note 16: Property, plant and equipment (continued)

	Land and improvements		Buildings		Plant and equipment		Major plant (pre-2015)		Capital assets		Leasehold intangible assets		Investments and other intangibles		Intangible assets		Goodwill		Total	
	\$'000	Fair value	\$'000	Fair value	\$'000	Cost	\$'000	Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Fair value	\$'000	Cost		\$'000
Measurement level																				
Opening gross balance	123,882	175,809	46,024	6,040	6,040	11	1,705	27,640	1,573,025	482,654	286,734	61,629	2,797,108							
Contributions to opening balances	-	-	(40)	40	40	-	-	-	(25)	-	-	-	19,432							(20)
Additions - renewal	-	85	3,320	540	540	6	6	-	-	-	-	-	25,030							16,437
Additions - other	-	-	1,659	-	-	-	-	-	-	-	-	-	34							27,569
Disposals	(20)	(20)	(1,072)	(818)	(818)	-	(2)	75	4,206	573	2,46	(643)	3,982							(93,870)
Write-offs	-	-	-	-	-	-	-	-	(4)	(4)	-	-	-							(871)
Revaluation increments to equity (A/R5)	-	-	-	-	-	-	-	-	11	11	847	-	-							181,049
Reversal of prior period reval. increments to P/L	-	-	-	-	-	-	-	-	-	-	-	-	-							29
Revaluation increments to equity (A/R5)	(44)	-	-	(100)	(100)	-	(370)	2,066	30,112	3,421	2,845	(201,920)	(68)							(968)
Write-in progress transfers	(44)	-	-	-	-	-	(370)	2,066	30,112	3,421	2,845	(201,920)	(68)							(968)
Total consolidated gross value of property, plant and equipment	123,446	175,895	50,015	5,915	5,915	1,469	39,796	1,700,208	484,010	288,064	79,867	2,944,383	-							2,944,383
Opening accumulated depreciation	-	-	20,853	1,869	1,869	70	6,616	489,395	1,077,764	72,676	-	-	708,124							39
Correction to opening balances	-	-	27	12	12	-	-	-	-	-	-	-	48,383							(22,273)
Depreciation expense	(527)	4,523	2,075	403	403	-	704	26,377	5,481	3,707	(2,024)	17,924	(1,394)							(875)
Disposals	-	(135)	(840)	-	-	-	-	(17,524)	(1,394)	(2,024)	-	-	45,029							(1,000,000)
Write-offs	-	-	(573)	-	-	-	-	-	-	-	-	-	-							(468)
Impairment loss (recognised in P/L)	-	-	767	-	-	-	-	340	30,540	-	-	-	-							-
Revaluation increments to equity (A/R5)	-	-	-	-	-	-	-	(54)	(100,911)	-	-	-	-							-
Revaluation increments to equity (A/R5)	-	-	-	-	-	-	-	70	-	-	-	-	-							-
Adjustments and other transfers	2,972	35,737	20,232	1,892	1,892	(70)	6,678	348,486	111,809	79,658	-	-	613,283							613,283
Total consolidated accumulated depreciation and impairment property, plant and equipment	120,874	195,866	21,793	3,193	3,193	1,469	36,078	1,397,722	372,328	214,206	79,867	2,331,102	-							2,331,102
Other information																				
Reconciliation to total	41	\$10,000	\$5,000	\$5,000	\$5,000	Netbook	\$10,000	Netbook	Netbook	Netbook	Netbook	Netbook	Netbook							5,000
Range of estimated useful life (years)		6-150	3-52	7-9	7-9	Netbook	5-150	5-100	10-200	5-200	Netbook	Netbook	Netbook							5-200

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Note 16: Property, plant and equipment (continued)

	Land and improvements		Machinery and equipment		Plant and equipment		Major plant and equipment		Cultural assets		Furniture and other fixtures		Leasehold and freehold improvements		Tradeable intangible		Work in progress		Total
	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	\$'000	Par value	
Measurement basis																			
Opening gross balance	116,001	548,349	46,610	6,916	-	-	1,461	38,558	7,428,651	484,010	288,064	77,454	2,830,816	31,011	30,011	-	31,011	30,011	-
Additions - renewals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,222	40,230	8,174
Additions - other	6,174	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,483
Transfers to landfill providers	(844)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,836)
Contributed assets	(13,410)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,410)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(367)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,932)
Revaluation increments to equity (A/R)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	362,053
Revaluation increments to equity (A/R)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(34,866)
Write-in progress transfers	263	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,362)
Inventory transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,606
Total gross value of property, plant and equipment	111,866	553,878	48,611	8,745	1,461	1,516	1,461	47,703	7,687,334	719,794	377,894	105,896	3,235,622	31,011	30,011	-	31,011	30,011	-
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	2,670	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,247
Depreciation expense	302	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,870
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(11,681)
Write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(48)
Revaluation increments to equity (A/R)	850	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	316,891
Total accumulated depreciation and impairment provision, plant and equipment	3,713	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	862,770
Total net book value of property, plant and equipment	108,084	522,833	33,128	7,074	1,461	1,516	1,461	36,478	7,366,465	350,091	277,454	105,896	2,392,052	31,011	30,011	-	31,011	30,011	-
Other information:																			
Recognition threshold	\$81	>\$10,000	>\$5,000	>\$30,000	Netbooked	>\$10,000	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked	Netbooked
Range of estimated useful life (years)		10-195	3-52	7-16 (net assets)	50-100	10-1000	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100	10-100

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

	Land and improvements		Buildings		Plant and equipment		Major plant and equipment		Capital assets		Prep. but not yet started projects		Plant and equipment disposals		Value in progress		Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Measurement basis	Cost	Revalued	Cost	Revalued	Cost	Revalued	Cost	Revalued	Cost	Revalued	Cost	Revalued	Cost	Revalued	Cost	Revalued	
Opening gross balance	116,627	147,562	43,707	40	6,040	1,080	3,356	459,620	1,077,584	72,070	61,346	2,631,381	19,401	23,174	16,816	23,244	2,631,381
Additions - revalued	-	65	2,320	540	-	403	62	26,802	5,481	3,707	-	-	-	-	-	-	19,401
Additions - other	-	-	1,801	-	-	-	-	-	(17,924)	(1,364)	-	-	-	-	-	-	23,244
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0,592
Disposals	(24)	(245)	(1,012)	-	-	-	-	(46,134)	(2,672)	(2,086)	(645)	(93,871)	(621)	(621)	(645)	(93,871)	(93,871)
Write-offs	-	-	(816)	-	-	(488)	-	(6,933)	-	-	-	-	-	-	-	-	(8,435)
Revaluation decrements to equity (ARS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of prior period reval. decrements to P/L	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments to equity (ARS)	20	-	-	-	(666)	-	-	-	-	-	-	-	-	-	-	-	20
Revaluation increments to equity (ARS)	(445)	1,047	272	-	-	-	2,085	30,112	3,421	2,643	(26,902)	(853)	-	-	-	-	(853)
Written progress transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total gross value of property, plant and equipment	116,603	148,349	46,610	618	6,040	1,683	3,356	1,028,036	1,084,010	73,094	71,464	2,630,815	19,401	23,244	16,816	23,244	2,630,815
Opening accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current year depreciation	3,100	17,060	23,007	4	1,080	403	62	26,802	5,481	3,707	-	-	-	-	-	-	31
Current year depreciation	(327)	1,576	2,810	-	403	-	62	(17,924)	(1,364)	(2,086)	(645)	(93,871)	(621)	(621)	(645)	(93,871)	(93,871)
Depreciation	-	-	(328)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs	-	-	(575)	-	-	(488)	-	(6,933)	-	-	-	-	-	-	-	-	(8,435)
Revaluation decrements to equity (ARS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments to equity (ARS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments and other transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total accumulated depreciation of property, plant and equipment	2,773	18,063	25,285	4	1,683	403	62	26,802	5,481	3,707	-	-	-	-	-	-	31
Total net book value of property, plant and equipment	113,830	130,286	21,325	614	4,357	1,280	3,294	1,001,234	1,078,529	69,387	71,464	2,533,914	19,401	23,244	16,816	23,244	2,533,914
Other information:																	
Revaluation by dollar	41	\$1,000	45,000	Revalued	45,000	Revalued	45,000	Revalued	Revalued	Revalued	Revalued	Revalued	Revalued	Revalued	Revalued	Revalued	Revalued
Range of estimated useful life (years)	4-1	6-150	3-52	7-6	Not specified	5-19	5-100	10-200	5-200	Not specified	5-200	Not specified	5-200	Not specified	5-200	Not specified	5-200

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(a) Recognition

The classes of property, plant and equipment recognised by Council are:

- Land and improvements
- Buildings
- Major plant and equipment
- Plant and equipment
- Cultural assets
- Park furniture and other structures
- Roads, drainage and transport infrastructure
- Water infrastructure
- Sewerage infrastructure
- Work in progress

Asset thresholds are set for each class as outlined in the property, plant and equipment tables.

Purchases of property, plant and equipment are recognised as assets unless they are below the asset recognition threshold or maintenance expenditure.

Thresholds apply to all assets on a stand alone basis except for those categorised as networked. Networked assets are generally components of a complex asset and individually are not functional.

Major plant and equipment

Council has determined that plant which has an individual cost in excess of \$350,000 is of high value to Council. Plant which meets this criteria is major plant if it is prone to a high degree of price fluctuations or in danger of becoming obsolete. The asset class primarily includes specialised earthmoving equipment.

Capital and operating expenditure

Wages and materials expenditure incurred for the acquisition of, or construction of assets are treated as capital expenditure. Routine operating maintenance, repair costs and minor renewals to maintain the operational capacity of the non-current assets are expensed as incurred, while expenditure that relates to the replacement of a major component of an asset to maintain its service potential is capitalised.

Land under roads

The Gladstone Regional Council does not control any land under roads. All land under the road network within Council area has been dedicated and opened for public use under the *Land Act 1994* or the *Land Title Act 1994* and is not controlled by Council but is controlled by the State pursuant to the relevant legislation. Therefore this land is not recognised in these financial statements.

(b) Measurement

Acquisition of assets are initially recorded at cost. Cost is determined as the fair value of consideration plus costs incidental to the acquisition. Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Non-monetary assets, including property, plant and equipment, received in the form of contributions are recognised as assets and revenues at fair value by Council where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(b) Measurement (continued)

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against asset revaluation surplus.

Capital work in progress

The cost of property, plant and equipment being constructed by Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Investment property under construction is classified as investment property. Refer to note 15 for further information.

(c) Depreciation

Land is not depreciated as it has an unlimited useful life. Depreciation on other land improvements and property, plant and equipment is calculated on a straight-line basis so as to write-off the net cost or revalued amount of each depreciable asset, less its estimated residual value, progressively over its estimated useful life to Council.

During the comprehensive revaluation of water and sewerage assets, JLL Public Sector Valuations Pty Ltd (JLL) have identified that certain asset categories were assigned higher than expected useful life values in the last comprehensive valuation conducted in 2015-16. This is a result of having certain asset categories with short-life and long-life components (long-life component assigned a higher useful life) coupled with a pattern of depreciation based on condition scoring and consumption of remaining service potential.

Valuation analysis undertaken by JLL show that the chronological age of long-life asset components particularly within the Collection System asset sub-category (predominantly consisting of sewerage pipes and pits) have not been accurately reflecting the age of the (long life component) of the asset.

JLL have recalibrated the short/ long life components of assets to more accurately reflect the pattern of consumption for these assets out in the field. JLL have also assigned appropriate condition scoring to more accurately reflect the current condition of these assets therefore further impacting depreciation.

Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets. Reverting to a straight-line profile will impact future annual depreciation expense. It is also a key factor in the valuations overall impact to fair value/ written down value for water and sewerage assets.

Annual depreciation expense for buildings and parks, furniture and other structures (PFOS) is due to increase from 2021-22, due to a change in the depreciation methodology. Council is moving away from previously adopted varied consumption scoring methodology (since 2015-16), to a straight-line approach in accordance with Council policy.

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(c) Depreciation (continued)

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to Council.

Major spares purchased specifically for particular assets that are above the asset recognition threshold are capitalised and depreciated on the same basis as the asset to which they relate.

The depreciable amount of improvements to or on leasehold land is allocated progressively over the estimated useful lives of the improvements to Council or the unexpired period of the lease, whichever is the shorter.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment assets are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the annual valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date.

(d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(e) Valuation

Land and improvements, buildings, major plant and equipment and all infrastructure assets are measured on the revaluation basis, at fair value, in accordance with *AASB 116 Property, Plant and Equipment* and *AASB 13 Fair Value Measurement*. All other non-current assets, principally plant and equipment are measured at cost.

Non-current physical assets measured at fair value are revalued where required so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by comprehensively revaluing these assets at least once every five years with interim valuations, using a suitable index, being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(e) Valuation (continued)

Valuation Processes

Council does not measure any liabilities at fair value on a recurring basis.

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If all significant inputs required to fair value an asset are observable, the asset is included in level 2. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3. Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

Valuation techniques used to derive level 2 and level 3 fair values

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date/ valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other revaluation adjustment
Buildings-FV Input (2 & 3)	Combination of Market and current replacement cost approach	APV 30/06/2021	<ul style="list-style-type: none"> * The relevant inputs were able to be observed from current market evidence. The residential properties fair value has been derived from sales prices of comparable properties after adjusting for differences in key attributes such as property size * Market rental yields and estimates of future demand. Both were based on an analysis of current market rental data but did require the exercise of professional judgement by the valuers * Replacement Cost (based on actual dimensions and unit rates derived from market evidence) * Residual Value (based on estimated proceeds from disposal at the end of the useful life - typically assessed as nil) * Split between short-life and long-life part (based on consideration of likely future asset management treatments) * Valuation Profile (based on how market participants perceive the relationship between asset condition, cost to renew the asset and the associated value) * Consumption score (based on physical characteristics as well as potential impact of changes) * Change in depreciation methodology to straight line 	N/A	N/A

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(e) Valuation (continued)

Valuation techniques used to derive level 2 and level 3 fair values (continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date/ valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other revaluation adjustment
Land- FV inputs (2)	Market Approach	APV 30/06/2021	<ul style="list-style-type: none"> * Except in the circumstance of any assets being held for sale (valued in accordance with AASB 5 Assets Held for Sale) or in accordance with specific accounting standards (such as Investment Properties) the balance of the portfolios valued in accordance with AASB 116 Property, Plant and Equipment at Fair Value. * Depending upon the unique circumstances of each lot, land has been valued using the two approaches as per below: <ul style="list-style-type: none"> - Replacement Cost - Market Value 	N/A	N/A
Parks Furniture & Other Structures (PFOS) FV inputs (3)	Current Replacement cost approach	APV 30/06/2021	<ul style="list-style-type: none"> * Replacement Cost (based on actual dimensions and unit rates derived from market evidence) * Residual Value (based on estimated proceeds from disposal at the end of the useful life – typically assessed as nil) * Split between short-life and long-life part (based on consideration of likely future asset management treatments) * Valuation Profile (based on how market participants perceive the relationship between asset condition, cost to renew the asset and the associated value) * Consumption score (based on physical characteristics as well as potential impact of changes in functionality, capacity, obsolescence and legal and other limits) * Dates of acquisition and decommissioning used where applicable * Change in depreciation methodology to straight line 	N/A	N/A

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 16. Property, plant and equipment (continued)

(e) Valuation (continued)

Valuation techniques used to derive level 2 and level 3 fair values (continued)

Asset class and fair value hierarchy	Valuation approach	Last comprehensive valuation date/ valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised this year)	Other revaluation / adjustment
Water- FV inputs (3)	Current Replacement cost approach	JLL 30/06/2021	<ul style="list-style-type: none"> Modern equivalent asset (based on current constructions standards and practices) Replacement Cost (based on unit rates derived from first principles cost build-ups) Unit of Account/Segmentation (level of componentisation of assets into electrical, mechanical and structural elements). Dates of acquisition, upgrade and/or decommissioning. Level of utilisation of assets and condition score. Total economic useful life and remaining useful life estimates. Consumption method determined on a straight-line basis. 	N/A	Previously unrecognised assets including Water Hydrants, Water Mains & Water Nodes- Current Replacement Cost circa- \$7.5M was brought to account as part of the valuation
Beverage -FV inputs (3)	Current Replacement cost approach	JLL 30/06/2021	<ul style="list-style-type: none"> Modern equivalent asset (based on current constructions standards and practices) Replacement Cost (based on unit rates derived from first principles cost build-ups) Unit of Account/Segmentation (level of componentisation of assets into electrical, mechanical and structural elements). Dates of acquisition, upgrade and/or decommissioning. Level of utilisation of assets and condition score. Total economic useful life and remaining useful life estimates. Consumption method determined on a straight-line basis. 	N/A	Sewer Mains & Sewer Nodes- Current Replacement Cost Circa-\$12M addition brought to account as part of the valuation
RDTI -FV inputs (3)	Current Replacement cost approach	Comprehensive Shepherd Services 30/06/2020 Desktop 30/06/2021	<p>Last comprehensive Valuation</p> <ul style="list-style-type: none"> Fair values based on quoted prices in active markets for identical assets (level 1) Fair value based on inputs that are directly or indirectly observable for asset (level 2) and Fair value on unobservable inputs for assets (level 3) On-site inspections were completed for all roads; condition assessments and relevant photos have been taken and supplied by Shepherds Services. Sample inspections for bridges, culverts, pits, kerbs footpaths and storm water were carried out by Shepherds Services with data and photos supplied by council. Remaining life for each asset has been determined. Useful lives have been determined where possible, by sampling council's oldest assets in each asset category, otherwise they have been taken from the industry standards 	LGAD +.46% for current desktop valuation LGAD Index applied and assessed, however Given the +.46% LGAD is immaterial in accordance with Council policy, this valuation movement was not processed for 30/06/2021	Medians (Infl and Kerb) circa ~\$19.1M + Contributed assets Gates and Grids Circa-\$5M brought to account.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 17. Contract balances

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

Contract assets represents the excess of costs incurred in relation to a contract with the customer or construction of an asset over the amounts that Council has invoiced the customer or the grantor. Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract or in constructing an asset, this gives rise to a contract liability.

(a) Contract assets

Current

Contracts with customers	6,262	915	6,262	915
<u>TOTAL CURRENT CONTRACT ASSETS</u>	<u>6,262</u>	<u>915</u>	<u>6,262</u>	<u>915</u>

Non-current

Contracts with customers	-	1,450	-	1,450
<u>TOTAL NON-CURRENT CONTRACT ASSETS</u>	<u>-</u>	<u>1,450</u>	<u>-</u>	<u>1,450</u>

(b) Contract liabilities

Funds received upfront to construct Council controlled assets	2,417	3,064	2,093	2,659
Non-capital performance obligations not yet satisfied	478	158	478	158
<u>TOTAL CURRENT CONTRACT LIABILITIES</u>	<u>2,895</u>	<u>3,222</u>	<u>2,571</u>	<u>2,817</u>

Revenue recognised that was included in the contract liability balance at the beginning of the year

Funds to construct Council controlled assets	2,759	3,559	2,384	3,559
Non-capital performance obligations not yet satisfied	152	689	152	689
<u>Total revenue included in the contract liability</u>	<u>2,911</u>	<u>4,248</u>	<u>2,536</u>	<u>4,248</u>

(c) Significant changes in contract balances

Current contract assets relate primarily to grant funding agreements with funding providers, where Council has met the performance milestones specified in the contract. The amount of \$6,262,480 includes funding from the Queensland Government under the Works for Queensland Program to the value of \$5,715,000.

Non current contract assets recorded in the 2019-20 year were reclassified to accrued revenue (note 11). These amounts relate to the Special Charge Agreement with the Gladstone City Plaza Body Corporate. Further information regarding this agreement is provided in note 4.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases

Council as a lessee

Council has leases in place over land and infrastructure.

Where Council assesses that an agreement contains a lease, a right of use asset and lease liability is recognised on inception of the lease. Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right of use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right of use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured whether there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right of use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Terms and conditions of leases

Land

Council leases various parcels of land for purposes such as showgrounds, community centres as well as the positioning of water and sewerage infrastructure. A number of the underlying assets are considered low value, or the lease payments are significantly below market value and are therefore not subject to lease accounting. For the leases recognised in these statements, lease terms range between 5 and 75 years with some payments based upon the value of the land and some indexing each year by the rate determined within the agreement.

Infrastructure

Council leases allocated space on a communication tower. The lease term is 5 years with options to extend. The lease payments are indexed each year by the rate determined within the agreement.

Equipment

The Gladstone Airport Corporation leases computer and printing equipment associated with airline booking and passenger management as well as electronic passenger information services. The lease term is 5 years with fixed payments.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases (continued)

	Land \$'000	Infrastructure \$'000	Equipment \$'000	Total \$'000
Right of use assets				
Consolidated				
2021				
Additions to right of use assets	-	844	-	844
Adjustments to right of use assets due to remeasurement of lease liability	(31)	(212)	-	(243)
Depreciation charge	(44)	(11)	(49)	(104)
Balance at 30 June 2021	1,113	833	45	1,991
2020				
Adoption of AASB 16 at 1 July 2019	1,234	239	143	1,616
Depreciation charge	(45)	(27)	(49)	(121)
Balance at 30 June 2020	1,189	212	94	1,495
Council				
2021				
Additions to right of use assets	-	844	-	844
Adjustments to right of use assets due to remeasurement of lease liability	(31)	(212)	-	(243)
Depreciation charge	(44)	(11)	-	(55)
Balance at 30 June 2021	1,113	833	-	1,946
2020				
Adoption of AASB 16 at 1 July 2019	1,234	239	-	1,473
Depreciation charge	(45)	(27)	-	(72)
Balance at 30 June 2020	1,189	212	-	1,401

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases (continued)

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Lease liabilities				
Classified as:				
Current lease liability	88	93	38	44
Non-current lease liability	1,970	1,435	1,970	1,387
Total lease liabilities	2,056	1,528	2,008	1,431

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the Statements of Financial Position.

	< 1 year \$'000	1 to 5 years \$'000	> 5 years \$'000	Total \$'000	Total per Statements of Financial Position \$'000
Consolidated					
2021					
Lease liabilities	138	403	2,498	3,039	2,056
	138	403	2,498	3,039	2,056
2020					
Lease liabilities	132	410	1,856	2,198	1,528
	132	410	1,856	2,198	1,528
Council					
2021					
Lease liabilities	88	403	2,498	2,989	2,008
	88	403	2,498	2,989	2,008
2020					
Lease liabilities	77	359	1,856	2,092	1,431
	77	359	1,856	2,092	1,431

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases (continued)

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000

Amounts included in the Statements of Comprehensive Income related to leases

The following amounts have been recognised in the Statements of Comprehensive Income for leases where Council is the lessee.

Expenses

Depreciation of right of use assets	104	121	55	71
Interest expense on lease liabilities	38	39	32	39
Expenses relating to short-term leases	23	24	19	24
Expenses relating to low-value assets	4	1	4	1
Net expense relating to leases	169	185	110	135

Amounts included in the Statements of Cash Flows related to leases

The following amounts have been recognised in the Statements of Cash Flows for leases where Council is the lessee.

Cash flows from financing activities

Repayments made on leases (principal only)	(105)	(170)	(50)	(75)
Total cash inflows/(outflows) for leases	(105)	(170)	(50)	(75)

Leases at significantly below market value - concessionary / peppercorn leases

Council has leases at significantly below market value for land that is used for:

- Multipurpose sports and events
- Carparking
- Parklands
- Community markets
- Community programs

The leases are between 20 and 74 years and require payments between \$0 and \$1 per annum. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council acts as lessor and subleases the Marly Brown Oval for an amount significantly below market value.

Council acts as lessor and subleases the Toolooa Street Neighborhood Centre. The lease amount is reviewed annually per the lease agreement.

Council is granted use of state government reserve land for a cost significantly below market value. This use of land is not included as a right of use asset, as it does not fall within the scope of AASB 16 Leases.

Council does not believe that any of the leases in place are individually material.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases (continued)

Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

Council does not have any finance leases. Council's operating leases relate to the investment property in the Statements of Financial Position. Rent from investment and other property is recognised as income on a periodic straight line basis over the lease term.

Consolidated		Council	
2021	2020	2021	2020
\$'000	\$'000	\$'000	\$'000

Operating leases

Where Council retains the risks and rewards relating to a lease, the lease is classified as an operating lease.

The minimum lease receipts are as follows:

Not later than one year	832	918	191	484
Between one and two years	725	508	111	173
Between two and three years	211	427	114	108
Between three and four years	168	184	97	111
Between four and five years	113	170	83	114
Later than five years	499	924	462	848
Total lease receipts	2,548	3,131	1,058	1,839

Assets classified as investment property

The assets are included in the statement of financial position as:

- Investment property - where the asset is held predominantly for rental or capital growth purposes (refer note 15) or
- Property, plant and equipment - where the rental is incidental or the asset is held to meet Council's service delivery objectives (refer note 16).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 18. Leases (continued)

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Rent from investment and other property is recognised as income on a periodic straight line basis over the lease term.				
Rental income (excluding variable lease payments not dependent on an index or rate)	856	492	649	492
Rental income relating to variable lease payments not dependent on an index or rate	54	47	54	47
Other	985	967	-	2
Total operating lease income (rental income)	1,894	1,506	703	541
Direct operating expenses from property that generated rental income	115	126	115	126
Direct operating expenses from property that did not generate rental income	63	74	63	74
Total operating lease expenses	178	200	178	200
Net operating lease profit/(loss)	1,516	1,306	525	341
Contract obligations for future repairs and maintenance	2	6	2	6

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council, accumulated allowance for uncollectible minimum lease payments receivable or contingent rents recognised as income applicable to the leases.

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal. Council does not have any contractual obligations to purchase, construct or develop investment property.

Note 19. Payables

	Consolidated		Council	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30 day terms.				
Creditors	3,870	3,166	3,720	2,753
Accrued expenses	14,089	12,641	13,873	12,443
Accrued wages and salaries	827	517	827	517
Prepaid rates	10,464	8,851	10,464	8,851
TOTAL CURRENT PAYABLES	29,250	25,174	28,884	24,564

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 20: Borrowings

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

Borrowings are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, borrowings from the Queensland Treasury Corporation (QTC) are measured at amortised cost and interest free borrowings from the Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) are recognised at fair value.

In June 2021, borrowings held with QTC were refinanced (with the exception of the Curtis Island Sewerage loan). This process was undertaken as a means of securing low interest rates and increasing cashflow in future periods. The refinancing resulted in an early repayment adjustment of \$17,011,040. The refinancing with QTC will enable the ability to refinance the loan between Council and Gladstone Airport Corporation, expected to take place in the 2021-22 year.

All borrowings are in \$AUD denominated amounts with interest expensed as it accrues. No interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 15 March 2028 to 15 June 2041.

There have been no defaults or breaches of the loan agreements during the period.

Principal and interest repayments are made quarterly and in arrears.

In accordance with the *Local Government Regulation 2012* Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the QTC's borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

Current				
Loans - Queensland Treasury Corporation	5,549	10,088	5,549	10,088
Loans - Interest free - DSDILGP	434	382	434	382
<u>TOTAL CURRENT BORROWINGS</u>	<u>5,983</u>	<u>10,468</u>	<u>5,983</u>	<u>10,468</u>
Non-current				
Loans - Queensland Treasury Corporation	98,433	98,428	98,433	98,428
Loans - Interest free - DSDILGP	3,411	3,719	3,411	3,719
<u>TOTAL NON-CURRENT BORROWINGS</u>	<u>101,844</u>	<u>99,145</u>	<u>101,844</u>	<u>99,145</u>
<u>TOTAL BORROWINGS</u>	<u>107,827</u>	<u>109,613</u>	<u>107,827</u>	<u>109,613</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 20. Borrowings (continued)

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Reconciliation of loan movements for the year				
Loans - Queensland Treasury Corporation				
Opening balance at beginning of financial year	105,512	114,858	105,512	114,858
Interest charges	8,120	6,717	8,120	6,717
Principal repayments	(15,985)	(16,063)	(15,985)	(16,063)
Early repayment adjustments	14,912	-	14,912	-
Payment of early repayment adjustments	(6,577)	-	(6,577)	-
Book value at end of financial year	103,982	105,512	103,982	105,512

The QTC loan market value at the reporting date was \$107,579,724. This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

Loans - Interest free - DSDILGP				
Opening balance at beginning of financial year	4,101	4,652	4,101	4,652
Fair value adjustment	351	54	351	54
Repayments	(606)	(605)	(606)	(605)
Book value at end of financial year	3,846	4,101	3,846	4,101

No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government.

Note 21. Provisions

Liabilities are recognised for employee benefits such as wages and salaries, personal, annual and long service leave in respect of services provided by the employees up to the reporting date.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

Council has an obligation to pay 16% on personal leave balances accrued in accordance with the Gladstone Regional Council Enterprise Bargaining Agreement adopted on the 17 January 2019. Some former Calloope Shire Council employees are entitled to a 25% payout on personal leave accrued from 10 May 2006 to 8 September 2008. Apart from the payout options, Council is not required to payout the personal leave balances as these are not payable upon termination.

Certain former Gladstone City Council employees are entitled to a service entitlement payment upon departure from employment within Council.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 21. Provisions (continued)**Long service leave**

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates published on the Department of State Development, Infrastructure, Local Government and Planning website.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months long service leave is classified as a current liability. Otherwise it is classified as non-current.

Landfill remediation

A provision is made for the cost of restoration in respect of refuse dumps where it is probable that Council will be liable, or required, to incur such a cost on the cessation of use of these facilities. The provision is measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

The provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred.

The provision recognised for dump sites is reviewed at least annually and updated based on the facts and circumstances available at the time.

Refuse dumps are situated on Council controlled land and are classified as land and improvement assets. The provision for restoration is, therefore, included in the cost of the land and amortised over the expected useful life of the refuse dump. Changes in the provision not arising from the passing of time are added to or deducted from the asset revaluation surplus for land. If there is no available revaluation surplus, increases in the provision are treated as an expense and recovered out of future decreases (if any). Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 21. Provisions (continued)

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Annual leave	5,906	5,731	5,600	5,816
Long service leave	7,485	6,791	7,418	6,693
Personal leave	209	203	200	194
Accrued RDO and time off in lieu	529	559	528	558
Service entitlement	388	356	388	355
Landfill remediation	5,241	-	5,241	-
TOTAL CURRENT PROVISIONS	19,758	13,839	19,575	13,416
Non-current				
Long service leave	1,223	808	1,195	791
Landfill remediation	6,085	2,262	6,085	2,262
TOTAL NON-CURRENT PROVISIONS	7,308	3,068	7,280	3,053
TOTAL PROVISIONS	27,066	16,707	26,855	16,469

The impacts of COVID-19 continue to impact leave provisions, with less leave taken as well as a reduced vacancy rate, resulting in a higher proportion of employees likely to reach the requisite service period for long service leave to vest.

Details of movements in provisions:

	2021	2020	2021	2020
Landfill remediation				
Balance at beginning of financial year	2,262	2,208	2,262	2,208
Increase in provision due to unwinding of discount	6	25	5	25
Increase/(decrease) in provision due to change in discount rate	(115)	(100)	(115)	(100)
Increase/(decrease) in provision due to change in projected costs	9,174	129	9,174	129
Balance at end of financial year	11,326	2,262	11,326	2,262

Refuse restoration

This is the present value of the estimated cost of restoring the refuse disposal site to a useable state at the end of its useful life. The site is expected to close in 2053.

The restoration provision costs for the capping of cell 1 and 2 at Benaraby have increased by \$3,378,535 in line with updated unit rates and new capping methodology chosen. Cells 1 and 2 are expected to close in 2021-22. Rehabilitation costs totalling \$5,239,332 are expected to be incurred across the 2021-22 and 2022-23 years.

Construction has commenced on cell 3a, with expected rehabilitation costs of \$4,885,437 forecast for the 2026-27 and 2027-28 years.

Aftercare costs for landfill sites extend to 2052-53 at an estimated cost of \$1,400,394 (an increase of \$1,109,725 compared to 2019-20 estimates of \$399,843).

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 22: Equity reserves

(a) Asset revaluation surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus.

Increases and decreases upon revaluation are offset within a class of assets.

Where a class of assets is decreased upon revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense in the Statements of Comprehensive Income.

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

The closing balance of the asset revaluation surplus is \$912,840,843 for Council (\$882,999,976 in 2019-20) and \$848,445,953 for Consolidated (\$819,003,747 in 2019-20). The movement in reserves at an asset class level (including adjustments made for found assets not considered to be material by Council) can be found in Note 16.

(b) Reserves

All reserves were established via Council resolution on 15 March 2008 excluding the gravel pit rehabilitation reserve which was established on 1 July 2019.

The reserves represent funds that are accumulated within Council to meet anticipated future needs. In each case the amount relates to a perceived future requirement which is not currently a liability. The amounts reported at balance date correspond to the amount of cash (reported within cash and cash equivalents) to be made available for a use which may not be defined at the reporting date.

Funds are transferred to reserves as determined by budget and upon the receipt of infrastructure charges. In areas where revenue and expenditure are cyclical, surplus funds may also be transferred to reserve. When funds are expended from reserves for an approved purpose, an equivalent amount is transferred out of the relevant reserve to retained surplus.

The Gladstone Airport Corporation does not maintain any reserve balances, therefore the information presented relates to Council only.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 22. Equity reserves (continued)

	Opening Balance \$'000	Transfers in from retained earnings \$'000	Transfers out - funds expended \$'000	Closing Balance \$'000
--	------------------------------	--	---	------------------------------

Movement in the reserves has been summarised below:

2021

Reserves held for funding future capital expenditure:

Emergency services reserve	1,123	-	(156)	967
Future capital works reserve	26,052	6,299	(8,253)	23,098
Plant asset replacement reserve	22,665	-	(4,224)	18,441
Regional waste management reserve	12,242	-	(3,765)	8,477
Parks constrained works reserve	1,417	375	(201)	1,591
Roads constrained works reserve	20,274	194	-	20,468
Water constrained works reserve	797	82	-	879
Sewerage constrained works reserve	6,592	3,453	(2,515)	7,530
Gravel pit rehabilitation reserve	2,429	719	-	3,148
	<u>93,591</u>	<u>10,122</u>	<u>(19,114)</u>	<u>84,599</u>

Reserves held for funding future recurrent expenditure:

Recurrent grant funding reserve	456	558	(649)	365
	<u>456</u>	<u>558</u>	<u>(649)</u>	<u>365</u>
TOTAL RESERVES	<u>94,047</u>	<u>10,680</u>	<u>(19,763)</u>	<u>84,964</u>

2020

Reserves held for funding future capital expenditure:

Emergency services reserve	1,321	-	(198)	1,123
Future capital works reserve	24,905	6,618	(5,469)	26,052
Plant asset replacement reserve	22,320	2,345	(2,000)	22,665
Regional waste management reserve	8,517	2,725	-	12,242
Parks constrained works reserve	1,339	258	(180)	1,417
Roads constrained works reserve	20,121	153	-	20,274
Water constrained works reserve	718	86	(5)	797
Sewerage constrained works reserve	3,434	9,411	(6,253)	6,592
Gravel pit rehabilitation reserve	-	2,849	(420)	2,429
	<u>83,873</u>	<u>24,443</u>	<u>(14,525)</u>	<u>93,591</u>

Reserves held for funding future recurrent expenditure:

Recurrent grant funding reserve	476	458	(476)	458
	<u>476</u>	<u>458</u>	<u>(476)</u>	<u>458</u>
TOTAL RESERVES	<u>84,149</u>	<u>24,899</u>	<u>(15,001)</u>	<u>94,047</u>

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 23. Commitments for expenditure

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

(a) Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial statements are as follows:

Garbage collection contract	788	3,931	788	3,931
Water & sewerage plant operations	5,751	7,900	5,751	7,900
Airport operating contracts	203	165	-	-
	<u>6,740</u>	<u>11,996</u>	<u>6,537</u>	<u>11,831</u>

Capital commitments (exclusive of GST)

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

Property, plant and equipment				
Airport capital expenditure	-	405	-	-
Fleet and equipment purchases	5,881	772	5,881	772
Parks and environment assets	90	497	90	497
Property assets	1,389	720	1,389	720
Road assets	1,669	2,993	1,669	2,993
Strategic projects	292	12,536	292	12,536
Sewerage assets	5,954	6,374	5,954	6,374
Waste assets	157	52	157	52
Water assets	3,597	5,107	3,597	5,107
External project management and design	865	723	865	723
	<u>19,894</u>	<u>30,179</u>	<u>19,894</u>	<u>29,774</u>

The reduction in capital commitments for Strategic Projects reflects the near completion of the Philip Street Community Precinct, which is due to be completed in July 2021

Capital commitments are all expected to settle within the next year.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 24. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follows:

Local Government Mutual

Council is a member of the local government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2021 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

Council is a member of the Queensland local government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$1,652,638.

Bank Guarantees

The Gladstone Regional Council has provided a bank guarantee to Queensland Rail Ltd valued at \$15,000 as a bond over two blocks of land [LEASE: LOT 40 ON SP129336 AND LEASE B: LOT 8 ON SP121496] being utilised by Gladstone Regional Council. The guarantee expires in 29 February 2028.

The Gladstone Regional Council has provided a bank guarantee to Great Barrier Reef Marine Park Authority valued at \$274,353 as an obligation under contract for the Permit G37713.1 - Agnes Water Desalination Plant. The guarantee expires on 30 September 2028.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 25. Superannuation - Regional Defined Benefit Fund

Council contributes to the LGAsuper Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the LGAsuper trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*.

The scheme is a pooled defined benefit plan and it is not in accordance with the deed to allocate obligations, plan assets and costs at Council level.

Any amount by which the scheme is over or under funded may affect future contribution rate obligations, but has not been recognised as an asset or liability of Council.

Gladstone Regional Council may be liable to the scheme for a portion of another local governments' obligations should that local government be unable to meet them. However the risk of this occurring is extremely low and in accordance with the LGAsuper trust deed changes to council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2018. The actuary indicated that "At the valuation date of 1 July 2018, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is not due until 1 July 2021.

The most significant risks that may result in LGAsuper increasing the contribution rate, on the advice of the actuary, are:

Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.

Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	Consolidated		Council	
	2021	2020	2021	2020
Notes	\$'000	\$'000	\$'000	\$'000
Superannuation contributions made to the Regional Defined Benefits Fund	221	220	221	220
Other superannuation contributions for employees	6,804	6,338	6,629	6,180
Total superannuation contributions paid by Council for employees	7,025	6,558	6,850	6,400

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 26. Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

	Consolidated		Council	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Net operating result from Statements of Comprehensive Income	(4,483)	(23,815)	(3,911)	(76,889)
Non-cash items				
Depreciation and amortisation	39,955	43,494	38,939	41,083
Impairment of property, plant and equipment	-	767	-	55,196
	<u>39,955</u>	<u>44,261</u>	<u>38,939</u>	<u>96,279</u>
Losses/(gains) recognised on fair value re-measurements through the Statements of Comprehensive Income				
Investment properties	(1,926)	332	(1,926)	332
Amortisation/recognition of interest exp. on interest free loans received by Council & previously fair valued	352	54	352	54
Land held for sale (inventory)	83	-	83	-
Change in future rehabilitation costs	4	25	4	25
	<u>(1,507)</u>	<u>411</u>	<u>(1,507)</u>	<u>411</u>
Investing and development activities				
Net (profit)/loss on disposal of assets	12,578	32,848	12,578	32,848
Loss on write-off of assets	49	48	49	48
Capital grants and contributions	(25,496)	(7,316)	(24,733)	(7,316)
Non cash contributions included in fixed assets	(5,215)	(5,592)	(5,215)	(5,592)
Income tax equivalents	(2,226)	(2,223)	(2,226)	(2,729)
Adjustments to property, plant and equipment	-	370	-	328
	<u>(20,300)</u>	<u>18,133</u>	<u>(19,547)</u>	<u>17,585</u>
Financing activities				
Borrowing costs	23,410	6,760	21,336	4,740
	<u>23,410</u>	<u>6,760</u>	<u>21,336</u>	<u>4,740</u>
Changes in operating assets and liabilities:				
(Increase)/decrease in receivables	(540)	1,980	314	269
Increase/(decrease) in provision for doubtful debts	53	11	(11)	(34)
(Increase)/decrease in inventories	218	(998)	218	(996)
(Increase)/decrease in contract assets	(3,897)	2,728	(3,597)	2,728
(Increase)/decrease in other assets	(1,005)	(965)	(1,030)	(926)
Increase/(decrease) in payables	705	2,548	967	2,383
Increase/(decrease) in contract liabilities	(327)	(1,026)	(246)	(1,431)
Increase/(decrease) in employee leave entitlements	1,295	1,509	1,322	1,482
Increase/(decrease) in other liabilities	3,371	(2,574)	3,353	(2,574)
	<u>(1,27)</u>	<u>3,213</u>	<u>980</u>	<u>901</u>
Net cash provided from/(used in) operating activities from the Statements of Cash Flows	<u>36,988</u>	<u>48,962</u>	<u>36,300</u>	<u>43,047</u>

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 27. Reconciliation of liabilities arising from finance activities

	As at 30-Jun-20 \$'000	Change in accounting policy \$'000	Cashflows \$'000	Non-cash changes \$'000	As at 30-Jun-21 \$'000
Consolidated					
Borrowings	109,613	-	(2,138)	352	107,827
Lease liability	1,528	-	(104)	632	2,056
	<u>111,141</u>	<u>-</u>	<u>(2,242)</u>	<u>984</u>	<u>109,883</u>

	As at 30-Jun-19 \$'000	Change in accounting policy \$'000	Cashflows \$'000	Non-cash changes (new leases) \$'000	As at 30-Jun-20 \$'000
Borrowings	119,510	-	(9,953)	56	109,613
Lease liability	-	1,615	(129)	42	1,528
	<u>119,510</u>	<u>1,615</u>	<u>(10,082)</u>	<u>98</u>	<u>111,141</u>

	As at 30-Jun-20 \$'000	Change in accounting policy \$'000	Cashflows \$'000	Non-cash changes \$'000	As at 30-Jun-21 \$'000
Council					
Borrowings	109,613	-	(2,138)	352	107,827
Lease liability	1,431	-	(55)	632	2,008
	<u>111,044</u>	<u>-</u>	<u>(2,193)</u>	<u>984</u>	<u>109,835</u>

	As at 30-Jun-19 \$'000	Change in accounting policy \$'000	Cashflows \$'000	Non-cash changes (new leases) \$'000	As at 30-Jun-20 \$'000
Borrowings	119,510	-	(9,953)	56	109,613
Lease liability	-	1,473	(75)	33	1,431
	<u>119,510</u>	<u>1,473</u>	<u>(10,028)</u>	<u>89</u>	<u>111,044</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 28. Financial instruments and financial risk management

Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments: interest rate risk, credit risk, and liquidity risk.

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on Council's financial position and financial performance, including the nature and extent of risks and how Council manages these exposures.

Financial risk management

Exposure to financial risk is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of Council. Council minimises its exposure to financial risk in the following ways:

Investments in financial assets are only made where those assets are with a bank or another financial institution in Australia. Council does not invest in derivatives or other high risk investments.

When Council borrows, it borrows from the Queensland Treasury Corporation. Borrowing by Council is regulated by the provisions of the *Statutory Bodies Financial Arrangements Act 1982*.

Council measures risk exposure using a variety of methods as follows:

Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar State/Commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by Council.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for Council.

Cash and cash equivalents

Council may be exposed to credit risk through its investments in the QTC Cash Fund.

The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC cash fund are capital guaranteed.

Other financial assets

Other investments are held with financial institutions, which are rated AAA to A based on rating agency Standard and Poor ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as low.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 28. Financial instruments and financial risk management (continued)

Receivables

Refer to note 11 for further information on credit risk for receivables.

Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Council's reputation.

Exposure to liquidity risk

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC and the Queensland Government for capital works.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits to cater for unexpected volatility in cash flows.

The following table sets out the liquidity risk in relation to financial liabilities (excluding lease liabilities - refer to note 18) held by Council. It represents the remaining contractual cashflows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

	0 to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount \$'000
Consolidated					
2021					
Trade and other payables	29,250	-	-	29,250	29,250
Loans - QTC	8,422	33,962	80,193	132,577	103,982
Loan - DSDILGP	606	2,424	1,515	4,545	3,845
	<u>38,278</u>	<u>36,386</u>	<u>81,708</u>	<u>186,372</u>	<u>137,077</u>
2020					
Trade and other payables	16,323	-	-	16,323	16,323
Loans - QTC	15,985	59,060	63,908	138,951	105,512
Loan - DSDILGP	606	2,424	2,122	5,152	4,101
	<u>32,914</u>	<u>61,484</u>	<u>66,028</u>	<u>160,426</u>	<u>125,936</u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 28. Financial instruments and financial risk management (continued)

	0 to 1 year \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount \$'000
Council					
2021					
Payables	28,886	-	-	28,886	28,884
Loans - QTC	8,422	33,962	90,193	132,577	103,982
Loan - DSDILGP	606	2,424	1,515	4,545	3,845
	<u>37,914</u>	<u>36,386</u>	<u>91,708</u>	<u>166,008</u>	<u>136,711</u>
2020					
Payables	15,713	-	-	15,713	15,713
Loans - QTC	15,955	59,080	63,906	138,951	105,512
Loan - DSDILGP	606	2,424	2,122	5,152	4,101
	<u>32,304</u>	<u>61,484</u>	<u>66,028</u>	<u>159,816</u>	<u>125,325</u>

The outflows in the above table are not expected to occur significantly earlier and are not expected to be for significantly different amounts than indicated in the table.

Market risk

Market risk is the risk that changes in market indices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

Interest rate risk

Council is exposed to interest rate risk through its borrowings from the Queensland Treasury Corporation (QTC), the Department of State Development, Infrastructure, Local Government and Planning held with financial institutions.

The risk in borrowing is effectively managed by borrowing mainly from the QTC and having access to a mix of floating and fixed funding sources so that the interest rate risk exposure can be minimised. Interest rate risk in other areas is minimal.

Council does not undertake any hedging of interest rate risk.

Due to the risk minimisation, there is no reasonable possible movement that would cause a material impact to profit and loss or equity.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 29. National competition policy

Business activities to which the code of competitive conduct is applied

A "business activity" of a local government is divided into two categories:

(i) Roads business activity

- The construction or maintenance of state controlled roads for which the local government submits an offer to carry out work in response to a tender invitation, other than through a sole supplier arrangement.
- Submission of a competitive tender for construction of road maintenance on the local government's roads which the local government has put out to tender, or called for by another local government.

(ii) Other business activities

- Trading in goods and services to clients in competition with the private sector, or
- The submission of a competitive tender in the local government's own tendering process in competition with others for the provision of goods and services to itself.

Excluded activities are:

- Library services
- An activity or part thereof prescribed by legislation

Local government may elect to apply a Code of Competitive Conduct (CCC) to their identified business activities. This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity. The application of the CCC to the roads business activity is compulsory.

The CSO value is determined by Council, and represents any activities' cost(s) which would not be incurred if the activities' primary objective was to make a profit. Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial services or costs deemed to be CSO's by Council.

Council applies full cost pricing to its business activities which involves the recognition of both community service obligations and competitive neutrality adjustments.

Council has identified business activities in the following areas:

- Roads
- Other business activities:
 - Gladstone Entertainment Convention Centre
 - Building certification
 - Waste management
 - Water
 - Sewerage

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 29. National competition policy (continued)

The following activity statements are for activities subject to the competitive code of conduct:

	Roads \$'000	Gladstone Entertainment & Convention Centre \$'000	Building Certification \$'000
\$'000			
Revenue for services provided to Council	42,309	-	-
Revenue for services provided to external clients	5,523	610	588
Community service obligations	-	200	-
	47,832	810	588
Less: ordinary expenditure	(46,558)	(5,846)	(631)
Preliminary surplus/(deficit)	1,274	(4,836)	(43)
Less: Early repayment adjustment	-	(1,747)	-
Net surplus/ (deficit)	1,274	(6,583)	(43)

	Waste Management \$'000	Water \$'000	Sewerage \$'000
\$'000			
Revenue for services provided to Council	7,372	2,229	248
Revenue for services provided to external clients	14,996	37,868	30,892
Community service obligations	-	-	-
	22,368	40,097	30,940
Less: expenditure	(23,730)	(40,470)	(25,275)
Preliminary surplus/(deficit)	(1,362)	(373)	5,665
Less: Early repayment adjustment	(280)	(1,982)	(2,543)
Net surplus/ (deficit)	(1,642)	(2,355)	3,122

Description of CSO's provided to business activities:

Activities	CSO description	Actual \$'000
Gladstone Entertainment Convention Centre	Contribution to electricity and maintenance costs of carparking facility.	200

Early repayment adjustments have been segregated from other expenditure to provide a better basis for comparison to prior year results.

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 30. Transactions with related parties

(a) Subsidiaries (i.e., entities and operations controlled by Council)

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 *Consolidated Financial Statements* and the accounting policy described in note 1

Name of operation/entity	Principal activity and place of business
1. Gladstone Airport Corporation	Commercial air transport Aerodrome Road, Gladstone QLD 4680

Interests in subsidiary	Ownership		Voting rights	
	2021	2020	2021	2020
Council's interest in subsidiary	100%	100%	100%	100%

	2021	2020
	\$000	\$000
Controlled entity receipts		
Income tax equivalent / competitive neutrality margin		508
Interest received	2,043	2,043
Administration fees	39	39
Goods and services supplied by Council, on normal terms and conditions		
IT Services	49	53
Rates and water	81	89
Sponsorships	5	-
Other fees and charges	1	-
Total	2,424	2,730

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 30. Transactions with related parties (continued)

(b) Other related parties

Transactions with other related parties

Other related parties include the close family members of Key Management Personnel (KMP) and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependent of a KMP or their spouse.

The fees and charges charged to entities controlled by KMP were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council.

All close family members of KMP were employed through an arm's length process. They are paid in accordance with the award for the job they perform. Council employs 688 staff of which only 10 are close family members of KMP (5 in 2019-20).

The consolidated entity purchased the following material and services from entities that are controlled by members of KMP. All purchases were at arm's length and were in the normal course of Council operations.

	2021 \$000	2020 \$000
Receipts		
Search fees	-	29
Application fees and charges	19	51
Other fees and charges	1	8
Sponsorships	3	-
	<u>23</u>	<u>88</u>
Purchases		
Grant funding awarded	-	9
Provision of services for community events	100	42
Construction / improvements to assets	5	29
Professional development	-	18
	<u>105</u>	<u>98</u>
Employee expenses		
Short-term employee benefits	691	458
Post-employment benefits	72	50
Long-term benefits	22	9
	<u>785</u>	<u>517</u>

FINANCIAL PERFORMANCE 05

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 30. Transactions with related parties (continued)

(c) Key management personnel

Transactions with key management personnel

KMP include the Mayor, Councillors, Council's Chief Executive Officer and some executive management.

The compensation paid to KMP comprises:

	2021	2020
	\$000	\$000
Short-term employee benefits	3,174	3,166
Post-employment benefits	349	339
Long-term benefits	98	38
Termination benefits	115	-
Total	3,736	3,541

Detailed remuneration disclosures are provided in the annual report.

(d) Outstanding balances

There are no outstanding balances at the end of the reporting period in relation to transactions with related parties:

	Amounts owed by Controlled Entities	Amounts owed by entities controlled by KMP	Amounts owed to Controlled Entities	Amounts owed to entities controlled by KMP
	2021	2021	2021	2021
	\$000	\$000	\$000	\$000
Current (less than 30 days)	-	-	-	-
Total	-	-	-	-

	Amounts owed by Controlled Entities	Amounts owed by entities controlled by KMP	Amounts owed to Controlled Entities	Amounts owed to entities controlled by KMP
	2020	2020	2020	2020
	\$000	\$000	\$000	\$000
Current (less than 30 days)	6	-	-	-
Total	6	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2021

Note 30. Transactions with related parties (continued)

(e) Loans and guarantees to/ from related parties

Council has a loan arrangement with the Gladstone Airport Corporation, as detailed in note 11.

Council does not make loans to or receive loans from any other related parties. No guarantees have been provided.

(f) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Gladstone region. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties.

Some examples include:

- Payment of rates
- Use of the swimming pool
- Dog registration
- Borrowing books from a Council library

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

FINANCIAL PERFORMANCE 05

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021

Management Certificate
for the year ended 30 June 2021

These general purpose financial statements have been prepared pursuant to sections 175 and 177 of the *Local Government Regulation 2012* (the Regulations) and other prescribed requirements.

In accordance with Section 212(5) of the Regulations, we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects, and
- (ii) the general purpose financial statements, as set out on pages 2 to 64, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's and the Consolidated Entity's transactions for the financial year and financial position at the end of the year.



Matthew Burnes
MAYOR

13 October 2021



Lisa Howlin
CHIEF EXECUTIVE OFFICER

13 October 2021

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the councillors of Gladstone Regional Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Gladstone Regional Council (the council) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the council's and group's financial position as at 30 June 2021, and of their financial performance and cash flows for the year then ended
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2021, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Mayor and Chief Executive Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Gladstone Regional Council's annual report for the year ended 30 June 2021 was the current-year financial sustainability statement, long-term financial sustainability statement and the annual report.

The councillors are responsible for the other information.

INDEPENDENT AUDITOR'S REPORT



My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the current-year financial sustainability statement.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the group.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

INDEPENDENT AUDITOR'S REPORT



- Conclude on the appropriateness of the council's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2021

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the *Local Government Regulation 2012*. The applicable requirements include those for keeping financial records that correctly record and explain the group's transactions and account balances to enable the preparation of a true and fair financial report.

A handwritten signature in black ink, appearing to read "Vaughan Stemmett".

Vaughan Stemmett
as delegate of the Auditor-General

14 October 2021

Queensland Audit Office
Brisbane

FINANCIAL PERFORMANCE 05

CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT
for the year ended 30 June 2021

	Actual Consolidated 2021	Actual Council 2021	Target 2021
--	--------------------------------	---------------------------	----------------

Measures of financial sustainability

Council's performance at 30 June 2021 against key financial ratios and targets.

Performance indicators

1. Operating surplus ratio

<u>Net result (excluding capital items) ⁽¹⁾</u>	-12.27%	-11.96%	0 - 10%
Total operating revenue (excluding capital items) ⁽²⁾			

An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.

2. Asset sustainability ratio

<u>Capital expenditure on the replacement of assets (renewals) ⁽³⁾</u>	87.19%	87.02%	more than 90%
Depreciation expense			

An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.

3. Net financial liabilities ratio

<u>Total liabilities less current assets</u>	23.88%	31.18%	less than 60%
Total operating revenue (excluding capital items) ⁽²⁾			

An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.

Note 1 – Basis of preparation

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2013*. The amounts used to calculate the three reported measures are prepared on an accrual basis and are drawn from Council's audited general purpose financial statements for the year ended 30 June 2021.

CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT (CONTINUED) for the year ended 30 June 2021

Measures of financial sustainability (continued)

Notes

- ⁽¹⁾ Includes only recurrent revenue and recurrent expenditure disclosed in the Statements of Comprehensive Income. Excludes capital revenue grants, contributions, donations and subsidies received for capital acquisitions, capital income items such as profit from the sale of property, plant and equipment, financial assets, real estate and investment properties and any capital expenditure such as write-off of assets, movements in provisions for restoration, rehabilitation and revaluation decrements that are reflected in the Statements of Comprehensive Income.
- ⁽²⁾ Includes only recurrent revenue disclosed in the Statements of Comprehensive Income. Excludes capital revenue grants, contributions, donations and subsidies received for capital acquisitions. Also excludes any capital income items such as profit from the sale of property, plant and equipment, financial assets, real estate and investment properties.
- ⁽³⁾ Asset renewals are defined as the replacement or refurbishment of an existing asset (or component) with a new asset (or component) capable of delivering the same level of service as the existing asset. Asset renewal activities involve work on an asset or asset component that is of a capital nature and (attempts) to bring the asset component (or asset) back to as new condition. Renewal activities are appropriate to all assets and can involve the complete replacement of the asset with the new asset providing the original (intended) level of service.

These ratios are the relevant measures of financial sustainability required to be reported under section 178(1) of the Local Government Regulation 2012.

Definitions are sourced from the Financial Management (Sustainability) Guideline issued by the Department of State Development, Infrastructure, Local Government and Planning.

FINANCIAL PERFORMANCE 05

CURRENT YEAR FINANCIAL SUSTAINABILITY STATEMENT

for the year ended 30 June 2021

Certificate of Accuracy

for the year ended 30 June 2021

This current-year financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current year financial sustainability statement has been accurately calculated.



Matthew Burnett

MAYOR

13 October 2021



Leisa Dowling

CHIEF EXECUTIVE OFFICER

13 October 2021

INDEPENDENT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT

To the councillors of Gladstone Regional Council

Report on the current-year financial sustainability statement

Opinion

I have audited the accompanying current-year financial sustainability statement of Gladstone Regional Council for the year ended 30 June 2021, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current-year financial sustainability statement of Gladstone Regional Council for the year ended 30 June 2021 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current-year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter – basis of accounting

I draw attention to Note 1 which describes the basis of accounting. The current-year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2013 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other information

Other information comprises financial and non-financial information (other than the audited financial report) in an entity's annual report.

At the date of this auditor's report, the available other information in Gladstone Regional Council's annual report for the year ended 30 June 2021 was the general purpose financial statements, long-term financial sustainability statement and the annual report.

The councillors are responsible for the other information.

My opinion on the current-year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT



However, as required by the Local Government Regulation 2012, I have expressed a separate opinion on the general purpose financial report.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report and my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current-year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current-year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors' responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current-year financial sustainability statement

My objectives are to obtain reasonable assurance about whether the current-year financial sustainability statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.

INDEPENDENT AUDITOR'S REPORT



- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

A handwritten signature in black ink, appearing to read "Vaughan Stemmett".

Vaughan Stemmett
as delegate of the Auditor-General

14 October 2021

Queensland Audit Office
Brisbane

FINANCIAL PERFORMANCE 05

UNAUDITED LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT
 prepared as at 30 June 2021

	Target	Actual	Forecast									
	2021	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Measures of financial sustainability												
Performance indicators - Consolidated												
1. Operating surplus ratio												
Net result (excluding capital items) ⁽¹⁾			0.47%	2.48%	1.44%	1.76%	2.13%	2.47%	2.79%	4.03%	4.72%	4.78%
Total operating revenue (excluding capital items) ⁽²⁾	0 - 10%	-12.27%										
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.												
2. Asset sustainability ratio												
Capital expenditure on the replacement of assets (renewals) ⁽²⁾			107.42%	140.61%	117.48%	126.15%	79.15%	69.37%	83.33%	68.70%	88.54%	22.50%
Depreciation expense	> 90%	87.19%										
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.												
3. Net financial liabilities ratio												
Total liabilities less current assets			43.42%	44.24%	44.93%	45.16%	35.17%	33.41%	35.68%	32.19%	30.44%	22.99%
Total operating revenue (excluding capital items) ⁽²⁾	< 60%	23.88%										
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.												

UNAUDITED LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT (CONTINUED)
 prepared as at 30 June 2021

	Target 2021	Actual 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Measures of financial sustainability (continued)												
Performance indicators - Council												
1. Operating surplus ratio												
Net result (excluding capital items) ⁽¹⁾	0 - 10%	-11.96%	-0.45%	1.51%	0.36%	0.71%	1.12%	1.54%	1.94%	3.22%	3.92%	4.16%
Total operating revenue (excluding capital items) ⁽²⁾												
An indicator of which the extent to which revenues raised cover operational expenses only or are available for capital funding purposes or other purposes.												
Council's operating deficit position is projected to return to surplus from the 2022/2023 financial year, with minor surpluses forecast for the balance of the forecast period.												
2. Asset sustainability ratio												
Capital expenditure on the replacement of assets (revenues) ⁽³⁾	> 90%	87.02%	105.41%	137.11%	118.11%	124.43%	77.18%	70.56%	86.21%	71.05%	64.80%	23.45%
Depreciation expense												
An approximation of the extent to which the infrastructure assets managed are being replaced as these reach the end of their useful lives.												
Council is making a concerted effort in the near term through to 2024/2025 to focus its capital spend on the renewal of necessary assets, as asset management plans evolve it is expected that the outer year sustainability ratios will increase markedly.												
3. Net financial liabilities ratio												
Total liabilities less current assets	< 60%	31.18%	30.07%	31.46%	32.55%	33.71%	23.57%	22.81%	27.28%	25.30%	20.12%	14.23%
Total operating revenue (excluding capital items) ⁽²⁾												
An indicator of the extent to which the net financial liabilities can be serviced by its operating revenue.												
Council maintains a strong ability, that only increases over time, to service its debt repayment obligations over the ten year period.												

UNAUDITED LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT (CONTINUED)
 prepared as at 30 June 2021

Measures of financial sustainability (continued)

Gladstone Regional Council Financial Management Strategy

Council aims to operate within a set of conservative guide-posts to ensure we are financially sustainable in the short, medium and long term. As part of our financial strategy, we have adopted six key financial performance indicators to guide our financial health. The above three sustainability indicators that have been set by the Department of State Development, Infrastructure, Local Government and Planning to help monitor the long-term sustainability of all councils across Queensland. Throughout the financial year, these financial and sustainability indicators are calculated and reported on monthly at Council meetings, as part of a full suite of financial reports. Should there be any deviation outside these parameters, the executive management and Council will be fully informed and may take corrective action as required.

Notes

(1) Includes only recurrent revenue and recurrent expenditure disclosed in the Statements of Comprehensive Income. Excludes capital revenue grants, contributions, donations and subsidies received for capital acquisitions; capital income items such as profit from the sale of property, plant and equipment; financial assets, real estate and investment properties; and any capital expenditure such as write-off of assets, movements in provisions for restoration and rehabilitation and revaluation decrements that are reflected in the Statements of Comprehensive Income.

(2) Includes only recurrent revenue disclosed in the Statements of Comprehensive Income. Excludes capital revenue grants, contributions donations and subsidies received for capital acquisitions. Also excludes any capital income items such as profit from the sale of property, plant and equipment; financial assets, real estate and investment properties.

(3) Asset renewals are defined as the replacement or refurbishment of an existing asset (or component) with a new asset (or component) capable of delivering the same level of service as the existing asset. Asset renewal activities involve work on an asset or asset component that is of a capital nature and (attempts) to bring the asset component (or asset) back to as new condition. Renewal activities are appropriate to all assets and can involve the complete replacement of the asset with the new asset providing the original (intended) level of service.

*These ratios are the relevant measures of financial sustainability required in the reported under section 178(1) of the Local Government Regulation 2012.

Definitions are sourced from the Financial Management (Sustainability) Guidelines issued by the Department of State Development, Infrastructure, Local Government and Planning.



UNAUDITED LONG-TERM FINANCIAL SUSTAINABILITY STATEMENT

Certificate of Accuracy

for the long-term financial sustainability statement prepared as at 30 June 2021

This long-term financial sustainability statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this long-term financial sustainability statement has been accurately calculated.

Matthew Burnett

MAYOR

13 October 2021

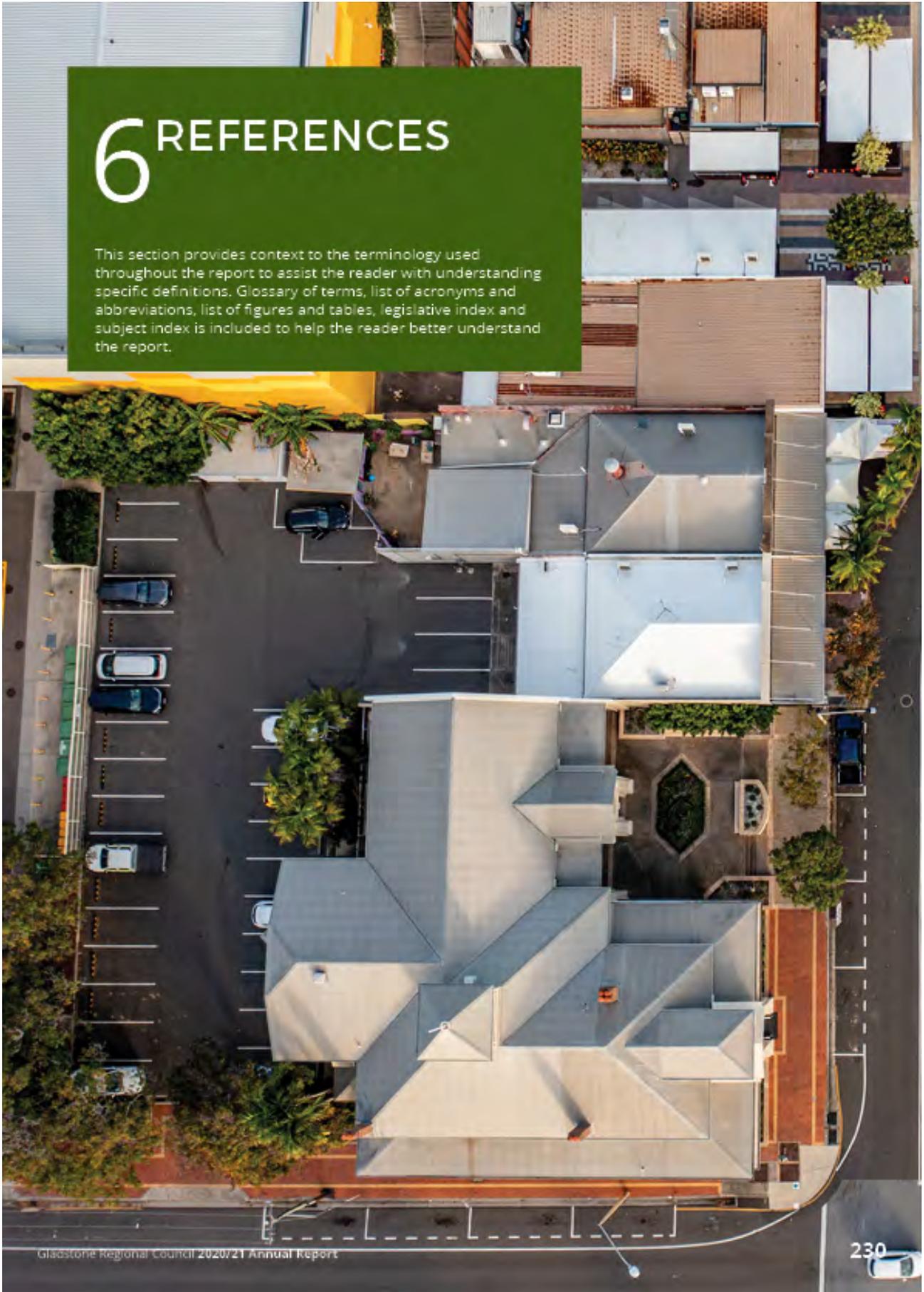
Lissa Dowling

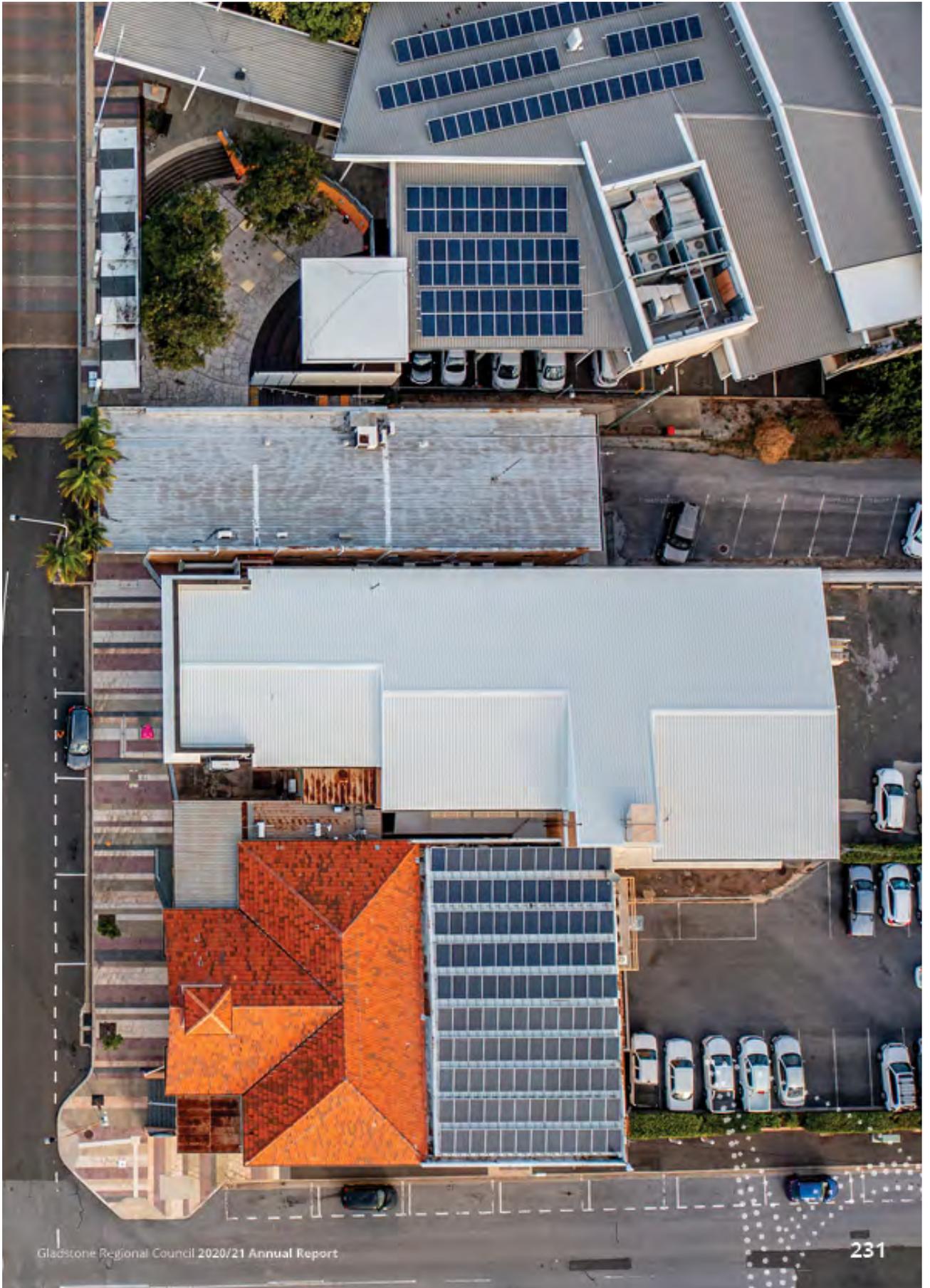
CHIEF EXECUTIVE OFFICER

13 October 2021

6 REFERENCES

This section provides context to the terminology used throughout the report to assist the reader with understanding specific definitions. Glossary of terms, list of acronyms and abbreviations, list of figures and tables, legislative index and subject index is included to help the reader better understand the report.





GLOSSARY OF TERMS

Advocacy	The act of supporting or arguing in favour of something, such as a cause, project or initiative.
Annual Report	Council's detailed report on its performance over the financial year 1 July 2020 to 30 June 2021 as compared against our Corporate and Operational Plan. It includes statements about Council and its employees, performance, finances and disclosures required by legislation.
Apprentice	An arrangement in which someone learns an art, trade or job under another skilled, experience, qualified professional.
Assessment	Evaluation activities undertaken to determine level of performance.
Asset	A resource owned by Council which is used to deliver services to the community. This includes things you can touch and feel like roads as well as those you cannot like software programs.
Audit	This is a business improvement function established by Council to provide independent, objective assurance and consulting services designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.
Beakon	Software program that supports management of risk and compliance activities for Council.
Best practice	Best practice A method or procedure of accomplishing a business function, process or outcome/result that is considered as being correct or most effective to all other known methods.
Budget	An estimate of costs, revenues and resources over a specific period, reflecting a reading of future financial conditions and goals for the organisation.
Business Unit	A division of Council's organisation that holds particular responsibility for a range of services.
Capital works	Acquiring, constructing, upgrading, replacing, renewing or disposing of assets.
Chief Executive Officer (CEO)	Council's highest-ranking executive.
CI Anywhere	A software platform that provides functionality, security and consistent operation on any device. Data being accessed is instantly available, live and accurate.
Community	The people, groups and organisations that make up the region.
Complaint	A report of dissatisfaction.
Community Engagement	The process of connecting council, citizens and communities on a wide range of policy, program and service issues. It can be formal or informal and operates on the premise that the best decisions are made if those involved in the outcomes are considered.
Community Financial Report	An annual report that offers commentary on Council's financial results.
Corporate Plan	A document that sets out the goals and strategies over the medium term (five years). It defines how Council will meet its responsibilities to the community and is a legislative requirement.
Councillor	Elected member of Council.
Covid Recovery Plan	An action plan developed to drive the economic, community and tourism recovery for our region.

COVID-19	An infectious disease that led to a worldwide pandemic from early 2020.
Culture	Defines who we are as an organisation, our ethics, our institutions, our behaviours and our routines.
Cyber security	Protection of information and communication technology from malicious attacks.
Disaster management	Prevention, preparation, response and recovery to disaster events.
Dump point	A place to dispose of grey and black water, as well as sewage waste, commonly from recreational vehicles and caravans.
Economic development	Growth of the local economy for the prosperity and benefit of the community.
Executive Leadership Team	Comprised of Council's CEO and General Managers.
Financial year	The financial year we are reporting on in this report is the period from 1 July 2020 to 30 June 2021.
Framework	A structure that shows the linkages between various processes in order to achieve an outcome.
Gladstone Region Youth Council	A formal advisory committee that voice the interests of youth in our region on Council related matters and initiatives.
Governance	How decisions are made and implemented as well as how the business is managed and controlled. It encompasses how Council is held accountable.
Hydrogen	A colourless, odourless, highly flammable gas that is a clean fuel source.
Initiatives	Specific projects or programs undertaken to achieve objectives within a measurable time frame.
International Association for Public Participation (IAP2)	The peak body for the community and stakeholder engagement sector.
Key Performance Indicators	Quantifiable measurements that help an organisation define and measure progress towards organisational goals/outcomes.
Landfill	A site designed for waste disposal. It includes large pits that bury disposed waste and is commonly known as a dump or tip.
Legislation	Legislation referring to the Local Government Act 2009 or Local Government Regulation 2012.
Local Government Act 2009	The principal legislation that provides the legal framework for local governments in Queensland. It ensures local governments are accountable, effective, efficient and sustainable.
Local Government Regulation 2012	Legislation describing the boundaries for local government.
Mayor	The head of Council elected at local government elections. Mayoral duties include running the Council meetings, working alongside the CEO on Council business, being the spokesperson for Council and carrying out ceremonial duties.
Mental Health	A state of wellbeing in which an individual realises his or her own abilities, can cope with the normal stresses of life, can work productively and is able to make a contribution to his or her community.

REFERENCES 06

Native Title	Recognition under Australian common law, of pre-existing Indigenous rights and interests according to traditional laws and customs.
Operational Plan	A 12 month plan that sets out how to achieve the desired outcomes set out in the Corporate Plan.
Outcomes	Results of an activity, plan, process or program and their comparison with the intended or projected results.
Policy	A set of principles and associated guidelines formulated and enforced at the highest level, to direct and limit an organisation's actions in pursuit of long-term goals.
Project	A temporary endeavour that has a defined start and end, scope and resources. It has a singular goal and a specific set of operations are put forth to accomplish it.
QR Code	Quick Response (QR) matrix barcode that contains information (mainly links to web pages) that is scannable from a smartphone camera.
Rates	An annual levy charged to property owners within the region to fund the supply and management of infrastructure and services to the community.
Reconciliation Action Plan	Council's strategic document that includes a range of practical measures that will positively influence reconciliation outcomes within the Gladstone Region.
Renewable energy	Energy that is collected from natural sources such as solar, wind, or moving water.
Remuneration	Money paid to compensate a person for their work.
Revenue	Income or money generated by Council.
Scarred Tree	Native trees that had bark removed by First Nations people for various purposes. Scarred Trees provide valuable insight into the history of Aboriginal peoples.
Service	A group of related activities contributing to a common outcome.
Sister City Program	A worldwide movement that encourages international understanding and ultimately world peace. The Gladstone Region's sister city is Saiki City in Oita Prefecture, Japan.
Statutory	Required under law or legislation.
Strategic Goal	An aspirational overarching purpose that describes what the organisation is working towards.
Strategic planning	A process that helps Council and the community plan for the future according to the vision outlined in the Corporate Plan.
Trainee	A person undergoing training for a particular role at Council.
Transfer Station	A site that collects and sorts waste before being processed and recovered or sent to landfill.
Values	Overarching direction for how Council will behave.
Vision	An aspirational statement that describes what the organisation is working towards.



REFERENCES 06

LIST OF ACRONYMS AND ABBREVIATIONS

AAC	Administrative Action Complaint	IAA	Institute of Internal Auditors
ALGA	Australian Local Government Association	IQRAP	Inland Queensland Roads Action Project
APV	APV Valuers and Asset Management	JLL	JLL Public Sector Valuations Pty Ltd
AusTTA	Australian Transformation and Turnaround Association	IAP2	International Association for Public Participation
B	Billion	IP ACT	Information Privacy Act 2009
B2G	Brisbane to Gladstone	SIMS	Interim Safety Incident Management System
BAM	Beach Arts Music	KM	Kilometre
BTABC	Boyne Tannum Arts Business and Community Association Incorporated	KPIs	Key Performance Indicators
BTARC	Boyne Tannum Aquatic Recreation Centre	LDMG	Local Disaster Management Group
CBD	Central Business District	LGA	Local Government Area
C-CAT	Coastal Council Adaptation Taskforce	LGAQ	Local Government Association of Queensland
CCC	Crime and Corruption Commission	LNG	Liquid Natural Gas
CEO	Chief Executive Officer	LRCI	Local Roads and Community Infrastructure Program
CHAS	Coastal Hazard Adaptation Strategy	LTi	Lost Time Injuries
CI Anywhere	Connected Intelligence Anywhere	LTIFR	Lost Time Injury Frequency Rate
COVID-19	Novel Coronavirus	M	Million
CQ	Central Queensland	MAIB	Member, Australia Institute of Building
CQROC	Central Queensland Regional Organisation of Councils	NAIDOC	National Aborigines and Islanders Day Observance Committee
CMMS	Computerised Maintenance Management System	NASA	National Aeronautics and Space Administration
CwC	Conversations with Council	OIA	Office of the Independent Assessor
DCDSS	Department of Communities, Disability Services and Seniors	OSHC	Outside School Hours Care
FOTT	Friends of the Theatre	PCCC	Port Curtis Coral Coast
GAPDL	Gladstone Area Promotion and Development Limited	PCD	Port Curtis Dairy
GAWB	Gladstone Area Water Board	PCYC	Police Citizens Youth Club
GECC	Gladstone Entertainment Convention Centre	PFOS	Park Furniture and Other Structures
GLNG	Gladstone Liquefied Natural Gas	PID	Public Interest Disclosures
GPS	Global Positioning System	QAL	Queensland Alumina Limited
GRAGM	Gladstone Regional Art Gallery and Museum	QGC	Queensland Gas Company
GRC	Gladstone Regional Council	QLD	Queensland
GRL	Gladstone Regional Libraries	QPCYWA	Queensland Police Citizens Youth Welfare Association
GRP	Gross Regional Product	QR	Queensland Rail
HAZOP	Hazard operations study	QTC	Queensland Treasury Corporation
HR	Human Resources	QTIC	Queensland Tourism Industry Council



RACAS	Road Asset Condition Assessment System
RAP	Reconciliation Action Plan
RDTI	Roads, Drainage, Transport and Infrastructure
RV	Recreational Vehicle
SAP	Strategic Asset Performance
SCADA	Supervisory Control and Data Acquisition
SES	State Emergency Service
SBA	Significant Business Activity

SICT	Strategic Information, Communications and Technology
SROI	Social Return on Investment
TBG	Tondoon Botanic Gardens
VDI	Virtual Desktop Infrastructure
VPN	Virtual Private Network
W4Q	Works for Queensland
WAT	Wellness Action Team
WHS	Workplace Health and Safety
WWTP	Wastewater treatment plant

REFERENCES 06

LIST OF FIGURES AND TABLES

Section of Report	Figure, Table	Name	Page number
Introduction and Highlights (6-55)			
Performance Overview	Figure	Operational Plan delivered	22
Performance Overview	Table	Strategic Goals outcomes	22
Community Engagement	Table	IAP2 Spectrum of Public Participation	32-33
Community Engagement	Table	Conversations Platform in numbers	35
Community Engagement	Table	Top visited projects 2020/21	35
Community Engagement	Figure	Events impacted by COVID-19	44
Our Council (56-111)			
Councillor Governance	Table	Advisory Committees	64
Councillor Governance	Table	2020/21 Council Meetings	65
Councillor Governance	Table	2020/21 Councillor remuneration	65
Councillor Governance	Table	2020/21 Councillor expenses	66
Organisation Structure	Figure	Organisation Structure	70
Corporate Governance	Table	2020/21 Efforts towards Ethical and Responsible Council strategic goal	72
Smart Asset Management	Figure	Total gross value of property, plant and equipment	74
Executive Leadership Team	Table	Senior management remuneration	79
Our People	Figure	Employee snapshot	102
Our People	Figure	Employee age profile	102
Our People	Figure	Years of service	102
Our People	Figure	Recruitment snapshot	102
Workplace Health and Safety	Figure	Lost Time Injury Frequency Rate	104
Our Apprentice and Trainees Program	Figure	Number of Council apprentices and trainees	106
Operational and Core Services Performance Outcomes (112-135)			
Performance Reporting	Figure	Strategic Planning Framework	114
Performance Reporting	Figure	Our Overall Performance - Strategic Goals on track	115
Performance Reporting	Figure	Our Overall Performance - Actions completed	115
Performance Reporting	Table	Our Overall Performance - 5-year summary of completed actions	
Strategic Goal 1	Table	2020/21 Key Performance Indicators	118
Strategic Goal 1	Table	2020/21 Actions progressed	118
Strategic Goal 2	Table	2020/21 Key Performance Indicators	120
Strategic Goal 2	Table	2020/21 Actions progressed	120
Strategic Goal 3	Table	2020/21 Key Performance Indicators	122
Strategic Goal 3	Table	2020/21 Actions progressed	122
Strategic Goal 4	Table	2020/21 Key Performance Indicators	123
Strategic Goal 4	Table	2020/21 Actions progressed	123
Strategic Goal 5	Table	2020/21 Key Performance Indicators	126
Strategic Goal 5	Table	2020/21 Actions progressed	126
Strategic Goal 6	Table	2020/21 Key Performance Indicators	127
Strategic Goal 6	Table	2020/21 Actions progressed	127
Strategic Goal 7	Table	2020/21 Key Performance Indicators	128
Strategic Goal 7	Table	2020/21 Actions progressed	128
Strategic Goal 8	Table	2020/21 Key Performance Indicators	132

Strategic Goal 8	Table	2020/21 Actions progressed	132
Strategic Goal 9	Table	2020/21 Key Performance Indicators	133
Strategic Goal 9	Table	2020/21 Actions progressed	133
Community Recovery Plan	Figure	Covid Recovery Plan - Economic Recovery	134
Community Recovery Plan	Figure	Covid Recovery Plan - Community Recovery	134
Community Recovery Plan	Figure	Covid Recovery Plan - Tourism Recovery	134
Governance and Disclosures (136-143)			
Governance	Table	2020/21 Requests for Information	138
Governance	Table	2020/21 Administrative Action Complaints	138
Governance	Table	2020/21 Mayor's Discretionary Fund allocations	139-140
Governance	Table	2020/21 Community donations	140
Governance	Table	Connected Communities Fund	141
Governance	Table	Regional Enhancement Fund	141
Governance	Table	Community Celebration Fund	141
Governance	Table	Community Education Fund	141
Governance	Table	Concessions for rates and charges	141
Disclosures	Table	Non-current physical assets class and threshold	143
Financial Performance (144 - 151)			
Community Financial Report	Table	Debt service coverage ratios	147
Financial Overview	Table	Consolidated financial results at a glance	148
What were the major sources of cash in and cash out?	Table	Three-year comparison of main sources of cash receipts and cash payments	148
What were the major sources of cash in and cash out?	Figure	Income	149
What were the major sources of cash in and cash out?	Figure	Expenditure	149
What were the major sources of cash in and cash out?	Figure	Assets	150
What were the major sources of cash in and cash out?	Figure	Total Property, Plant and Equipment	150

REFERENCES 06

LEGISLATIVE INDEX

Local Government Regulation 2012

Legislation Requirement	Section	Page
Financial statements	183	
The annual report for a financial year must contain—		
(a) the general purpose financial statement for the financial year, audited by the auditor-general; and		216
(b) the current-year financial sustainability statement for the financial year audited by the auditor-general; and		220-223
(c) the long-term financial sustainability statement for the financial year; and		226-229
(d) the auditor-general's audit reports about the general purpose financial statement and the current-year financial sustainability statement.		217-219, 223-225
Community financial report	184	146-151
The annual report for a financial year must contain the community financial report for the financial year.		
Particular resolutions	185	
The annual report for a financial year must contain—		
(a) a copy of the resolutions made during the financial year under section 250(1) and		66
(b) a list of any resolutions made during the financial year under section 206(2).		143
Councillors	186	
(1) The annual report for a financial year must contain particulars of—		
(a) for each councillor, the total remuneration, including superannuation contributions, paid to the councillor during the financial year; and		65
(b) the expenses incurred by, and the facilities provided to, each councillor during the financial year under the local government's expenses reimbursement policy; and		66
(c) the number of local government meetings that each councillor attended during the financial year; and		65
(d) the total number of the following during the financial year—		
(i) orders made under section 150(2) of the Act.		143
(ii) orders made under section 150AH(1) of the Act.		143
(iii) decisions, orders and recommendations made under section 150AR(1) of the Act; and		143
(e) each of the following during the financial year—		
(i) the name of each councillor for whom a decision, order or recommendation mentioned in paragraph (d) was made;		143
(ii) a description of the unsuitable meeting conduct, inappropriate conduct or misconduct engaged in by each of the councillors;		143
(iii) a summary of the decision, order or recommendation made for each councillor; and		143
(f) the number of each of the following during the financial year—		
(i) complaints referred to the assessor under section 150P(2)(a) of the Act by local government entities for the local government;		143

(ii) matters mentioned in section 150P(3) of the Act, notified to the Crime and Corruption Commission;	143
(iii) notices given under section 150R(2) of the Act;	143
(iv) notices given under section 150S(2)(a) of the Act;	143
(v) decisions made under section 150W(a), (b) and (d) of the Act;	143
(vi) referral notices accompanied by a recommendation mentioned in section 150AC(3)(a) of the Act;	143
(vii) occasions information was given under section 150AF(4)(a) of the Act;	143
(viii) occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 3 of the Act for the local government, the suspected inappropriate conduct of a councillor;	143
(ix) applications heard by the conduct tribunal about the alleged misconduct of a councillor;	143
Administrative action complaints	187
(1) The annual report for a financial year must contain—	
(a) a statement about the local government's commitment to dealing fairly with administrative action complaints; and	138
(b) a statement about how the local government has implemented its complaints management process, including an assessment of the local government's performance in resolving complaints under the process.	138
(2) The annual report must also contain particulars of—	
(a) the number of the following during the financial year—	
(i) administrative action complaints made to the local government;	138
(ii) administrative action complaints resolved by the local government under the complaints management process;	138
(iii) administrative action complaints not resolved by the local government under the complaints management process; and	138
(b) the number of administrative action complaints under paragraph (a) (iii) that were made in a previous financial year.	138
Overseas travel	188
(1) The annual report for a financial year must contain the following information about any overseas travel made by a councillor or local government employee in an official capacity during the financial year—	
(a) for a councillor—the name of the councillor;	65
(b) for a local government employee—the name of, and position held by, the local government employee;	65
(c) the destination of the overseas travel;	65
(d) the purpose of the overseas travel;	65
(e) the cost of the overseas travel.	65
(2) The annual report may also contain any other information about the overseas travel the local government considers relevant.	65
Expenditure on grants to community organisations	189

REFERENCES 06

(1) The annual report for a financial year must contain a summary of the local government's expenditure for the financial year on grants to community organisations	139-141
(2) The annual report must also contain the following information about the local government's discretionary funds—	
(a) the total amount budgeted for the financial year as the local government's discretionary funds;	139
(b) the prescribed amount for the local government for the financial year;	139
(c) the total amount of discretionary funds budgeted for the financial year for councillors to allocate for each of the following purposes—	
(i) capital works of the local government that are for a community purpose;	139-140
(ii) other community purposes	139-140
(d) the amount of discretionary funds budgeted for use by each councillor for the financial year;	139
(e) if a councillor allocates discretionary funds in the financial year—	
(i) the amount allocated; and	139-140
(ii) the date the amount was allocated; and	139-140
(iii) the way mentioned in section 202(1) in which the amount was allocated; and	139-140
(iv) if the amount was allocated to a person or organisation—the name of the person or organisation to whom the allocation was made; and	139-140
(v) the purpose for which the amount was allocated, including sufficient details to identify how the funds were, or are to be, spent.	139-140
Other contents	190
(1) The annual report for a financial year must contain the following information—	
(a) the chief executive officer's assessment of the local government's progress towards implementing its 5-year corporate plan and annual operational plan;	25
(b) particulars of other issues relevant to making an informed assessment of the local government's operations and performance in the financial year	112-135
(c) an annual operations report for each commercial business unit;	80-101
(d) details of any action taken for, and expenditure on, a service, facility or activity—	
(i) supplied by another local government under an agreement for conducting a joint government activity; and	142
(ii) for which the local government levied special rates or charges for the financial year;	142
(e) the number of invitations to change tenders under section 228(7) during the financial year;	142
(f) a list of the registers kept by the local government;	73
(g) a summary of all concessions for rates and charges granted by the local government;	141
(h) the report on the internal audit for the financial year;	73

(i) a summary of investigation notices given in the financial year under section 49 for competitive neutrality complaints;		139
(j) the local government's responses in the financial year on the QCA's recommendations on any competitive neutrality complaints under section 52(3).		139
Local Government Act 2009		
Beneficial Enterprises		
A local government's annual report for each financial year must contain a list of all the beneficial enterprises that the local government conducted during the financial year.	45	142
Significant Business Activities		
A local government's annual report for each financial year must—		
(a) contain a list of all the business activities that the local government conducted during the financial year;		142
(b) identify the business activities that are significant business activities; and		142
(c) state whether or not the competitive neutrality principle was applied to the significant business activities, and if the principle was not applied, the reason why it was not applied; and		142
(d) state whether any of the significant business activities were not conducted in the preceding financial year, i.e. whether there are any new significant business activities.		142
The local government must conduct a public benefit assessment of the new significant business activity.	46	142
Senior Executive Remuneration		
(1) The annual report of a local government must state—		
(a) the total of all remuneration packages that are payable for the year to the senior management of the local government; and		79
(b) the number of employees in senior management who are being paid each band of remuneration; and		79
(c) if the local government has resolved to allow a councillor to appoint councillor advisors—for each councillor— (i) the number of councillor advisors appointed by the councillor for the year, and (ii) the total remuneration payable to all councillor advisors appointed by the councillor for the year.		N/A
Right to Information Act 2009 and the Information Privacy Act 2009	138	138
Human Rights Act 2019	139	138

REFERENCES 

FEEDBACK FORM

1. Email to the address listed in general information above with subject: Annual Report or
2. Drop off to Council centres listed on page 2
3. Send mail to:
The Chief Executive Office
Gladstone Regional Council
PO Box 29, Gladstone DC QLD 4680

My main interest in the report is as a:

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> government body (State) | <input checked="" type="checkbox"/> member of a community group | <input checked="" type="checkbox"/> student |
| <input checked="" type="checkbox"/> government body (Federal) | <input checked="" type="checkbox"/> member of a sporting group | <input checked="" type="checkbox"/> contractor/supplier |
| <input checked="" type="checkbox"/> government body (Local) | <input checked="" type="checkbox"/> member of an environmental group | <input checked="" type="checkbox"/> local business |
| <input checked="" type="checkbox"/> member of a financial group | <input checked="" type="checkbox"/> developer | <input checked="" type="checkbox"/> business investor |
| <input checked="" type="checkbox"/> customer | <input checked="" type="checkbox"/> local resident | <input checked="" type="checkbox"/> other |

Was the report structure:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> easy to follow? | <input checked="" type="checkbox"/> acceptable? | <input checked="" type="checkbox"/> difficult to follow? |
|---|---|--|

What did you enjoy most about the report?

Was there anything else you would have liked included in the report?

Do you have any other comments or suggested improvements for the report?



REFERENCES 06

INDEX

Administrative Action Complaint.....	138	Economic Recovery.....	132, 134
Agnes Water		Employee engagement.....	122
16-17, 19, 30, 35, 43, 52, 54, 63, 68, 86, 91, 97,		Equity.....	154-156, 165, 171, 179-182, 200-201
110, 121, 135, 139		Executive Leadership Team.....	
Asset sustainability ratio.....	147	4, 5, 9, 28, 56, 76, 78-79	
Assets		Finance Governance and Risk.....	73, 77, 88
20, 40, 64, 67, 73-75, 89, 91, 96-97, 99, 109, 143,		Financial.....	
146-148, 150-151		6, 8-9, 20-21, 23, 24, 30, 37-38, 49-51, 65, 72-74,	
Audit, Risk and Integrity		79-80, 85, 88-90, 98-99, 106, 109, 114, 118, 134,	
Committee (ARIC).....	72-73	138, 139, 144-229	
Awards.....		Footpath.....	35, 37, 53, 75, 96
35, 44, 52, 54, 81, 94-95, 105, 111, 140		Grants.....	21, 23, 46, 82, 91, 98, 139, 148-149
Biodiversity.....	39, 52, 97	History.....	6, 9, 16, 28, 29, 38, 62, 80-81
Boyne Tannum.....	2, 12, 24, 46, 61, 99	Internal Audit.....	72-73, 88, 89
Boyne Tannum Aquatic		Investment Decision Framework.....	97, 133
Recreation Centre.....	99	Key Performance Indicators (KPIs).....	
Budget.....	114, 126, 139, 151	118, 120, 122-123, 126-128, 132-133	
Calliope.....		Local Government Act 2009.....	
2, 16-17, 30, 31, 40, 43, 52, 62, 67, 75-77, 86, 97,		8, 64, 65, 72, 138, 142-143	
110, 127, 140		Local Government Regulation 2012.....	
Capital Works.....	21, 150	64, 139, 142-143	
Cash flow.....	146-147, 149	Luminous.....	37, 44, 68
Coastal Hazard Adaption Strategy		Mayor.....	
(CHAS).....	63, 96, 120	9, 28, 43, 51-53, 58-59, 64-65, 67, 81, 83, 139,	
Code of Conduct.....	64, 103, 143	140	
Community Development and Events.....	81, 82	Measures of sustainability.....	146
Community engagement.....		Message from the Mayor.....	24
4, 30, 32, 35, 64, 82, 96, 102, 120, 122		Miriam Vale.....	2, 10, 16-17, 30, 38, 43, 85, 110
Community events.....	6, 24, 44, 80-81, 108, 110	Mount Larcom.....	2, 10, 16-17, 30, 38, 43, 85, 110
Corporate Plan.....		NAIDOC.....	27, 52
16, 19, 22-23, 65, 72, 74, 79, 95, 99-100, 112,		Net financial liabilities ratio.....	146
114, 117-118, 125, 131		Net interest coverage ratio.....	146
Council Committees.....	33, 68	Operating surplus ratio.....	146
Councillors.....		Operational Plan.....	
23, 27, 43, 49, 59, 64-66, 69, 72-73, 84, 143		8, 9, 16, 19, 22, 82, 95, 97, 112, 114-115, 117,	
COVID-19.....		125, 131, 134, 151	
4, 6, 20, 23-24, 30, 37, 40, 42-60, 64, 80, 81, 84,		Operations.....	
85, 88, 94, 99, 108, 118, 132, 134-135, 139, 151		31, 38, 70, 73, 77, 80, 84, 88, 90-92, 109, 128,	
Customer Experience.....	54, 76, 78, 84, 86	138, 141-142, 147-148	
Customer Service.....	2, 22, 90, 112, 126, 133	People Culture and Safety.....	70, 94
Debt service coverage.....	146	Philip Street Communities and Families Precinct	
Ecofest.....	33, 44, 53, 81, 84, 109	36, 62, 63, 80
Economic Development Strategy.....	86, 132		



Rates.....	9, 21, 24, 46, 88, 89, 99, 132, 136, 141-142, 146, 148-149, 151
Ratios.....	146-147
Reconciliation Action Plan.....	26-28, 31, 33, 663, 81
Rise Up	140
Risk Management	4, 72-74, 89, 104, 123
Skate Park, see also Cassy Lives Skate Park.....	14, 30, 35
Statutory	136, 138
Strategic Asset Performance (SAP).....	70, 75, 78, 96-97
Strategic Asset Planning.....	70, 96
Strategic Information Communication and Technology (SICT).....	48, 70, 98
Strategic Planning	8, 19, 36, 114
Strategy and Transformation	70, 76, 78, 98, 100
Tondoon Botanic Gardens.....	31, 37, 80-82, 108-109
Trainees.....	5, 39, 51, 53, 102, 106
Vaccinations.....	85
Waste (Services/Transfer Stations).....	14, 23, 41, 70, 74, 90, 141
Waste Management.....	11, 14, 75, 142
Wastewater.....	14, 21, 23, 75, 91
Water meters.....	85
Working capital ratio	146-147
Youth Council	4, 9, 30, 33, 35, 49, 53, 56, 64, 68-69



www.gladstone.qld.gov.au



Addendum 2

Gladstone Regional Council

Council Policy

Title	COUNCILLOR EXPENSES REIMBURSEMENT & PROVISION OF FACILITIES
Policy Number	P-2021-18
Business Unit/s	FINANCE GOVERNANCE & RISK
Date of Adoption	
Resolution Number	
Review Date	
Date Repealed	

1.0 PURPOSE:

To ensure accountability and transparency in the reimbursement of expenses and the provision of facilities provided or incurred by Councillors in the conduct of Council business.

This policy does not provide for salaries or other form of Councillor remuneration. Councillor remuneration is in accordance with the determination of the Local Government Remuneration Commission.

2.0 SCOPE:

This policy applies to Councillors of Gladstone Regional Council.

3.0 RELATED LEGISLATION:

Local Government Act 2009
Local Government Regulation 2012

4.0 RELATED DOCUMENTS:

Procurement Policy
Entertainment and Hospitality Policy
Councillor Code of Conduct

5.0 DEFINITIONS:

To assist in interpretation of this policy the following definitions apply:

Term	Definition
Administrative Tools	May include: <ul style="list-style-type: none"> • office space and meeting rooms • smartphone of approved/supported platform (currently Apple iPhone) • tablet computer of approved/supported platform (currently a laptop) • internet access • access to photocopiers • printers • publications

Chief Executive Officer	Means the chief executive officer, and where the context permits, the acting chief executive officer, of Council as appointed under the <i>Local Government Act 2009</i>
Conference	Means a professional development event named as a conference, convention, symposium, seminar or similar.
Councillor	For the purposes of this Policy, the reference to Councillor includes the Mayor
Expense	<p>Means a cost reasonably incurred in the course of a Councillor participating in Council related conferences, professional development, training, entertaining visiting dignitaries or other travel as required to represent Council and may include:</p> <ul style="list-style-type: none"> • travel costs such as flights, car hire, taxi, Uber, bus, ferry, train fares; • meals; • accommodation; • other incidentals such as parking fees; • training / conference registration fees <p>It specifically excludes:</p> <ul style="list-style-type: none"> • the purchase of alcohol (unless specifically authorised at the sole discretion of the Mayor); and • any finances incurred while travelling in Council-owned vehicles or privately-owned vehicles when attending to Council business. <p>It also includes legal expenses incurred individually by a Councillor for the provision of advice related to conflicts between official duties of a Councillor and Council resolved appointments to separate committees and boards.</p>
Entertainment or Hospitality	<p>Means as defined in Section 196 of the <i>Local Government Regulation 2012</i>; and includes:</p> <ul style="list-style-type: none"> • entertaining members of the public in order to promote a local government project; and • the provision of food or beverages; <ul style="list-style-type: none"> - to a person visiting the local government in an official capacity; or - for a conference, course, meeting, seminar, workshop or another forum that is held by the local government for its Councillors, officers or other persons; and • paying for a Councillor or local government employee to attend a function as part of the Councillor's, or employee's official duties or obligations as a Councillor or local government employee.
Facilities	<p>May include:</p> <ul style="list-style-type: none"> • Vehicle and accessories; • Administrative Tools; • Uniforms; • Information resources (copies of documents, emails, records and the like); • Other property and equipment provided by Council.
Incidentals	<p>Incidental expenses are paid to Councillors to cover expenditure of the following nature –</p> <ul style="list-style-type: none"> • snacks including coffee, tea or drinks, etc; • personal items necessary for the travel.
Training	Means a structured training event designed to deliver specific outcomes, skills and capabilities.

6.0 POLICY STATEMENT:

Council is committed to ensuring Councillors have Council business expenses paid or reimbursed and are provided with facilities to enable them to perform their duties.

Payment or reimbursement of expenses and provision of facilities for Councillors is:

- a) To occur in accordance with statutory requirements;
- b) To be open, transparent, prudent and responsible;
- c) Based on ensuring economy and efficiency; and
- d) Subject to budget provisions.

7.0 PAYMENT OF EXPENSES

Expenses will be paid to a Councillor through administrative processes approved by Council's Chief Executive Officer subject to the limits outlined in this policy and within budget.

7.1 CONFERENCES AND TRAINING

7.1.1 Conferences

Council will meet or reimburse expenses incurred by a Councillor in relation to attending a Conference where approval has been granted by either:

- Resolution of the Council; or

Authorised by the CEO in accordance with the criteria contained in this section.

Councillor attendance at a conference may be approved by the CEO where there is a budget allocation and the following criteria are satisfied:

1. The Councillor has attended no more than 3 conferences/seminars in the current financial year; and
2. The seminar/conference is to be held in Queensland.

Where any of the above criteria are not satisfied, Council approval is required in order to attend. However, where the conference is to be provided within the Gladstone Regional Council area incurring no travel or accommodation costs, all Councillors will be entitled to attend, subject to sufficient budget for any relevant registration costs.

The process for seeking approval to attend a conference is outlined in the Councillor Conference internal factsheet.

7.1.2 Training

Council will meet or reimburse expenses incurred by a Councillor in relation to training that has been endorsed by the Mayor and CEO that is of relevance to the roles and responsibilities of a Councillor and is within budget allocations.

7.2 TRAVEL AS REQUIRED TO REPRESENT COUNCIL

7.2.1 Travel Outside the Gladstone Regional Council Area

Council will meet or reimburse local, interstate and in special cases, overseas travel expenses (e.g. flights, car, accommodation, meals and associated registration fees) deemed necessary to achieve the business of Council where a Councillor is an official representative of Council and the travel is approved by the Mayor and Chief Executive Officer.

Where approval to attend a Conference or Training has occurred, this automatically approves the associated travel expenses.

7.2.2 Travel within the Gladstone Regional Council Area

Councillors are provided with a Council vehicle for travel within the region. Where a Councillor is required to attend a meeting within the Gladstone Regional Council area and:-

- a. the meeting does not conclude before 8.30pm, or it commences prior to 7.00am; and
- b. the Councillor's place of residence is more than 60 kilometres from the meeting venue;

Council will meet reasonable accommodation costs for the night.

7.2.3 Travel Guidelines

The following guidelines are to apply to travel:

- Councillors are to travel via the most practical and direct route, using the most economical and efficient mode of transport.
- Council will pay for reasonable expenses incurred for overnight accommodation. Where possible the maximum standard for Councillors' accommodation should be four-star rating however where accommodation is recommended by conference organisers, Council will take advantage of the package deal that is the most economical and convenient to the event.
- Any fines incurred while travelling in Council-owned vehicles or privately-owned vehicles when attending to Council business, will be the responsibility of the Councillor incurring the fine.
- Any travel transfer expenses associated with Councillors travelling for Council approved business will be reimbursed.
- In the unusual circumstance that a Councillor cannot access their Council provided vehicle or another fleet vehicle, they may claim for mileage by submitting a claim based on the rate of 75c/km.
- Council will reimburse the actual costs of meals for a Councillor (on the production of receipts) when the Councillor incurs the cost personally and the meal was not provided within the registration costs of the approved activity/event or during a flight. Council will also reimburse any actual incidental costs incurred when a Councillor is away from home overnight. The maximum daily amounts for reimbursement are identified in Table 1 below. These limits are not to be used as an accumulative total (i.e. if the full cost of a meal is not spent, it cannot be added to the next meal to increase the amount).

Table 1

Expense Item	Maximum Daily Limit
Breakfast	\$30
Lunch	\$30
Dinner	\$45
Incidentals (where attendee is away from home overnight)	\$20

- Generally, **no alcohol will be reimbursed by Council**, however the Mayor may exercise discretion and allow on occasions the purchase of limited alcohol where it is deemed appropriate.
- Corporate Credit Cards cannot be used to bypass compliance with the reimbursement of expenses set out in this policy. All purchases made by the use of a Council Corporate Credit Card are still subject to compliance with this policy and all related procurement policies.

7.3 ENTERTAINMENT OR HOSPITALITY

It is recognised that on occasions Councillors may host people in the course of their official duties.

Council will reimburse Councillors Entertainment or Hospitality expenses for the Councillor and others where the meeting directly relates to Council business and:

- it appears appropriate and reasonable;
- can withstand the "public defensibility test"; and
- is in the best interest of Council ratepayers.

Circumstances where it may be appropriate and reasonable for expenses to be reimbursed include:

- Hosting visiting Ministers, Dignitaries and Public Representatives;
- Meeting with members of the public who wish to meet outside of Council facilities to discuss matters relating to Council's current, past or future services and facilities;
- Hosting others during the course of travel for official Council business.

Alcohol, whether part of a meal or not, will be deemed personal use and is not eligible for reimbursement; however, the Mayor may exercise discretion and allow the purchase of limited alcohol where it is deemed appropriate.

7.3.1 Claiming Entertainment or Hospitality Reimbursement

Councillors must submit a claim for reimbursement as follows:

1. Complete a brief precis of the circumstances where the hospitality expenses were incurred including the following details:
 - (a) Date and time of meeting, function, event or forum;
 - (b) Attendees hosted;
 - (c) Purpose of the meeting, function, event or forum;

(d) Name and Signature of the Councillor making the claim.

2. Attach a copy of the tax receipt for the expenses incurred.

Councillors must forward all claims to the Councillor Support mailbox for authorisation and processing.

7.4 LEGAL EXPENSES

Council will provide reimbursement of legal expenses incurred individually by a Councillor subject to the following guidelines:

- Expenses will only be reimbursed where the legal advice is related to conflicts between official duties as a Councillor and duties associated with Council resolved appointments to separate committees and boards;
- Notification is to be provided to the Chief Executive Officer of the intended external legal firm prior to engagement to ensure relevant procurement processes are met;
- Reimbursement will not be authorised where the content of the advice has been provided previously (i.e. reimbursement will only occur once for the same subject matter).

8.0 PROVISION OF FACILITIES

All facilities provided to Councillors remain the property of Council and must be returned to Council when a Councillor resigns or their term expires.

8.1 PROVISION OF A FULLY SERVICED VEHICLE

Council will provide each Councillor with a fully serviced mid-sized SUV (sports utility vehicle) or utility for use on Council business.

Councillors who wish to avail themselves of the opportunity for private use of the vehicle can do so, on the basis that they reimburse Council for 25% of the running costs (ex GST) of the vehicle with contributions grossed up to account for GST. The contribution is calculated based on the operating cost of the vehicle plus any whole of life costs. For a Councillor's first year contribution, the calculation will be based on the past averages for Councillor usage. Reconciliations are to be performed annually and at the end of the election term, with contributions to be adjusted to account for any shortfall or overpayment.

All Councillors are duly authorised officers for the purposes of motor vehicle insurance under Council's Motor Vehicle Insurance Policy, and where the Councillor has elected to avail themselves of private use, the Councillor can nominate to the Chief Executive Officer members of the persons immediate family who will be eligible to use the vehicle in line with the private use entitlement provided to the Councillor.

8.2 ADMINISTRATIVE TOOLS

Administrative tools will be provided to Councillors as required to assist them in their role.

Administrative support is provided for Councillors in accordance with the Councillor Administrative Support Guidelines endorsed by the Chief Executive Officer.

Council may provide Councillors with a corporate credit card on the basis that the Councillor will reimburse all expenses not covered by this policy.

8.3 INSURANCE COVER

Council will indemnify or insure Councillors in the event of injury sustained while discharging their civic duties. For clarity, where there is an excess payable with respect to any insurance claim, Council will pay such excess.

8.4 UNIFORM

Council will supply each Councillor with up to three (3) shirts, one (1) bottom (pants or skirt) and one jacket from the Corporate Uniform range, which will be replaced on a fair wear and tear basis. At a minimum, Councillors are entitled to a replacement supply for each election term.

8.5 PERSONAL PROTECTIVE EQUIPMENT (PPE)

PPE will be provided where required for use on official business e.g. safety helmet / safety boots / high visibility shirt.

7.0 ATTACHMENTS:

Nil.

8.0 REVIEW MECHANISM:

This policy will be reviewed when any of the following occur:

1. The related legislation or governing documents are amended or replaced; or
2. Other circumstances as determined by resolution of Council or the CEO; or
3. Three years from date of adoption.

TABLE OF AMENDMENTS			
Document History	Date	Council Resolution No.	Notes (including the prior Policy No, precise of change/s, etc)
Originally Approved	18 September 2012	G/12/1229	Was originally P-1.02.04 – Elected Members Expenses Reimbursement and Provision of Facilities Policy
Amendment 1	16 August 2016	G/16/2870	[Considered at Finance & Corporate Governance Committee Meetings 9 August 2016 FCGC/16/0052 and 12 July 2016 FCGC/16/0036 and General Meeting 19 July 2016 G/16/2850]
Amendment 2	4 July 2018	G/17/3103	
Amendment 3	6 November 2018	G/18/3567	Previously P-2017-27 – Updating expense values, making provision for legal fees and reward points
Amendment 4			

.....
LEISA DOWLING
CHIEF EXECUTIVE OFFICER

Addendum 3

NOTES ON GREGORY'S THE JEWELLER

It all started back in 1948 when Neville - one of four children (three sisters), was asked by his father if he would like to leave school and go to work, age 14. They lived in a housing commission home with a single income to support the family. Jobs were hard to find for young people, but there was an apprenticeship in the Watchmaking and Jewellery trade on offer. Neville applied and was told that another fellow had beaten him to the position.

A few weeks went by and he received a call from Nicholson & Son, (the firm offering the apprenticeship), who asked him to come in, as the original applicant was apparently unsuitable.

On August 12th, 1948, Neville began his apprenticeship as a Watchmaker and Jeweller. In those days it was not unusual for the two trades to be combined. It was a six year apprenticeship.

Neville stayed with Nicholsons' for nine years and although very young, was offered a position as Manager of a large family jewellery store, GW Speirs, in Griffith, NSW.

Neville & Pat married in 1958, and they moved to Griffith for Neville to take up his new position shortly after. It was a large business and one which Neville was not fully qualified, but he learnt quickly. The shop was staffed with two watchmakers and five shop assistants, most of whom were Italian. George Speirs, the owner of the shop, lived in Sydney and only used to visit every couple of months. The early days at GW Speirs were a great learning curve for Neville due to his inexperience. His dedication to the business was invaluable and it prospered much to the delight of his employer GW Speirs.

Sadly, George passed away only five years on and his son, Frank, was left the business. He was an optometrist, operated a sports store and owned a rice farm. He decided to move his optometry practice into the jewellery business and this was the beginning of a great association. Frank taught Neville some basics of optometry, cutting spectacle lens and assembling the frames. He left the running of the jewellery business totally in Nevilles' hands.

Fourteen years later, Neville was offered a third share of the business, but declined. The dream of owning his own business was foremost on his mind, so began the search for a suitable business and town to relocate his family.

A friend of Nevilles', Les Katsenevas, who lived in Gladstone, was asked to investigate a small jewellery store that was advertised For Sale.

In 1972 Neville & Pat purchased Ray Easterlys' Shop, he was a long time identity of Gladstone. It was 12ft x 20ft in area. It was in Allens Arcade in Tank Street where Edgar Allen operated a fruit shop.



THE MOVE

Neville was skint after purchasing the business, and the cost of moving their personal possessions was more than they could afford. A deal was struck with some very good friends who had an International truck with a steel tipper body. Neville was to use the truck to transport his possessions to Gladstone and sell it upon arriving in the town. They had to build a crate to hold all their chattels.



Neville had to get his truck licence, and so began the journey. There were three children, Karen was 12, Jacqui 11, and Mark 9; one child rode with Neville in the truck, along with a sedated cat, who never really recovered, and the other two rode with Pat in the family car, a Humber Super Snipe.

Five days later, they arrived in Gladstone and as it was late in the evening they booked into the Town Centre Motel, (now the Rusty Anchor). In true Queensland style, the motel owner Dick Mason offered to take them for a drive to orientate them with the town. On their return to the motel room, Pat looked at Neville and said, "Well, when do we go back home?" Gladstone was vastly different in 1972 to the lush, green area of Griffith, from where they had come.