



## **GENERAL MEETING NOTICE AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On Tuesday 20 January 2026**

**Commencing at 9.00am**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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**G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

## **G/2. CONFIRMATION OF MINUTES**

### **G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 16 DECEMBER 2025**

**Responsible Officer:** Chief Executive Officer

**Prepared By:** Executive Secretary

**Council Meeting Date:** 20 January 2026

**File Ref:** CM7.2

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#### **Purpose:**

Confirmation of the minutes of the General Meeting held on 16 December 2025.

#### **Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 16 December 2025 be confirmed.

#### **Attachments:**

1. Minutes of the General Meeting of Council held on 16 December 2025.

**G/3. DEPUTATIONS**

## **G/4. OFFICERS' REPORTS**

### **G/4.1. EXTENSION APPLICATION TO DA/94/2009 PRELIMINARY APPROVAL OVERRIDING THE PLANNING SCHEME FOR THE HUMMOCK HILL ISLAND DEVELOPMENT AT LOT 3 HUMMOCK HIGHWAY, FORESHORES QLD 4678**

**Responsible Officer:** General Manager Customer Experience

**Prepared By:** Strategic Planning Specialist

**Council Meeting Date:** 20 January 2026

**File Ref:** DA/94/2009

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#### **Development Application:**

<b>Application Number:</b>	DA/94/2009
<b>Applicant:</b>	Eaton Place Pty Ltd
<b>Owner:</b>	Queensland State Government
<b>Date Of Receipt:</b>	11 September 2024
<b>Location:</b>	Lot 3 Hummock Highway, Foreshores QLD 4678
<b>RPD:</b>	Lot 3 FD 841442
<b>Area:</b>	1,163 hectares
<b>Current Use Of Land:</b>	Vacant
<b>Zoning:</b>	Rural
<b>Proposal:</b>	Extension Application for an additional eight years (new lapse date of 2 November 2032)
<b>Submissions Close Date:</b>	N/A
<b>Number Of Submissions:</b>	N/A

#### **Purpose:**

The purpose of this report is to consider an Extension Application seeking an additional eight years (new lapse date of 2 November 2032) to DA/98/2009 relating to the Hummock Hill Island Development (the Development).

#### **Officer's Recommendation:**

That the Extension Application seeking eight additional years (new lapse date of 2 November 2032) lodged by Eaton Place Pty, given a Council reference DA/98/2009, and approved by the Coordinator General on 2 November 2018 be refused for the reasons detailed in Attachment One to the Officer's Report.

#### **Executive Summary:**

Council is in receipt of an Extension Application lodged by Eaton Place Pty Ltd seeking an additional eight years (new lapse date of 2 November 2032) to DA/98/2009 for a Preliminary Approval overriding the Miriam Vale Shire Planning Scheme 2009 located at Lot 3 Hummock Highway, Foreshores (the Development Approval) which was originally issued by the Coordinator General (CG).

Council originally refused the development application at its 15 May 2018 General Meeting subject to 17 reasons for refusal. The original application was assessed against the then Miriam Vale Shire Planning Scheme 2009 with the current Gladstone Regional Council Planning Scheme (the Planning Scheme) also in effect at the time of decision. Upon issue of the refusal, the Coordinator General 'called in' the development and cancelled Council's refusal decision with their own approval. Along with the COVID-19 extensions, the Development Approval was subject to lapse on 2 November 2024 however this Extension Application was lodged prior, keeping the Currency Period active until such time that a decision is made.

Assessment of this Extension Application has been made against section s87(1) of the *Planning Act 2016* whereby the proposal remains entirely inconsistent with the intent of the current Planning Scheme.

It is therefore recommended that the Extension Application be refused as per Attachment One Detailed Assessment within this report.

### **Subject Site:**

The subject site is located on Hummock Hill Island at Lot 3 Hummock Highway, Foreshores on land more formally known as Lot 3 on FD 841442. The site is 1,163 hectares in area and accessible via Clarks Road (unsealed) which connects to Foreshores Road (sealed), Turkey Beach Road (sealed) and finally terminates at the Bruce Highway (sealed). The site is void of reticulated infrastructure and not developed with any lawful land uses.

A 15 year term lease had existed (Special Lease 19/52155) with Eaton Place Pty Ltd for business, industrial, commercial, residential tourist and recreational purposes (Dealing No. 709629642). Nearly 19 years ago (in November 2006) the Department of Natural Resources Mines and Energy (DNRME) determined that the Development was a 'significant development' under the *Land Act 1994* and the most appropriate tenure was a lease for 'Significant Development'. The Special Lease 19/52155 expired on 14 November 2019 and a Significant Development Lease is yet to be obtained. Until a Significant Development Lease is obtained, a Permit to Occupy is currently held. The Applicant has stated that they believe the Significant Development Lease should be obtained early in 2026.

Under the Planning Scheme, the subject site is zoned Rural with several overlays constraining the site. Figure One provides an illustration of the subject site.



**Figure One: Aerial View of Hummock Hill Island**

**Background:**

In its early years, the Development underwent various assessments by all levels of government. Table 1 provides a summary of the overall history to date:

**Table1: Project History**

<b>Date:</b>	<b>Action:</b>
3 January 2006	The Development was referred to the Commonwealth Minister for the Environment.
13 January 2006	The Development was determined to be a controlled action likely to affect matters of national environmental significance under s75 of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> .
17 January 2006	The Initial Advice Statement (IAS) was submitted for the Development.
17 November 2006	The Development project was declared to be a 'significant project for which an Environmental Impacts Statement (EIS) was required' pursuant to s26(1)(a) of the <i>State Development and Public Works Act 1971</i> .
16 June 2007	The terms of reference for the EIS for the Development were released.
November 2007	The EIS for the Development was completed.
8 September 2009	A Supplementary EIS for the Development was completed.
17 December 2009	Development Application for a Preliminary Approval overriding the Miriam Vale Shire Planning Scheme 2009 was lodged with Gladstone Regional Council (given a Council reference DA/98/2009).
28 February 2011	The CG's report on the EIS was released, pursuant to s34D of the <i>State Development and Public Works Act 1971</i> .
20 July 2011	The Development was withdrawn from the Commonwealth referral process.
25 November 2011	The Development was amended and referred to the Commonwealth Minister for the Environment.
14 December 2012	The amended Development was determined to be a controlled action likely to affect matters of national environmental significance under s75 of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> with the assessment approach determined to be via an EIS.
17 April 2014	The final EIS for the Commonwealth referral was prepared by the Proponent for the Development.
23 February 2015	The CG extended the currency period for the CG Report from 28 February 2015 to 28 May 2015.
6 May 2015	The CG extended the currency period for the CG Report from 28 May 2015 to 28 May 2016.
26 November 2015	The Commonwealth Minister for the Environment approved the Development, subject to conditions, under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> .
21 July 2016	The Proponent applied to the CG to change the Development to reflect the amended Development approved by the Commonwealth Minister for the Environment.
5 May 2016	The CG extended the currency period for the CG Report from 28 May 2016 to 28 May 2017.
10 February 2017	The CG's report on the requested change was released, pursuant to s35I of the <i>State Development and Public Works Act 1971</i> .
23 May 2017	The CG extended the currency period for the EIS Evaluation Report from 28 May 2017 to 28 May 2019.
10 August 2017	Applicant lodged to change DA/98/2009 with Council.
15 August 2017	CG invited submissions to consider declaring the Hummock Hill Island Development a prescribed project under s76E of the <i>State Development and Public Works Act 1971</i> . Council provided no objection.
28 November 2017	Applicant stopped the assessment period for 3 months to resolve issues with the CG.



Date:	Action:
24 April 2018	Applicant lodged a change to DA/98/2009 which restarted Council's assessment.
15 May 2018	Council refused DA/98/2009 at its General Meeting.
2 November 2018	CG 'called in' Council's refusal of DA/98/2009 and issued an approval.
14 November 2019	Special Lease 19/52155 expired.
11 September 2024	Applicant lodged the Extension Application with Council in terms of DA/98/2009.
30 June 2025	Hummock Hill Island Development Prescribed Project designation lapsed.
29 August 2025	Tenure offer was put forward by the State which remains under negotiation.
19 September 2025	Queensland State Government confirmed its decision to let the Hummock Hill Island Development Prescribed Project designation lapse.

### Approved Development:

The Development Approval is for a Material Change of Use of Premises for a Preliminary Approval overriding the Miriam Vale Shire Planning Scheme 2009 under the then *Integrated Planning Act 1997* but following commencement of the *Planning Act 2016*. The Development Approval includes a Plan of Development and Code for which future development applications are to be assessed against.

The Development Approval enables the development of a Resort and Residential Complex which proposes to support the accommodation of both tourists and permanent residents. A total of 2,695 residential units are intended, of which a maximum of 770 are to be available for permanent residential accommodation. The Development Approval is anticipated to accommodate a population of approximately 3,900 people, consisting of approximately 2,700 tourists (anticipated maximum capacity). Under the Development Approval, it is intended that a range of different sizes, types and price points of accommodation will be provided, to cater for local, domestic and international tourist markets, as shown in Table 2 below:

**Table1: Intended mix of development under the Development Approval**

Land Uses:	Unit Number:
<b>Tourist Accommodation</b>	
Headland Resort Hotel and Conference Centre	240
Beachfront Tourist Hotel	150
Motel	70
Tourist Park/Camp Ground	170
Health Spa Retreat	20
Homes and Townhouses	845
Apartments	430
<b>Permanent Residential Accommodation</b>	
Homes and Townhouses	530
Apartments	240

The Development Approval identifies that the proposed accommodation areas will be supported by the following key features:

- 1) Retail and commercial areas and spa retreat
- 2) 18 hole golf course, sports club, and driving range
- 3) Boat ramp, Airstrip, Lifesaving club and Community centre
- 4) Tourist information, Indigenous cultural centres and Native plant nursery, and
- 5) Eco design display and Terrestrial and marine centre.



**Figure Two: Approved Master Plan**

The Development Approval includes several notable development conditions outside of Council's standard requirements which include:

**Condition 12 – Infrastructure Provision**

Applicant to develop and construct the following assets:

- 1) Water supply system including a desalination plant
- 2) Sewerage including treatment plants
- 3) Stormwater drainage system
- 4) Recycled water treatment and supply
- 5) Wastewater collection, treatment and disposal
- 6) Access road from Foreshores Road to Hummock Hill Island
- 7) Bridge over Boyne Creek
- 8) Boat ramp
- 9) Internal roads, cycle ways and pedestrian paths
- 10) Public parks and open space (including environmental buffers)
- 11) Power, and
- 12) Telecommunications.

**Condition 13 – Infrastructure Operation and Management Agreement**

The Applicant must maintain and operate the above infrastructure for 17 years or until such time that the income from Council's rates and services charges are able to cater for these costs and an Operational and Maintenance Agreement must be entered into.

A heads of agreement was submitted to Council in 2019 however this was never finalised and remains outstanding.

### **Extension Application:**

The Extension Application seeks an additional eight years, such that the new lapse date for the Development Approval would be 2 November 2032 (some 26 years after it first presented for assessment). The Applicant has sought to justify the need for the extension based upon the following:

- 1) Special Lease 19/52155 expired on 14 November 2019 and a new Significant Development Lease is required to be entered into with the Department of Natural Resources.
- 2) New Significant Development Lease required a Financial and Managerial Capability Assessment which was passed on 30 June 2023 however it is anticipated that giving of a new lease will occur before 31 December 2026, and
- 3) The Applicant states that for the purposes of the proposed development, the first material change of use is anticipated to involve commencement of Environmentally Relevant Activity (ERA) 63 – Sewage Treatment and ERA 64 – Water Treatment, which necessarily can't be considered to have commenced until this infrastructure is operational and servicing other development including:
  - a) Upgrade to the Bruce Highway intersection with Turkey Beach Road, Turkey Beach Road and Foreshore Road and Foreshores Road and Clarks Road
  - b) Bridge crossing over Boyne Channel (in three spans in lengths of 40 metres, 70 metres and 40 metres, respectively)
  - c) Trans-island boulevard, being the main sub-arterial or trunk road connecting the bridge to the town centre
  - d) Water treatment plant, and
  - e) Sewerage treatment plant.

Should a new lease be issued, this would be subject to new updated terms. Lastly, the Applicant has had some 19 years to liaise with Council to progress the Development Approval and seven years since issue of the Decision Notice by the Queensland State Government.

### **Adopted Infrastructure Charges Notice:**

As the Development Approval is for a Preliminary Approval and not a Development Permit, no Adopted Infrastructure Charges Notice was levied, nor will a Changed Adopted Infrastructure Charges Notice be given upon issue of this decision. Infrastructure Charges Notices will however be applicable to future Material Change of Use and Reconfiguring a Lot development applications that are required to realise the Project.

### **Referral:**

Because of the prescribed project designation, the original application (due to section 37 of the *State Development and Public Works Act 1971*) did not trigger the ordinary suite of referrals.

At the time this Extension Request was lodged, the prescribed project designation was still in effect. However, as detailed above, the prescribed project designation has since lapsed – rendering the need to consider referral agency involvement a live question, which has not been addressed by the proponent.

### **Public Notification and Submissions:**

Because of the prescribed project designation, the original application (due to section 37 of the *State Development and Public Works Act 1971*) did not trigger public notification in the ordinary fashion.

At the time this Extension Request was lodged, the prescribed project designation was still in effect. However, as detailed above, the prescribed project designation has since lapsed – rendering the need to consider public notification requirements a live question, which has not been addressed by the proponent.

**Assessment:**

The entirety of the assessment is contained within Attachment One Detailed Assessment.

**Anticipated Completion Date:**

Should this recommendation be supported, the Development Approval will be considered lapsed. A Decision Notice will be issued within 5 business days.

**Attachments:**

1. Detailed Assessment
2. Approved Plan of Development
3. Applicant's request for extension and Coordinator General's Decision Notice

## **G/4.2. CONTRACT AND EXPENDITURE APPROVAL - TENDER RPQS 08-26 ROAD WORKS AND ASSOCIATED SERVICES**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement (Tender Process) and Manager Roads Program  
(Technical Review)

**Council Meeting Date:** 20 January 2026

**File Ref:** FM21.1

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### **Purpose:**

This report seeks resolution from Council to enter into agreements for the provision of Road Works and Associated Services under a Register of Pre-Qualified Suppliers (RPQS).

### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation to appoint the following 23 service providers on RPQS 08-26 Road Works and Associated Services:
  - A1 Highways Pty Ltd
  - Aestec Services Pty Ltd
  - Austek Spray Seal Pty Ltd
  - Berajondo Earthmoving and Haulage Pty Ltd
  - Colas Queensland Pty Ltd
  - Cooper McCullough Group Pty Ltd
  - Cutting Edge Grader Pty Ltd
  - Doval Constructions (Qld) Ltd
  - Durack Civil Pty Ltd
  - Fulton Hogan Industries Pty Ltd
  - Horn Graders Pty Ltd
  - Indiji Civil's
  - JRT Civil Pty Ltd
  - A.J Brennan & M.B Brennan T/A MB Plant Hire
  - McCosker Contracting Pty Ltd
  - Peck Constructions Pty Ltd T/A Miriam Vale Plant Hire
  - RMS Engineering & Construction Pty Ltd
  - RoadPak Industries Pty Ltd
  - RPQ Spray Seal Pty Ltd (Downer Group)
  - Stabilcorp Pty Ltd
  - Stabilised Pavements of Australia Pty Ltd
  - The Trustee for SuperSealing Unit Trust T/A SuperSealing
  - WGH Civil Pty Ltd
2. Authorise the Chief Executive Officer to enter into the RPQS panel arrangements for an initial term of one year with an option to extend a further two periods of two years each for the above service providers with an estimated spend of \$25,000,000.00 ex GST as the total contract value.

**Summary:**

An open market tender was conducted in accordance with s232 of the Local Government Regulation 2012. The tender evaluation panel has recommended that Council appoint 23 service providers to the RPQS 08-26 Road Works and Associated Services for period of up to five years.

**Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.

**Background:**

An RPQS is a list of companies that through a formal tender process, have been assessed and deemed capable of providing specific goods or services, allowing them to be considered for future procurement opportunities. The key concepts of an RPQS are:

- Suppliers appointed to an RPQS commit to a schedule of rates for the supply of goods and services to Council.
- An appointment to an RPQS does not guarantee a supplier will be engaged by Council and no financial commitment is made by Council through the establishment of an RPQS.
- Engagements of suppliers under an RPQS are exempt from tender or quote requirements in accordance the Local Government Regulation 2012 – Engagements are subject to the Sound Contracting Principles, Delegations as well as Council's Procurement Policy and Corporate Standard.

Council's Register of Pre-Qualified Suppliers (RPQS) 103-21 for roadworks and associated services to deliver road infrastructure and maintenance projects expired on the 25 August 2025. Since the expiry, Council has been using alternate procurement practices including engaging suppliers under Local Buy arrangement LB313 for Road and General Civil Construction. Council does achieve efficiencies through Local Buy arrangements however suppliers pay a fee to Local Buy for each engagement and Council must prepare individual contracts that stipulate Council's terms and conditions each time a supplier is engaged; this is not necessary when a supplier is engaged under an RPQS.

Officers have identified the opportunity to establish a new RPQS for suitably qualified service providers with appropriate experience and capability to undertake road works and associated services at different locations throughout the Gladstone region when required. The proposed RPQS structure allows suppliers to be appointed to one or more of the following categories:

- Category 1 – Road Construction and Maintenance including general road formation, drainage, pavement construction and maintenance;
- Category 2 – Road Resurfacing (Sealed Roads) including resurfacing of sealed road assets, bituminous and asphalt treatments
- Category 3 – Unsealed Road Construction and Maintenance including Unbound Pavement Construction and Maintenance
- Category 4 – Guardrail and Road Safety Barriers
- Category 5 – Line Marking including Road surface delineation
- Category 6 – General Civil Construction including minor road works, footpath installation, kerb and channel, and drainage.
- Category 7 – Insitu stabilisation including Lightly Bound Pavement Stabilisation
- Category 8 – Supply and installation of concrete road infrastructure (excluding bridges)
- Category 9 – Crack sealing of asphalt and bitumen surfaces

**Tender Process - Invitation to Tender (ITT)****Market Research**

As the estimated value of engagements under the RPQS is greater than \$200,000 ex GST, an Invitation to Tender (ITT) is required (s228 Local Government Regulation 2012). As part of the market approach to establish the new RPQS, Council advertises on social media and notifications are issued to suppliers under categories in Vendor Panel.

**Market Engagement**

During the ITT process, Council participated in events such as Gladstone Engineering Supply Chain Expo as well as provided vendor panel links to those existing supplier's on the expired Panel. Council teams discussed with businesses present at this event about upcoming opportunities and open tenders.

**Tender release**

The ITT was released via VendorPanel on 19 July 2025 with social media notifications issued as part of a public tender process. The tender was originally due to close on the 19 August 2025, however, following requests from a prospective tenderer to extend the closing date, the tender closed on 2 September 2025. The basis of the extension request was:

- Extension request for 2 weeks due to current workload demands within the tendering team and the extension would allow additional time to finalise the Section 4 offer and supporting attachments.

Council received 27 submissions in response to ITT for RPQS 08-26 from the following companies:

#	Tenderer	Local / Non Local
1	A1 Highways Pty Ltd	Non Local, Gold Coast
2	Austek Spray Seal Pty Ltd	Non Local, Gold Coast
3	Berajondo Earthmoving and Haulage Pty Ltd	Local
4	G&R Brown & Sons (Brown Contractors)	Non Local, Somerset
5	Colas Queensland Pty Ltd	Non Local, Banana
6	Cooper McCullough Group Pty Ltd	Non Local, Central Highlands
7	Doval Constructions (Qld.) Ltd	Non Local, Brisbane
8	Durack Civil Pty Ltd	Non Local, Isaac
9	Flexihire Pty Ltd	Local
10	Fulton Hogan Industries Pty Ltd	Local
11	Horn Graders Pty Ltd	Non Local, Gold Coast
12	Indiji Civil's	Non Local, Brisbane
13	JRT Civil Pty Ltd	Non Local, Livingstone
14	Libertatem Holdings Pty Ltd	Non Local, Livingstone
15	Loftus Contracting Pty Ltd	Local
16	A.J Brennan & M.B Brennan T/A MB Plant Hire	Non Local, Rockhampton
17	McCosker Contracting Pty Ltd	Local
18	Peck Constructions Pty Ltd T/A Miriam Vale Plant Hire	Local
19	RMS Engineering & Construction Pty Ltd	Non Local, Rockhampton
20	RoadPak Industries Pty Ltd	Local
21	RPQ Spray Seal Pty Ltd (Downer Group)	Non Local, Ipswich
22	Stabilcorp Pty Ltd	Non Local, Port Macquarie
23	Stabilised Pavements of Australia Pty Ltd	Non Local, Gold Coast
24	The Trustee for SuperSealing Unit Trust (SuperSealing)	Non Local, Gold Coast
25	Cutting Edge Grader Pty Ltd	Non Local, Banana
26	WGH Civil Pty Ltd	Local
27	Aestec Services Pty Ltd	Local

Multiple offers were deemed as non-conforming or did not pass Level 2 review from Council's Safety and Environment Teams with further details listed in Attachment 1 – Confidential Tender 08-26 Award Report. Feedback to unsuccessful tenderers will be provided following completion of the tender process.

### **Overall ITT Summary**

The evaluation panel agreed to 23 tenderers on the basis that they met conformance and technical requirements. Of the 23 tenderers, eight have a local presence in Gladstone.

Throughout the term of the Contract, the Contracts and Procurement Team will complete regular commercial analysis to ensure value for money is continually being achieved from the RPQS. Regular performance of the suppliers will be monitored to ensure they are meeting Council requirements including delivery timeframes.

Council does have the ability to refresh RPQS as required, and reviews will be conducted annually. Panel refresh may be required depending on market, existing supplier performance, new registered supplier interest and collaboration at events that determine a need.

### **Risk Management Summary:**

Council's Risk Appetite identifies that Council will not tolerate a failure to deliver services within the boundaries of Council's service commitment. The availability of suppliers for road works and associated services is critical to the delivery of road and transport services to the community. The intent of the RPQS is to allow efficient access to service providers within the market, reducing Council exposure caused by delaying access to services not held by Council.

The ITT process is designed to assist with the management of Health Safety and Wellbeing, Financial, Reputational, Regulatory and Compliance and Environmental risks by proactively identifying suppliers that meet Council's requirements with respect to the provision of services.

### **Options and Opportunity Analysis:**

#### **Option 1 – Endorse Tender RPQS 84-25 (Officer's Recommendation)**

The Officer's Recommendation is that Council endorse the Tender Evaluation Panel's recommendation to enter into a Contract with 23 Service Providers for Tender RPQS 08-26 based on the Tender being conducted in accordance with section 232 of the Local Government Regulation 2012 and Council's Procurement Policy and Procedures.

For Council, the opportunities associated with a RPQS are the ability to engage suppliers who have already had the appropriate due diligence reviews, including appropriate insurances and having the correct contractual terms and conditions in place to streamline the engagement model. If a RPQS was not in place, Council would be required to enter into individual agreements with suppliers for each engagement, adding unnecessary time and effort for both Council and the suppliers which does not align with Council's commitment to being small business friendly and supporting local companies.

Should the circumstances arise, Council can procure goods and services from a supplier not listed on the RPQS however, depending on the value of the procurement, that procurement would not be excluded from a quote or tender process



**Option 2 – Refer back to officers for re-evaluation**

If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation.

**Option 3 – Not establish and RPQS for Road Works and Associated Services**

Council could direct officers not to establish a RPQS for Road Works and Associated Services however due to the nature, frequency and value of procurements that would typically take place under the proposed RPQS this is not recommended.

**Stakeholder Engagement:**

The following stakeholders have been engaged in the preparation of this report:

- Roads Program Delivery
- Capital Program Delivery
- Safety Team
- Environment Team

Steps have been taken to ensure that potential suppliers were notified of the RPQS. The Contracts and Procurement Team continue to engage with stakeholders through forums such as the Supply Chain Expo.

**Legal and Regulatory Implications:**

Section 232 of the Local Government Regulation 2012 provides a local government can enter into a contract without having first invited written quotes or tenders if the contract is entered into with a supplier from a Register of Pre-Qualified Suppliers (RPQS).

Further, a local government may establish a RPQS only if:

- a) The preparation and evaluation of invitations every time the goods or services are needed would be costly; or
- b) The capability or financial capacity of the supplier of the goods or services is critical; or
- c) The supply of the goods or services involves significant security considerations; or
- d) A precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by the local government; or
- e) The ability of local business to supply the goods or services needs to be discovered or developed.

Council's ITT process and the Officer's Recommendation to establish a Register of Pre-Qualified Supplier for road works and associated services meets the requirements of the contracting provisions with the Local Government Regulation 2012.

The decision to establish a Register of Pre-Qualified Suppliers must be made by Council.

**Financial and Resource Implications:**

The establishment of a RPQS does not commit financial resources. Engagements with service providers under this arrangement will be exempt from tender or quote requirements in accordance with s232 of the Local Government Regulation 2012 allowing for expedited procurement processes where appropriate resulting in a less resource intensive process. Schedule of rates provided by suppliers under a RPQS provide certainty regarding the costs of engagement.

**Anticipated Resolution Completion Date:**

The contracts will be awarded by 28 February 2026.

**Attachments:**

1. CONFIDENTIAL – Award Report – Tender RPQS 08-26 Road Works and Associated Services

### **G/4.3. CONTRACT AND EXPENDITURE APPROVAL - TENDER RPQS 04-26 TRADES SERVICES**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement (Tender Process) and Manager Maintenance (Technical Review)

**Council Meeting Date:** 20 January 2026

**File Ref:** FM21.1

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#### **Purpose:**

This report seeks resolution from Council to enter into agreements for the provision of Trade Services under a Register of Pre-Qualified Suppliers (RPQS).

#### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation to appoint the following 39 service providers on RPQS 04-26 Trade Services:

- 1onegroup Pty Ltd
- AC Aire
- Acrow Energy and Infrastructure Services (Gladstone) Pty Ltd
- Aestec Services Pty Ltd
- Ausino Projects Pty Ltd
- Jatim Pty Ltd T/as Barnes Electrical Service
- Calliope Plumbing Pty Ltd
- Central Electrical Pty Ltd t/as Central Electrical Group
- Comlek Group Pty Ltd
- Connell Enterprises Pty Ltd
- CQ Diesel Fitting
- Cutuli Electrical Pty Ltd
- Dreampour Pty Ltd t/a Kerb Placers
- Eckhold Technologies Pty Ltd
- Electroco Pty Ltd
- G.M.E Industries PTY LTD T/A Gladmac Electrical
- Staycool Refrigeration Australia Pty Ltd trading as Gladstone Refrigeration & Airconditioning and Gladstone Sheet Metal
- GS Electrical & Thermal Imaging Pty Ltd trading as Gray Electrical and Air-conditioning
- Industrial CQ Pty Ltd
- JK Waterproofing
- Knl Engineering and Mechanical Pty Ltd
- Loftus Contracting Pty Ltd
- Loftus Transport and Engineering Pty Ltd
- Pantib Pty Ltd T/a Mick Mannion Fabrications
- Peck Constructions PTY LTD Trading as Miriam Vale Plant Hire
- Oakcrest Group Pty Ltd trading as Oakcrest Electrical
- CPJ Electrical Pty Ltd trading as Platinum Electricians Gladstone

- Pacific Construction Group Pty Ltd T/A Pructon
- Purcell's Engineering Pty Ltd
- Roadpak Industries Pty Ltd
- SCAE Pty Ltd Trading as SE Plumbing
- Simmons Civil Pty Ltd
- T & C Services Pty Ltd (Programmed)
- Darsax Pty Ltd as the trustee for Gygar Family Trust trading as Andersens Carpets Gladstone
- D&S Supplies Pty Ltd as The Trustee for Humphrey Business Trust
- The Trustee for Shine Family Trust - t/as City Power and Air
- The Trustee for the Jasbell Trust (Wellsted Constructions)
- Xtreme Engineering Pty Ltd
- Young Contractors Pty Ltd

2. Authorise the Chief Executive Officer to enter into the RPQS panel arrangement for an initial term of one year with the provision to extend a further four periods of one year each for the above service providers with an estimated spend of \$15,700,000 ex GST as total contract value.

**Summary:**

An open market tender was conducted in accordance with s232 of the Local Government Regulation 2012. The tender evaluation panel has recommended that Council appoint 39 service providers to the RPQS 04-26 Trade Services for period of up to five years.

**Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.

**Background:**

A RPQS is a list of companies that through a formal tender process, have been assessed and deemed capable of providing specific goods or services, allowing them to be considered for future procurement opportunities. The key concepts of a RPQS are:

- Suppliers appointed to a RPQS commit to a schedule of rates for the supply of goods and services to Council.
- An appointment to a RPQS does not guarantee a supplier will be engaged by Council and no financial commitment is made by Council through the establishment of a RPQS.
- Engagements of suppliers under a RPQS are exempt from tender or quote requirements in accordance the Local Government Regulation 2012 – Engagements are subject to the Sound Contracting Principles, Delegations as well as Council's Procurement Policy and Corporate Standard.

**Overview**

Council currently engages various suppliers across the following five separate trade services RPQS contracts, which all are due to expire on 31 January 2026:

- Contract 83 21 (Building);
- Contract 84 21 (Concrete);
- Contract 85 21 (Electrical);
- Contract 86 21 (Plumbing); and
- Contract 87 21 (Welding).

During this RPQS, Council engaged 22 individual suppliers, with several suppliers operating across multiple contracts. Officers have identified the opportunity to establish a new RPQS for suitably qualified service providers with appropriate experience and capability to undertake trade services at different locations throughout the Gladstone region when required. The proposed RPQS structure allows suppliers to be appointed to one or more of the following categories:

- Category 1 - Electrical
- Category 2 - Mechanical Fitting and Services
- Category 3 - Plumbing and Gas Fitting
- Category 4 - Carpentry and Building
- Category 5 - Industrial Painting
- Category 6 - Welding and Metal Fabrication
- Category 7 - Concreting
- Category 8 - Structural Landscaping
- Category 9 - General Maintenance
- Category 10 - Scaffolding

### **Tender Process - Invitation to Tender (ITT)**

#### **Markert Research**

As the estimated value of engagements under the panel is greater than \$200,000 ex GST, an Invitation to Tender (ITT) is required (s228 of the Local Government Regulation 2012). As part of the market approach to establish the new RPQS, Council advertises on social media and notifications are issued to suppliers under categories in Vendor Panel.

#### **Markert Engagement**

During this ITT, Council participated in events such as Gladstone Engineering Supply Chain Expo, held a Trade Service event on the 6 and 7 August 2025 as well as provided vendor panel links to those existing suppliers on the expiring Panel. Council teams discussed with businesses present at these events about upcoming opportunities and open tenders. Council also had available materials to support suppliers with information on where to find Council's open Tenders, including 04-26 Trade Services.

#### **Tender release**

The ITT was released via VendorPanel on 30 August 2025 with social media notifications issued as part of a public tender process. The tender was originally due to close on the 30 September 2025, but following a request from prospective tenderers to extend the closing date, the tender closed on 7 October 2025. The basis of the extension request was:

- Extension requested for 1 weeks due to internal resourcing constraints and the extension would allow additional time to finalise the Section 4 offer and supporting attachments.

As a result, Council received 48 submissions for Tender RPQS 04-26 from the following companies:

#	Tenderer	Local / Non Local
1	1onegroup Pty Ltd	Non Local, Rockhampton
2	AC Aire	Local
3	Acrow Energy and Infrastructure Services (Gladstone) Pty Ltd	Local
4	Aestec Services Pty Ltd	Local
5	Ausino Projects Pty Ltd	Local
6	Jatim Pty Ltd T/as Barnes Electrical Service	Local
7	Calliope Plumbing Pty Ltd	Local
8	Central Electrical Pty Ltd t/as Central Electrical Group	Local

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9	Civmec Constructions & Engineering Pty Ltd	Local
10	Comlek Group Pty Ltd	Non Local, Central Highlands
11	Connell Enterprises Pty Ltd	Local
12	CQ Diesel Fitting	Local
13	Cutuli Electrical Pty Ltd	Local
14	Data Right Pty Ltd	Non Local, Mackay
15	Dreampour Pty Ltd t/a Kerb Placers	Non Local, Bundaberg
16	Eckhold Technologies Pty Ltd	Local
17	Electroco Pty Ltd	Local
18	Laine Engert trading as Fast Laine Mechanical	Local
19	G.M.E Industries PTY LTD T/A Gladmac Electrical	Local
20	Staycool Refrigeration Australia Pty Ltd trading as Gladstone Refrigeration & Airconditioning and Gladstone Sheet Metal	Local
21	GS Electrical & Thermal Imaging Pty Ltd trading as Gray Electrical and Air-conditioning	Local
22	Industrial CQ Pty Ltd	Non Local, Rockhampton
23	JK Waterproofing	Local
24	KnI Engineering and Mechanical Pty Ltd	Local
25	Loftus Contracting Pty Ltd	Local
26	Loftus Transport and Engineering Pty Ltd	Local
27	Meca Mechanical Pty Ltd	Local
28	Pantib Pty Ltd T/a Mick Mannion Fabrications	Local
29	Peck Constructions Pty Ltd Trading as Miriam Vale Plant Hire	Local
30	MPB Management Group Pty Ltd t/a MPB Maintenance	Local
31	Oakcrest Group Pty Ltd trading as Oakcrest Electrical	Local
32	Pacific Services Group Holdings Pty Ltd (ICC Maintenance Pty Ltd)	Non Local, Botany Bay
33	Paul Marsman (Priority Painters)	Local
34	CPJ Electrical Pty Ltd trading as Platinum Electricians Gladstone	Local
35	Pacific Construction Group Pty Ltd T/A Pructon	Local
36	Purcell's Engineering Pty Ltd	Local
37	Roadpak Industries Pty Ltd	Local
38	SCAE Pty Ltd Trading as SE Plumbing	Local
39	Simmons Civil Pty Ltd	Local
40	T M Mechanical	Local
41	T & C Services Pty Ltd (Programmed)	Local
42	Darsax Pty Ltd as the trustee for Gygar Family Trust trading as Andersens Carpets Gladstone	Local
43	D&S Supplies Pty Ltd as The Trustee for Humphrey Business Trust	Local
44	The Trustee for Shine Family Trust - t/as City Power and Air	Local
45	The Trustee for the Jasbell Trust (Wellsted Constructions)	Local
46	Xtreme Engineering Pty Ltd	Local
47	Young Contractors Pty Ltd	Local
48	Chaffey Power Pty Ltd as The Trustee for CHAFFEY POWER DISCRETIONARY TRUST	Local

Multiple offers were deemed as non-conforming, did not pass Level 2 review from Council's Safety and Environment Teams, or due to commercial departures, with further details listed in Attachment 1 – Confidential Tender 08-26 Award Report. Feedback will be provided to unsuccessful tenderers following completion of the tender process.

### **Overall ITT Summary**

The evaluation panel agreed to 39 tenderers, on the basis that they met conformance and technical requirements. Of the 39 tenderers, 35 have a local presence in Gladstone, and the remaining four have a presence in an adjacent Local Government Area (LGA). Due to the nature of the engagement, it is expected to have a larger volume of local suppliers than non local suppliers.

Throughout the term of the Contract, the Contracts and Procurement Team will complete regular commercial analysis to ensure value for money is continually being achieved from the Contract. Regular performance of the suppliers will be monitored to ensure they are meeting Council requirements including delivery timeframes.

Council does have the ability to refresh RPQS as required, and reviews will be conducted annually. Panel refresh may be required depending on market, existing supplier performance, new registered supplier interest and collaboration at events that determine a need.

### **Risk Management Summary:**

Council's Risk Appetite identifies that Council will not tolerate a failure to deliver services within the boundaries of Council's service commitment. The availability of suppliers for trade services is critical to support services to both corporate facilities and community assets. The intent of the RPQS is to allow efficient access to service providers within the market, reducing Council exposure caused by delaying access to services not held by Council.

The ITT process is designed to assist with the management of Health Safety & Wellbeing, Financial, Reputational, Regulatory & Compliance and Environmental risks by proactively identifying suppliers that meet Council's requirements with respect to the provision of services.

### **Options and Opportunity Analysis:**

#### **Option 1 – Endorse Tender RPQS 84-25 (Officer's Recommendation)**

Endorse the Tender Evaluation Panel's recommendation to enter into a Contract with the 39 Service Providers for Tender RPQS 08-26 based on the Tender being conducted in accordance with section 232 of the Local Government Regulation 2012 and Council's Procurement Policy and Procedures. As part of the process, this includes the evaluation methodology and criteria in the ITT.

#### **Option 2 – Refer back to officers for re-evaluation**

If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation.

#### **Option 3 – Not establish and RPQS for Road Works and Associated Services**

Council could direct officers not to establish an RPQS for Trade Services, however due to the nature, frequency and value of procurements that would typically take place under the proposed RPQS this is not recommended.

### **Stakeholder Engagement:**

The following stakeholders have been engaged in the preparation of this report:

- Maintenance Team
- Capital Program Delivery Team
- Health Safety and Wellbeing Team
- Environment and Conservation Team
- Legal Team

### **Legal and Regulatory Implications:**

Section 232 of the Local Government Regulation 2012 provides a local government can enter into a contract without having first invited written quotes or tenders if the contract is entered into with a supplier from a Register of Pre-Qualified Suppliers (RPQS).

Further, a local government may establish a RPQS only if:

- a. The preparation and evaluation of invitations every time the goods or services are needed would be costly; or
- b. The capability or financial capacity of the supplier of the goods or services is critical; or
- c. The supply of the goods or services involves significant security considerations; or
- d. A precondition of an offer to contract for the goods or services is compliance with particular standards or conditions set by the local government; or
- e. The ability of local business to supply the goods or services needs to be discovered or developed.

Council's ITT process and the Officer's Recommendation to establish a Register of Pre-Qualified Supplier for road works and associated services meets the requirements of the contracting provisions with the Local Government Regulation 2012.

The decision to establish a Register of Pre-Qualified Suppliers must be made by Council.

### **Financial and Resource Implications:**

The establishment of a RPQS does not commit financial resources. Engagements with service providers under this arrangement will be exempt from tender or quote requirements in accordance with s232 of the Local Government Regulation 2012 allowing for expedited procurement processes where appropriate resulting in a less resource intensive process. Schedule of rates provided by suppliers under a RPQS provide certainty regarding the costs of engagement.

### **Anticipated Resolution Completion Date:**

The contracts will be awarded by 28 February 2026.

### **Attachments:**

1. CONFIDENTIAL – Award Report – Tender RPQS 04-26 Trade Services



## **G/4.4. MONTHLY FINANCIAL STATEMENTS FOR THE PERIOD ENDING 31 DECEMBER 2025**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Management Accounting Specialist

**Council Meeting Date:** 20 January 2026

**File Ref:** FM15.1

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### **Purpose:**

To present the monthly financial report outlining the progress made in relation to Council's 2025/2026 budget for the period ending 31 December 2025.

### **Officer's Recommendation:**

That Council receive the Monthly Financial Report for the period ended 31 December 2025 provided in accordance with s204 of the Local Government Regulation 2012.

### **Summary:**

This report provides Council with the Monthly Financial Statements as at 31 December 2025 indicating Council's performance against its budget for 2025-26. Significant variances against budget have been highlighted with commentary provided.

This report also includes the outcome of Council's recent budget forecast, which impacted by an unbudgeted \$2m write off of work in progress (WIP) is projected to reduce Council's budgeted operating surplus of approximately \$1.5m to an end of financial year deficit of \$0.5m.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

### **Risk Management Summary:**

While it is a legislative requirement to provide a monthly financial report to Council, the provision of a monthly report assists Council to manage its financial, regulatory and reputational risk. Financial reporting supports accountability within Council and long-term sustainability.

Council's risk appetite provides that council will tolerate:

- Minor budget variations to natural account and cost centres within overall budget parameters.
- Calculated financial risks to deliver infrastructure, improve service delivery, or promote ecological sustainability.
- Minor losses, or capital outlays, attributable to new processes or innovation to improve services to meet community needs.

### Emerging Risks

Council has adopted a very lean budget with minimal allowances for contingencies. This approach has the benefit of enabling Council to balance its budget with minimal increases in rates and charges. On the other hand, Council's budget position is very susceptible to emerging issues.

The following issues have been identified as having potential to impact Council's budget:

- The likelihood of future wet weather events and their impact on Benaraby Landfill leachate/piggyback liner and the costs required to meet Council's regulatory requirements for the site.
- The lack of mature project scopes and budgets has been identified as a critical gap in the capital project pipeline. This has the potential to not only delay the delivery of critical infrastructure but impact Council's ability to access grants funding. To bridge this gap, three new positions have been identified to focus on feasibility of capital projects, these are currently unbudgeted and have not been included in the Q1 forecast.

These issues and their impact on budget will be closely monitored and escalated to Council in the future should consideration of a budget revision be required.

Council has strong cash reserves which is a tool available to assist in managing short term deficits if necessary.

**Background:**

Section 204 of the Local Government Regulation 2012 requires local governments to prepare a financial report stating the progress that has been made in relation to the local government's budget. The financial report must be presented to Council at a General Meeting on a monthly basis.

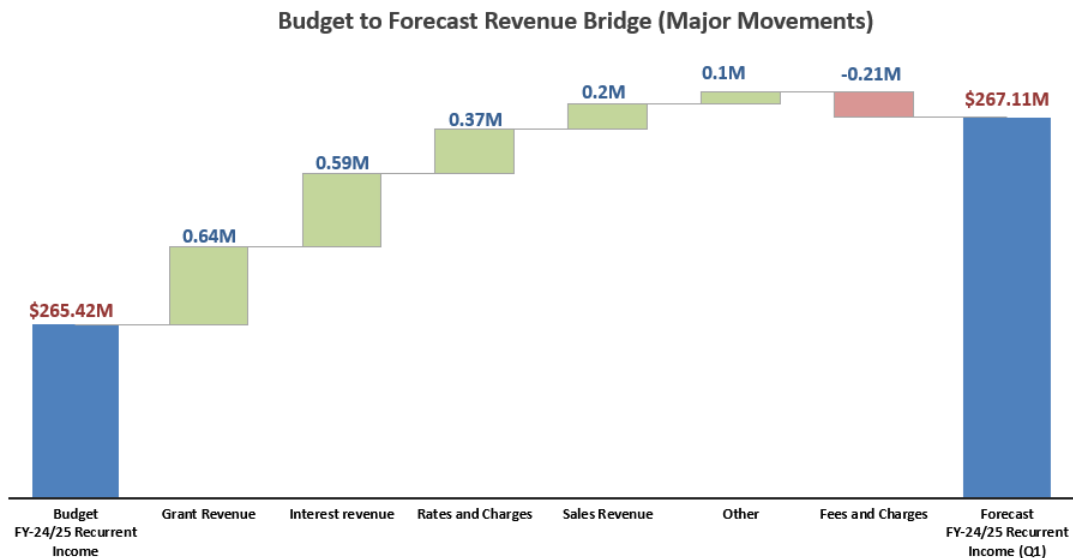
The 2025-26 budget was adopted on 3 July 2025. To assist Council to monitor its progress against the adopted budget, a forecast was undertaken at the end of the first quarter of the financial year. The forecast results have been reviewed and analysed and the outcome of the forecast has been included in this report.

**Forecast Analysis:**

The Q1 Forecast indicates that at the end of the financial year Council will have an operating deficit of \$0.50m compared to the budgeted operating surplus of \$1.5m.

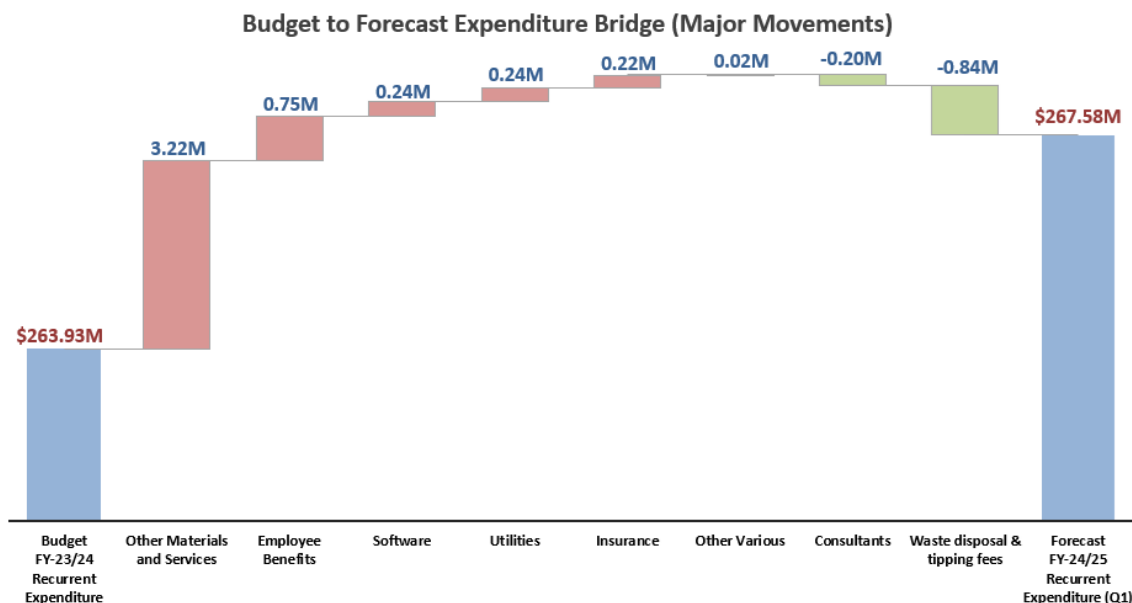
The Executive Leadership Team and Senior Leadership Team have worked together to minimise the projected impact to Council's budget while maintaining Council's existing service levels. If Council is unsatisfied with the forecast position, a further piece of work will be required to be undertaken to find additional savings to restore Council's budgeted surplus. This will inevitably require consideration of Council's service levels.

The forecast has been incorporated in the attached financial statements and commentary on variances between budget and forecast is provided below.

OPERATING REVENUE

As illustrated in the graph above, the forecast indicates a favourable variance of \$1.7m in operating revenue with the following contributing factors:

1. Funding and externally driven revenue (largely offset by expenditure)
  - Grants **(+\$0.6m)**: This increase is attributable to additional State funding approvals and revised Federal assistance grants. These increases are largely matched by expenditure across multiple service areas and as a result do not materially improve the net operating position.
2. Financial conditions and rate yield (partly timing-driven)
  - Interest revenue **(+\$0.6m)**: This increase results from higher than budgeted Queensland Treasury Corporation and bank interest (based on YTD actuals). The actual outcome is sensitive to cash balances and interest rate conditions in the second half of the year. For example, any cuts to interest rates will reduce the forecasted position.
  - Rates and utilities **(+\$0.4m)**: Increased as a result of higher rate yield post rates generation, partially offset by increased discounts and pensioner rebates.
3. Service delivery and operational activity
  - Sales revenue **(+\$0.2m)**: The increase in sales revenue is primarily as a result of higher contract and recoverable works in Minor Infrastructure Contracts and water/sewer private works however this has been partially offset by lower landfill and transfer station sales revenue.
4. Other income (mixed and largely non-recurring)
  - Other revenue **(+\$0.1m)**: Includes insurance recoveries and internal plant revenue, partially offset by lower than budgeted Gladstone Airport Corporation dividend outcomes.
5. Fees and charges
  - Fees and charges **(-\$0.2m)**: A reduction in projected waste related fees outweighs growth in development and recoverable fees.

OPERATING EXPENSES:

The forecast indicates an unfavourable variance of \$3.7m in operating expenditure as illustrated in the above graph which has been impacted by the following contributing factors:

1. Noncash and project-related costs (one-off impact)

- Other materials and services **(+\$3.2m)**: This increase is largely driven by a \$2.0m non-cash work in progress (WIP) expense. The WIP expense is an accounting adjustment to write off costs currently held as WIP that are not expected to be capitalised. This was raised as a concern by the Queensland Audit Office and represents good accounting practice. The adjustment does not result in additional cash outlay in the current year, as the costs were incurred and recorded when the work was undertaken. With the business improving its management of WIP, this adjustment is not expected to reoccur.

Other increases in the materials and services forecast reflect higher operational activity and unanticipated legal costs with increases in legal fees, artist fees and higher road materials costs.

2. Workforce costs (vacancy related increase)

- Employee benefits **(+\$0.75m)**: Higher salaries and wages as a result of a lower than budgeted vacancy rate (5.4% actual vs 7% assumed) and unbudgeted ex-gratia payments have led to an increase in employee benefits expenses. While this reflects stronger workforce capacity than assumed in the budget, it does represent an ongoing cost pressure if vacancy levels remain low.

3. Systems and technology (budget realignment)

- Software **(+\$0.2m)** & Consultants **(-\$0.2m)**: This increase largely results from a reallocation of budget from consultants to software to support software and system implementation associated with operational plan initiatives.

4. Utilities and insurance (externally driven)

- Utilities **(+\$0.2m)**: This increase is due to higher electricity costs driven by increased unit rates, impacting community facilities and water and sewerage assets. These costs are largely outside Council's direct control and remain sensitive to market pricing. Officers are working with providers to find efficiencies where possible.

- Insurance **(+\$0.2m)**: An increase in FTEs (workforce growth) has resulted in an increase in LGW insurance premiums.
5. Waste and disposal costs (volume-driven and largely offset)
- Waste disposal and tipping fees **(-\$0.8m)**: Lower overall waste disposal costs have been forecast, partially offset by higher desludging activity for the Gladstone Waste Water Treatment Plant. These movements are largely volume driven and are broadly offset by corresponding decreases in waste related revenue.

### Financial and Operating Statement Overview as at 31 December 2025:

The attached monthly financial and operating statements outline Council's financial position as at 31 December 2025. Commentary is provided below.

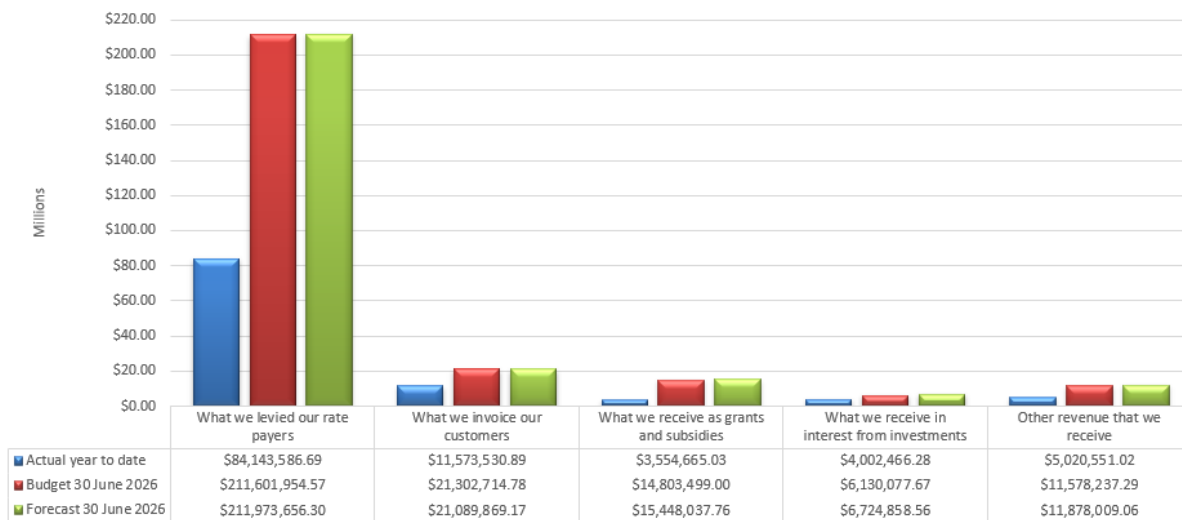
#### Overall Position

As of 31 December 2025, 50.41% of the financial year had passed. Accounts are therefore expected to fall within the range of 41% to 61% (+/- 10%) of the budget year to date (YTD).

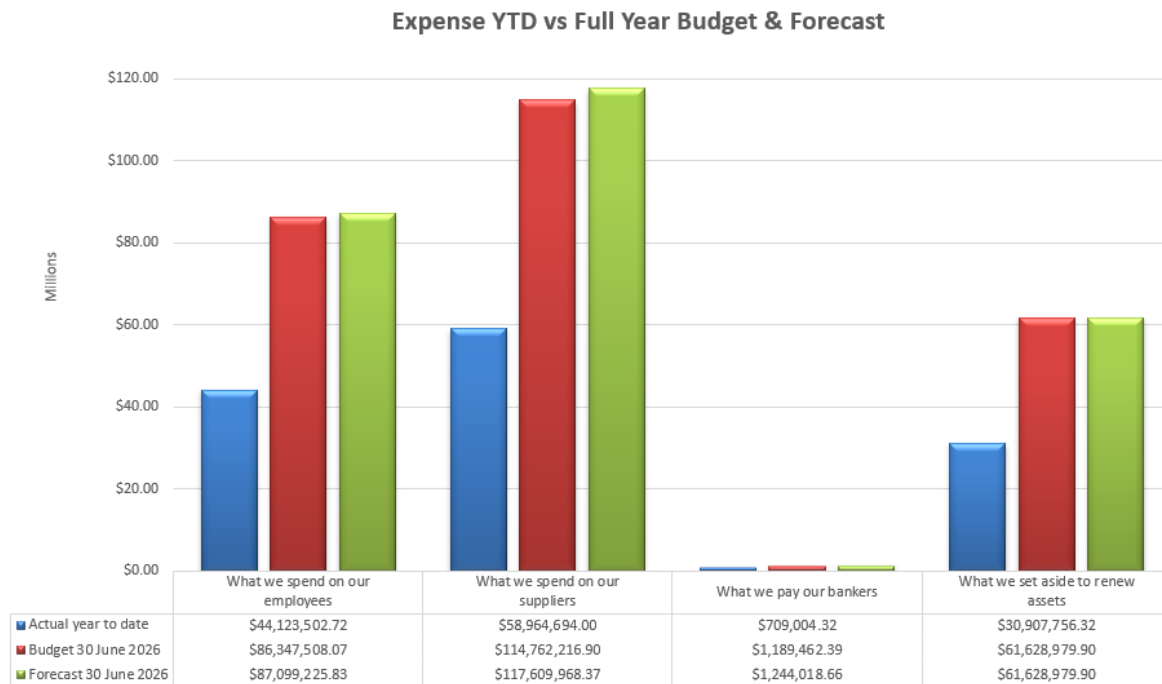
The YTD operating result is -\$26.3m unfavourable. The position will improve and track closer to the forecasted position of -\$0.5m as water consumption, grants and income tax equivalents revenues are received in the second half of the year.

#### Money, we receive (revenue)

Revenue YTD vs Full Year Budget & Forecast



- \$108.3m in revenue has been collected so far (40.54% of forecast) – currently below budget
- Most of the revenue received from grants and income tax equivalents is expected in the last quarter of the year.
- What we levy our rate payers is tracking slightly below target YTD. This is due to discounts being recognised at the time of receipt (not split across the year like rates revenue), and water consumption revenue being received 6-monthly in January and June. The timings have been revised in the forecast.

Money, we spend (expenditure)

- \$134.6m has been spent so far (50.31% of forecast) – right on track.
- What we spend on suppliers:
  - Equipment and motor vehicle expenses are trending back closer to forecast. Management will continue monitoring these accounts.
  - Legal expenses continue to track high year-to-date and have been revised in the forecast.

Financial Health

- Cash balances remain healthy at \$206.6m, of which \$78.0m is invested in term deposits.
- Reported liabilities appear elevated due to unearned rates revenue, which will progressively unwind as rates are recognised through the income statement across the financial year.
- Net assets have marginally increased compared to budget, primarily reflecting the capitalisation of work in progress carried forward from the previous financial year, which is expected to be recognised as property, plant and equipment during 2025–26.

Capital Works & Projects

- \$39.5m has been invested in capital projects (37.57% of the budget).

Rates Snapshot

- At the end of December, 94.57% of rates have been paid in full.
- Outstanding rates are at \$12.6m, slightly lower than last year at the same time.
- 5,391 households are paying their rates in advance, totalling \$6.9m.

The high-level YTD summary above is supported by detailed comparison tables and variance explanations in the sections that follow.

Recurrent Revenue

Total recurrent revenue	2025-26	Actual as %
Actual	\$108.3m	
Budget	\$265.4m	40.80%
Forecast	\$267.1m	40.54%

Of note:

Net rates and utility charges	2025-26	Actual as %
Actual	\$84.1m	
Budget	\$211.6m	39.77%
Forecast	\$212.0m	39.70%

Council's primary source of recurrent revenue is the generation of annual rates, along with access charges for water, sewerage and waste. Rates are generated in July and split across the course of the year, rather than in the period when they are received, to align with the delivery of services.

To date, discounts of \$17.0m have been applied in 2025-26 for payments received by the due date, 99.5% of the budget. Concessions amounting to \$0.6m have been granted.

Year-to-date water consumption revenue is currently tracking at 7.91% of the annual forecast. Revenue for water consumption is recognised 6-monthly following completion of the bi-annual meter reading cycles, which occur across July–December 2025 and January–June 2026. The first bi-annual revenue allocation is scheduled to be reflected in the January Income Statement.

Total interest revenue	2025-26	Actual as %
Actual	\$4.0m	
Budget	\$6.1m	65.29%
Forecast	\$6.7m	59.52%

Interest revenue at a rate of 4.35% has been received from Queensland Treasury Corporation for December, and current term deposit rates are yielding up to a 4.45% return to Council.

Dividends	2025-26	Actual as %
Actual	\$0.2m	
Budget	\$0.5m	39.24%
Forecast	\$0.2m	100.00%

Gladstone Airport Corporation (GAC) have paid the dividend for the current year. The forecast has been updated to align with the payment received.

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Income Tax Equivalents	2025-26	Actual as %
Actual	\$0.2m	
Budget	\$1.5m	11.47%
Forecast	\$1.5m	11.09%

The budget for income tax equivalents includes the annual payment from the Gladstone Area Water Board (GAWB), estimated at \$1m. This amount is generally confirmed and paid in the final quarter of the year.

General purpose grant	2025-26	Actual as %
Actual	\$2.6m	
Budget	\$10.3m	25.02%
Forecast	\$10.5m	24.58%

Council received preliminary confirmation of the Financial Assistance Grant allocations from the Department of State Development for the 2025-26 year in June, being \$10.4 million.

A pre-payment of the grant was received on 26 June 2025, totalling \$5.2 million. This amount represents approximately 50% of the 2025-26 allocation and is required to be treated as income when received; therefore, was recorded in the 2024-2025 financial year.

The remaining funding will be received as quarterly payments throughout the 2025-26 financial year.

The 2025-26 budget also includes an anticipated advanced payment for the 2026-27 financial assistance grant expected to be received in June 2026.

Other Government Grants - Operating	2025-26	Actual as %
Actual	\$1.0m	
Budget	\$4.5m	21.67%
Forecast	\$4.9m	19.65%

State funding of \$1.8m for the GO green bin rollout has been budgeted. No funds have been received to date, with payment most likely expected in May/June 2026. State and commonwealth grant revenue is recognised as project milestones are met.

**Capital Revenue**

Capital revenue	2025-26	Actual as %
Actual	\$7.4m	
Budget	\$28.2m	26.08%
Forecast	\$22.4m	32.86%

Capital revenue includes state and federal grant funding as well as developer contributions.



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Capital grants revenue is recognised as project milestones are met. Therefore, the revenue recognised on the Statement of Income and Expenditure does not necessarily reflect the funding received during the year. Where milestones are still to be achieved, revenue is recognised as a contract liability on the Statement of Financial Position.

Capital grants revenue budgeted and recognised for significant projects is detailed below, along with the corresponding expenses for these funded projects. Included in the table is the year-to-date (YTD) revenue as a percentage of the anticipated whole-of-life funding.

Project	Revenue Budget	Whole of Life Funding	Revenue YTD Actual	Expense YTD Actual	% Whole of Life Funding
<b>State Government Grants &amp; Subsidies</b>					
Blackman Gap SWP replacement	\$0.40m	\$0.40m	\$0.02m	\$0.05m	5.72%
Backup power generator GECC	\$0.60m	\$0.64m	\$0.03m	\$0.04m	4.45%
Granite Creek Bridge - Lowmead Road	\$2.85m	\$6.70m	\$1.24m	\$1.99m	18.49%
Deepwater National Park Fire Trail Stage 1	\$2.00m	\$2.00m	\$0.04m	\$0.04m	2.00%
Stage 2 - GWWTP Inlet Distribution Structure Replacement	\$5.62m	\$8.77m	\$1.37m	\$2.14m	15.60%
Lake Awoonga Water Main Renewal - Auckland Street	\$1.32m	\$1.42m	\$0.80m	\$0.81m	56.01%
Round Hill 2 Reservoir	\$4.12m	\$4.26m	\$0.28m	\$0.59m	6.63%
Other State Government Funding	\$0.80m	\$1.48m	\$0.61m	\$1.63m	41.31%
<b>TOTAL State Government Funding</b>	<b>\$17.70m</b>	<b>\$25.68m</b>	<b>\$4.39m</b>	<b>\$7.30m</b>	

Project	Revenue Budget	Whole of Life Funding	Revenue YTD Actual	Expense YTD Actual	% Whole of Life Funding
<b>Federal Government Grants &amp; Subsidies</b>					
Boyne Tannum Aquatic Centre	\$4.04m	\$15.00m	\$0.36m	\$0.70m	2.40%
Harbour Arbour	\$0.25m	\$5.33m	\$0.45m	\$1.01m	8.37%
Agnes Water Skate Park	\$0.88m	\$0.97m	\$0.02m	\$0.06m	2.01%
Red Rover Road Bridge, Gladstone	\$1.39m	\$1.54m	\$0.02m	\$0.04m	1.30%
Tableland Road, Calliope - Pavement Rehabilitation	\$1.17m	\$0.60m	-	\$0.05m	-
Other Federal Government Funding	\$1.49m	\$2.11m	-	\$0.24m	0.12%
<b>TOTAL Federal Government Funding</b>	<b>\$9.22m</b>	<b>\$25.56</b>	<b>\$0.85m</b>	<b>\$2.10m</b>	
<b>TOTAL State and Federal Funding</b>	<b>\$26.92m</b>	<b>\$51.23m</b>	<b>\$5.24m</b>	<b>\$9.39m</b>	

**Expenditure**Recurrent expenditure

Total recurrent expenditure	2025-26	Actual as %
Actual	\$134.6m	
Budget	\$263.9m	51.00%
Forecast	\$267.6m	50.31%

Of note:

Employee benefits	2025-26	Actual as %
Actual	\$44.1m	
Budget	\$86.3m	51.10%
Forecast	\$87.1m	50.66%

Employee benefits are the largest component of Council's recurrent expenditure. A vacancy rate of 7.0% has been factored into the 2025-26 budget. The YTD average vacancy rate to December is 4.8%.

Consultants	2025-26	Actual as %
Actual	\$1.9m	
Budget	\$5.1m	38.03%
Forecast	\$4.9m	39.59%

Consultant spend has been minimal year to date. Significant consultant budgets for 2025-26 include:

- Asset Management Budget \$1.3m, Forecast \$1.1m, Spend \$0.5m
- Strategy and Improvement Budget \$0.6m, Forecast \$0.6m, Spend \$0.03m
- Information & Technology Budget \$0.5m, Forecast \$0.5m, Spend \$0.2m
- Environment Budget \$0.5m, Forecast \$0.5m, Spend \$0.1m
- Waste Budget \$0.4m, Forecast \$0.3m spend \$0.2m
- Development Services Budget \$0.4m, Forecast \$0.3m, Spend \$0.1m
- Finance Budget \$0.4m, Forecast \$0.4m Spend \$0.1m

Contractors	2025-26	Actual as %
Actual	\$12.9m	
Budget	\$27.7m	46.73%
Forecast	\$27.6m	46.77%

Activities with significant contractor budgets for 2025-26 include:

- Water & Sewerage Services Budget \$8.7m, Forecast \$8.3m, Spend \$4.6m
- Waste Services Budget \$7.0m, Forecast \$7.3m, Spend \$3.1m
- Parks & Cemeteries Budget \$3.6m, Forecast \$3.5m, Spend \$1.4m
- Road Services Budget \$2.1m, Forecast \$2.5m, Spend \$1.6m

## GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 20 JANUARY 2026

- Entertainment and Events Budget \$1.5m, Forecast \$1.3m, spend \$0.5m
- Recoverable Works Budget \$1.3m, Forecast \$1.1m, Spend \$0.2m

Equipment Expenses	2025-26	Actual as %
Actual	\$2.2m	
Budget	\$3.2m	68.91%
Forecast	\$3.4m	65.96%

Spending on equipment is tracking closer to forecast however, remains high YTD, predominantly due to water services, parks, roads, and workshops. This reflects the timing of tool purchases early in the year and external plant and equipment hire. Managers will monitor spend in these areas.

Motor Vehicle Expenses	2025-26	Actual as %
Actual	\$1.5m	
Budget	\$2.3m	66.29%
Forecast	\$2.3m	64.58%

Motor vehicle expense rectification has been undertaken, including education sessions to assist staff in understanding correct costings. The account will continue to be monitored.

Legal Expenses	2025-26	Actual as %
Actual	\$0.9m	
Budget	\$0.6m	138.49%
Forecast	\$1.3m	66.97%

Legal expenses are higher than anticipated year-to-date, due to the difficulty in accurately estimating the amount of legal activity in any given year. This has been revised in the forecast undertaken.

### Statement of Financial Position

	Current Value	Budget	Variance (Actual to Budget)	Forecast	Variance (Actual to Forecast)
Year-to-date Assets	\$3.2b	\$3.2b	0.32%	\$3.3b	-2.53%
Year-to-date Liabilities	\$284.3m	\$183.4	55.00%	\$204.5m	39.04%
Year-to-date Liabilities (excl. unearned rates revenue)	\$184.5	\$183.4m	0.58%	\$204.5m	-9.78%

*Liabilities have been presented both including and excluding unearned rates revenue. The two will converge and be the same by June 2026, as all rates revenue is recognised on the profit and loss.*

The budget for assets and liabilities reflects the expected positions at 30 June 2026.

Significant balance sheet movement is still expected to occur throughout the year:

- Cash to increase as rates are paid.
- Receivables to decrease as rates are paid.
- Cash to decrease as expenses are incurred and loan repayments are made.
- Property, plant and equipment balance to move based on in-year capital additions and disposals.
- Unearned rates revenue to decrease as recognised on the profit and loss statement each month.
- Borrowings to decrease as loan repayments are made.

### Capital Expenditure

The project delivery team undertakes regular forecasting. The current estimate of capital expenditure for 2025-26 is \$104.2m.

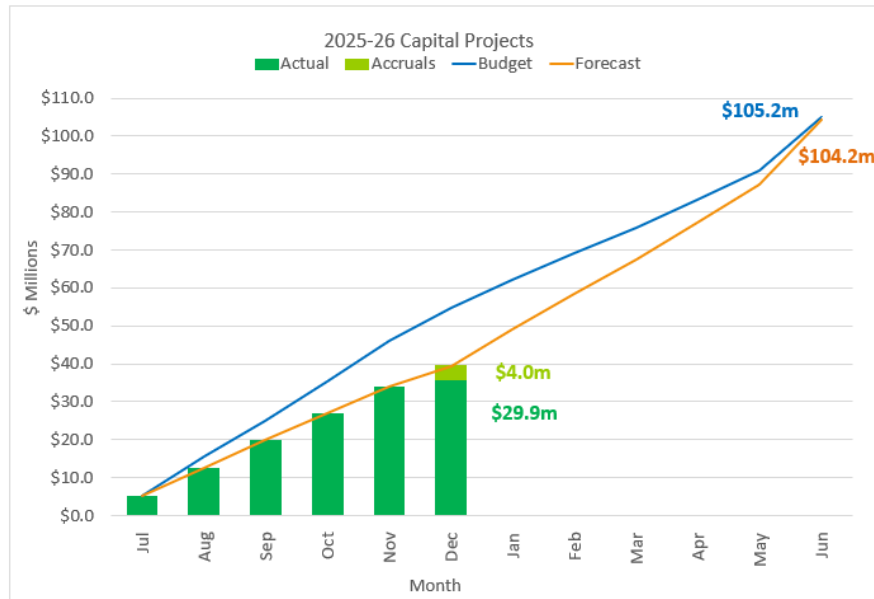
The updated forecast and actuals are provided throughout the tables and graphs below.

	Actual	Budget	Actual as % of Budget	Forecast	Actual as % of Forecast
Year to date capital expenditure	\$39.5m	\$105.2m	37.57%	\$104.2m	37.92%

Capital expenditure against groups with significant capital expenditure budgets is shown in the table below:

Group	YTD Actual	Budget	Actual as % of Budget	Forecast	Actual as % of Forecast
Roads	\$16.5m	\$26.2m	62.87%	\$30.7m	53.76%
Sewerage	\$9.9m	\$26.5m	37.49%	\$24.5m	40.58%
Delivery Support and Performance	\$0.5m	\$6.0m	8.88%	\$6.0m	8.88%
Property Assets	\$0.0m	\$0.4m	6.65%	\$0.0m	0.00%
Asset Governance	\$0.0m	\$5.0m	0.00%	\$5.0m	0.00%
Waste	\$1.2m	\$2.6m	44.96%	\$2.5m	45.60%
Parks	\$0.8m	\$5.6m	14.36%	\$5.0m	16.07%
Community & Lifestyle	\$0.2m	\$0.4m	49.02%	\$0.5m	40.59%
Water	\$6.7m	\$19.8m	34.04%	\$15.7m	42.85%
Strategic Projects	\$1.8m	\$10.9m	16.37%	\$11.9m	14.93%
Other	\$1.8m	\$1.7m	105.23%	\$2.3m	79.09%
<b>Total</b>	<b>\$39.5m</b>	<b>\$105.2m</b>	<b>37.57%</b>	<b>\$104.2m</b>	<b>37.92%</b>

Accrual estimates of \$3.8m have been included in the actuals to account for major claims relating to December work.



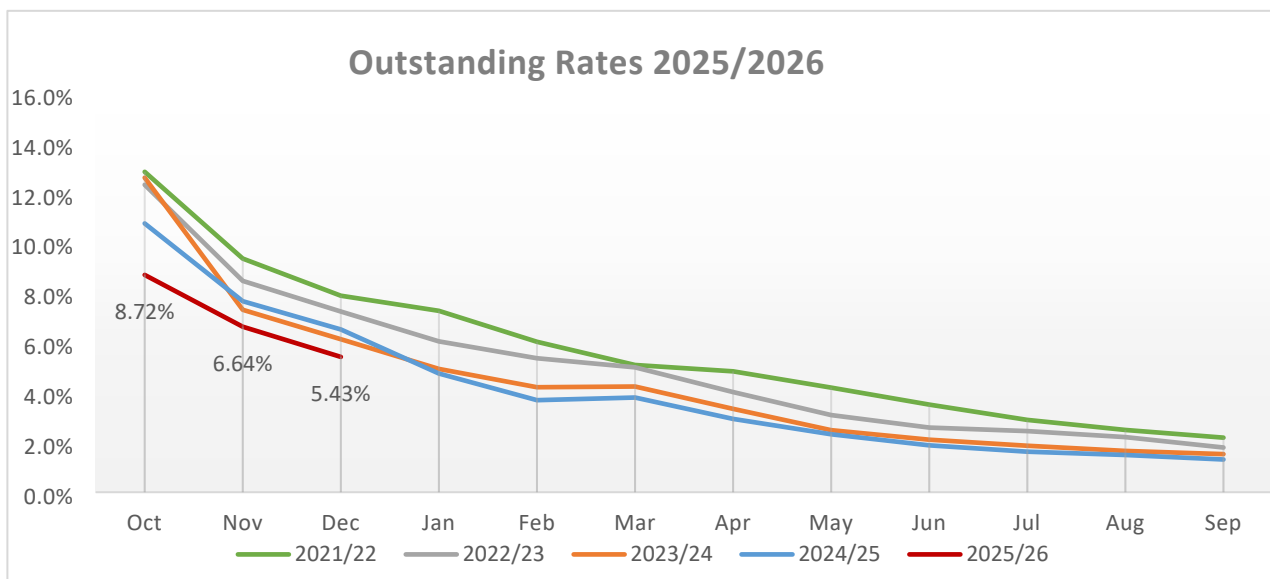
## Outstanding Rates

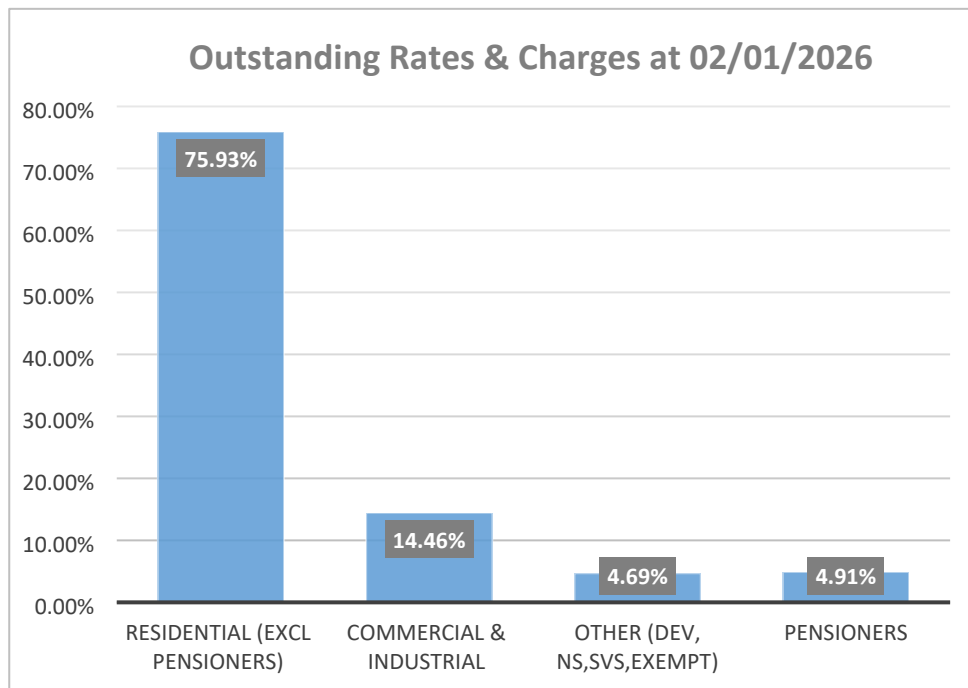
Outstanding rates, as a percentage of gross rates levied for 2025-26 and collectible, are at 5.43% as of the end of December 2025, compared to 6.53% for the same period in 2024-25.

Of the \$12.6m of outstanding rates, 14.46% relates to commercial/industrial assessments and 85.54% represents residential assessments. Compared to the same period in the prior year (2024-25), outstanding rates were \$14.0m, representing 14.04% commercial/industrial assessments and 85.96% residential assessments.

These figures include \$6.53m of rates that are currently being repaid under an authorised payment plan, for which there were 39 commercial/industrial assessments and 1992 residential assessments. A total of 2031 assessments, which is an increase of 158 assessments compared to November 2025 (this movement is a result of new arrangements entered into since rates notices were issued in August). This is a decrease of 43 assessments for the same period prior year.

There were 5391 ratepayers who had paid their rates in advance, totalling \$6.9m.

















### Sustainability Ratios

Financial ratios provide a useful snapshot of Council's financial status and emerging trends. Individual ratios do not provide enough information to form a comprehensive opinion of Council's financial position and performance, but when the right mix of ratios are considered together, they become a valuable tool in analysing Council's overall financial performance.

Ratio Explanation	Target	2025-26 Budget	2025-26 Forecast	Current YTD	5 Year Average	Commentary
<b>Financial Capacity</b>						
<b>Council Controlled Revenue Ratio:</b> This ratio is contextual only; therefore, it has no target measure		87.75%	87.25%	87.62%	82.97%	Although there is no target for this ratio, the high 5-year average and current YTD indicate Council's continued strong position to generate revenue without heavy reliance on other external sources.
<b>Population Growth Ratio:</b> This ratio is contextual only; therefore, it has no target measure Ratio is measured annually		2.35%	NA	1.84%	1.40%	For Gladstone, maintaining financial sustainability amidst its unique population growth patterns will require a balanced approach, integrating both proactive infrastructure investment and cautious financial management.
<b>Operating Performance</b>						
<b>Operating Surplus Ratio:</b> Target measured over a five-year average	> 0%	0.56%	-0.18%	-24.30%	-2.65%	The current year's result is affected by minimal water consumption, income tax equivalent (ITE) and grant income recognised to date. As water consumption is 6-monthly and both the ITE and financial assistance grant are expected in the last quarter of the year. The ratio will trend closer to forecast as this revenue is received.

# GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 20 JANUARY 2026

<b>Operating Cash Ratio:</b> Target measured over a five-year average	> 0%	24.23%	23.36%	4.90%		21.77%		The YTD result is affected by the low YTD revenue as stated above. The 5-year average result of this ratio reflects the continuing strong cash position of Council, proportional to operating costs.
<b>Liquidity</b>								
<b>Unrestricted Cash Expense Cover Ratio:</b> Target measured over a single year	> 3 mths	5.53	5.43	11.48		NA		The high forecast and YTD result of this ratio shows Council is in a strong cash position to cover planned and unplanned expenditure into the future.
<b>Asset Management</b>								
<b>Asset Sustainability Ratio:</b> Target measured over a five-year average	> 80%	99.02%	99.02%	76.14%		85.30%		Infrastructure renewals have accounted for 56.07% of capital expenditure YTD, with the balance on new and upgrade projects.
<b>Asset Consumption Ratio:</b> Target measured over a five-year average	> 60%	69.01%	NA	69.37%		70.37%		Both the YTD and budgeted ratio results indicate that Council's assets are being broadly consumed in line with their estimated useful lives.
<b>Asset Renewal Funding Ratio:</b> This ratio is contextual only; therefore, it has no target measure Ratio is measured over the 10-year long-term financial forecast period		NA	NA	108.97%		NA		The asset renewal ratio indicates a well-aligned relationship between Council's capital requirements and the forecasted renewal program, supporting the delivery of infrastructure and assets required to meet community needs in the future.
<b>Debt Servicing Capacity</b>								
<b>Leverage Ratio:</b> Target measured over a five-year average	0-3 times	0.95	0.93	32.21		7.66		The YTD average results of this ratio reflect the negative net YTD result. The ratio will track closer to forecast as the year progresses, and revenue is received.

## Stakeholder Engagement:

This report seeks specialist input from relevant internal sources.

## Legal and Regulatory Implications:

Council is required to receive an update at least monthly relative to its financial position, Section 204 Local Government Regulation 2012.

## Anticipated Resolution Completion Date:

N/A

## Attachments:

1. Monthly Financial Statements for the period ending 31 December 2025
2. Operating Statements for the period ending 31 December 2025

## **G/4.5. AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING SUMMARY 3 DECEMBER 2025**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Principal Internal Auditor

**Council Meeting Date:** 20 January 2026

**File Ref:** CM26.2

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### **Purpose:**

To present a report about the matters reviewed at the Audit Risk and Improvement Committee meeting held 3 December 2025, pursuant to section 211 of the *Local Government Regulation 2012*.

### **Officer's Recommendation:**

That Council receive the report on the matters reviewed at the Audit Risk and Improvement Committee Meeting held on 3 December 2025.

### **Summary:**

The Audit Risk and Improvement Committee (The Committee) met on 3 December 2025. ARIC considered reports on organisational performance, risk, audit and finance. There were no formal recommendations made to Council by the Committee. This report contains a summary of the meeting with a copy of the meeting minutes and reports available to Councillors in DocsOnTap.

The Chair identified three key focus areas of the meeting discussions:

#### **1. Improving Strategic Risk Oversight:**

The Committee trialled a refreshed agenda to better explain why key matters are being considered. This supported earlier, more strategic discussions of emerging risks and lessons learned, before moving into detailed operational controls and assurance.

#### **2. Learning from Experience to Strengthen Controls:**

Recent fraud events at other Councils were discussed, focusing on root causes and initial lessons learned. Engagement with Council's ICT Team and the Queensland Audit Office (QAO) was strong with discussions around Essential 8 and ISO 27001 having a greater focus during the meeting providing additional comfort in the cybersecurity space for Council. Constructive discussion was also held on overdue audit actions, with a shared focus on ensuring practical and achievable timeframes and effective accountability and follow through.

#### **3. Supporting openness and continuous improvement**

The Committee continued to welcome open and transparent conversations across the organisation, including where risks have materialised, controls have not operated as intended, and/or opportunities for improvement exist. The Committee values this openness as a sign of a maturing risk culture and reinforces its role as a trusted, confidential forum and critical friend, providing constructive challenge to help ensure the right foundations and controls are in place to support continuous improvement and delivery against expectations.



## **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

## **Background:**

The Committee, met on 3 December 2025. The audit committee of a local government must – ‘as soon as practical after a meeting of the committee, give the local government a written report about the matters reviewed at the meeting and the committee’s recommendations about the matters.’

Below is a summary of the meeting held on 3 December 2025.

### **1. Strategic Context and Organisational Overview**

- The CEO report discussions included the review of the financial forecast, recruitment of the General Manager Operations position, provision of Christmas vouchers to employees which supported local suppliers, and an emerging risk.
- Current legal matters were highlighted noting that the majority of cases relate to Planning and Environment Court matters.
- The Committee requested that a report providing an update of Councils progress on the implementation of the Information Privacy and Other Legislation Amendment Act (IPOLA) be provided at the next Committee meeting.

### **2. Strategic Risk Posture**

- The Committee highlighted the need to ensure that updates to Corporate Risks are completed following the recent Corporate Risk Workshop and recommended that a date be set to promote accountability.
- The Committee supported the rationalisation of the operational risks and highlighted the need to focus on being precise with the definition, treatment, and controls of the risk.
- The limitations of Council’s risk management software was discussed noting that the behavioural aspects of risk management drive accountability.

### **3. Assurance and Internal Audit**

- An overview of the High-Level Assurance Map was provided, noting 36 of the 40 assurance map meetings with General Manager’s direct reports were completed.
- An overview of the status of the internal audit reports was provided with the Overtime Analysis audit highlighted.
- The importance of setting realistic and achievable timeframes of agreed management tasks was reaffirmed.
- An overview of the Internal Audit IA\_60 Transfer Station – Cash Receipt Reprints was provided. The opportunity for fraud to potentially occur was discussed, and the Committee recommended a review after six months in addition to spot checks to ensure compliance with the procedure. Further discussions included fees and charges, and the collection of vehicle registration data.

### **4. Financial Management and External Assurance**

#### The Queensland Audit Office (QAO) Reports:

- The committee was briefed on the Improving Sustainability in Local Government report and the Third Party Cyber Security Risks report which is anticipated to be tabled in 2026.
- The Managing the Ethical Risks of Artificial Intelligence Report was highlighted as an issue at the forefront with organisations looking to introduce Artificial Intelligence (AI).
- The Committee commended the good work and positive relationship between Council and the QAO regarding the QAO Final Management Letter 2024-25 and QAO Audit Closing Report 2024-25.

Financial Reports:

- The prior period financial statements and the final version of the 2024-25 Audited Financial Statements were noted and an update was provided on key accounting issues including the status of the asset valuations. The potential deconsolidation of the Gladstone Airport Corporation was discussed.

**5. Organisational Capability and Performance**

People and Safety Report:

- It was noted that a review is underway to improve the completion of investigations including potential system changes. The Committee highlighted the need for accountability and leading from the top to ensure the investigations are closed out.
- The Committee enquired about the Senior Leadership Team Program and referenced the increase in confidence scores.
- A discussion was held regarding excess leave noting that although it is tracking downwards, it is still high.
- A discussion was held regarding overtime highlighting the potential risks of fraud and safety.

Essential 8 Update:

- An overview of Essential Eight was provided noting that it is a framework developed by Australian Signals Directorate (ASD) of prioritised mitigation strategies to assist in protecting against various cyberthreats. The Committee commended Council for being proactive and utilising Essential Eight (while a requirement for Commonwealth organisations, it is not a requirement for local governments). Council also utilise ISO27001 which together with Essential Eight, provide comfort in the cybersecurity space.

**6. Committee Business**

- There were no Council referrals.
- The Committee and officers have been working toward more strategic risk focussed reporting for the Committee. Positive feedback was provided by the Committee regarding the reporting and agenda changes.

**Risk Management Summary:**

The Committee oversees Council in managing its risks by monitoring and reviewing the effectiveness of:

- financial statements and performance reporting;
- Council's internal audit function; and
- governance and risk management.

The Committee includes three external members to support independence and objectivity.

**Options and Opportunity Analysis:**

The *Local Government Act 2009* requires that the audit committee of Council – the Audit Risk and Improvement Committee – oversee audit, annual financial reporting and other relevant governance functions to provide Council with an additional level of assurance that systems and controls are in place to minimise risk exposure.

Council may at any time refer a matter to the Committee for consideration.

**Stakeholder Engagement:**

The Chair of the Committee was consulted and contributed to the preparation of this report.

**Legal and Regulatory Implications:**

*Local Government Regulation 2012*, Chapter 5, Section 211(1)(c) states: The audit committee of a local government must – ‘as soon as practical after a meeting of the committee, give the local government a written report about the matters reviewed at the meeting and the committee’s recommendations about the matters.’

**Financial and Resource Implications:**

The Audit Risk and Improvement Committee is funded through Council’s Operational Expenditure Budget.

**Anticipated Resolution Completion Date:**

N/A – information only report.

**Attachments:**

Nil

**G/5. COUNCILLORS REPORT**

**G/6. URGENT BUSINESS**

**G/7. NOTICE OF MOTION**

## **G/8. CONFIDENTIAL ITEMS**

### **G/8.1. STRATEGIC LAND PURCHASE OPPORTUNITY**

**Responsible Officer:** General Manager People and Strategy

**Prepared By:** General Manager People and Strategy (Acting)

**Council Meeting Date:** 20 January 2026

**File Ref:** CP2.1

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#### **Reason for Confidentiality:**

This report is **CONFIDENTIAL** in accordance with Section 254J of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.