



I hereby give notice that an Ordinary Meeting of Council will be held on:

Date: Wednesday, 18 November 2020
Time: 9:00am
Location: Council Chambers
Mission Road
Gununa

BUSINESS PAPER

Ordinary Council Meeting

18 November 2020

Peter Stewart
Acting Chief Executive Officer

To empower our Community – Our people
To feel solid and strong like the rock in Mundalbe
To taste and hear the breaking waves of change
To establish clean, safe, healthy lifestyles togetherness
Pride and respect for each other in our culture, achievements and successes.
To see and smell the compassion and peacefulness of our community

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1 OPENING OF MEETING**2 ACKNOWLEDGEMENT OF COUNTRY**

I would like to begin by acknowledging the Traditional Owners of the land on which we meet today, the Lardil people of Mornington Island and pay our respects to Elders past and present. We would also like to acknowledge the Kaiadilt and Yangkaal people who share our homelands.

3 PRESENT**4 APOLOGIES****5 DISCLOSURE OF INTEREST – COUNCILLORS AND STAFF****6 CONDOLENCES AND MEMORIALS****7 CONFIRMATION OF MINUTES**

Ordinary Meeting - 21 October 2020

Special Meeting - 11 November 2020

8 BUSINESS ARISING

9 ACTION SCHEDULE**9.1 ACTION SCHEDULE**

Author: Acting Governance Co-ordinator

Attachments: 1 Action Schedule

PURPOSE (EXECUTIVE SUMMARY)

To provide Council with an up to date version of the Mornington Shire Council meetings Action Schedule that includes resolutions from previous Council meetings and actions taken regarding those resolutions.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

At each Ordinary meeting of Council, when resolutions are passed that require any action, those resolutions are included in Council's Action Schedule for attention of the appropriate Officer or Elected Member.

At each Ordinary meeting of Council, the Action Schedule is tabled to outline those actions that have been taken in accordance with Council resolutions (see attached).

FINANCIAL & RESOURCE IMPLICATIONS

As per resolutions.

RECOMMENDATION

1. That Council note and receive the Mornington Shire Action Schedule as tabled; and
2. That Council endorse the removal of all completed items from the schedule as tabled.

TASK NAME	ASSIGNED TO	RESOLUTION NUMBER	RESOLUTION DATE	UPDATES
Mayor's Vehicle	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	20-10/011	21 October 2020	<p>13 November 2020 Workshop Administration Officer Zoe Lines advised that quotes have been requested from three dealerships for a Toyota Landcruiser</p> <ul style="list-style-type: none"> Pacific Toyota Cairns Wide Bay Toyota Bell & Moir Toyota <p>Currently waiting on the quote from Cairns Toyota.</p>
Acceptable Requests Guidelines for Councillor's Policy	<ul style="list-style-type: none"> Acting Executive Manager, Governance and Communications Acting Governance Co-ordinator 	20-10/13	21 October 2020	<p>13 November 2020 This document needs to be updated in the soft copy with the Resolution Number and date of Council Meeting and then incorporated into Policy Manual. The Policy also needs to go into the Governance Folder structure in correct place.</p>
Disposal of Plant and Equipment Items	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	20-10/16	21 October 2020	
Carpentaria Electrical Negotiations to provide Electrical Contract works to Council	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services Acting CEO 	20-10/25	21 October 2020	
De-registration of Mundalbe Enterprises Limited	<ul style="list-style-type: none"> Acting Executive Manager – Governance and Communications 	20-10/26	21 October 2020	<p>13 November 2020 Letter sent to MacDonnells Law to commence de-registration of Mundalbe Enterprises Limited. Council is in receipt (11 November 2020) of de-registration documentation and was sent back to MacDonnells Law on 12 November 2020</p>

Social Media Policy	<ul style="list-style-type: none"> Acting Executive Manager Governance and Communication Human Resources Manager 	2020/91	16 September 2020	Policy needs to be reviewed by Human Resources Manager before Council distributes and places on website .
Working from Home Policy	<ul style="list-style-type: none"> Acting Executive Manager Governance and Communication Human Resources Manager 	2020/93	16 September 2020	Policy needs to be reviewed by Human Resources Manager before Council distributes and places on website .
Retail Fuel Pricing Policy	<ul style="list-style-type: none"> Acting Executive Manager - Finance and Human Services 	2020/97	16 September 2020	Policy needs to be reviewed
Community Calendar	<ul style="list-style-type: none"> Acting Executive Manager - Finance and Human Services 	2020/103	16 September 2020	
Mayor to write letter to MI State School thanking for the opportunity to visit and provide an update to plans towards achieving suggested project ideas	<ul style="list-style-type: none"> Mayor CEO Acting Governance Co-ordinator 	2020/103	16 September 2020	
Dirt Bike Nuisance and Mitigation Strategy	Acting Executive Manager – Finance and Human Services	2020/105	16 September 2020	David Torr to provide a report to Council regarding the strategy after he meets with Tommy Wilson. Quotations are being sourced for the purchase of barricades to be established at six identified locations.

<p>State Government Funding - \$2.34M</p>	<p>Acting CEO (formally was assigned to Frank Mills)</p>	<p>2020/24</p>	<p>13 November 2020 A meeting with the Technical Working Group (TWG) revealed that this project has not progressed as Council has elected to undertake the proposed works. Due to the significant change over in staff this had not been relayed to the new Council. The agreed works are made up of 3 projects: 1. New 3 bedroom house on 152 Lardil St – existing house to be demolished by DHPW 2. Civil and infrastructure works on Lots 925 & 926 3. Provide plug ins for up to 10 properties – 8 currently proposed Preparations will now begin to progress this project as a priority.</p>
<p>New Year's Eve Event</p>	<p>Acting Executive Manager – Finance and Human Services (formally assigned to Kerry Whiting)</p>		<p>06.03.2020 Matter will be re-presented to the new Council after the Local Government elections. 22.04.2020 Council re-considered this matter and passed resolution 2020/96: That Council liaises with other local stakeholders to form an events committee. 11.09.2020 Governance Coordinator currently collating list of potential Events Committee members. A meeting to be held towards the end of September – informative report to be submitted to October Ordinary Council meeting.</p>

<p>Managing the Sustainability of Local Government Services</p>	<p>Acting Executive Manager – Finance and Human Services (formally assigned to Kerry Whiting)</p>	<p>2020/34</p>	<p>24 January 2020</p>	<p>06.03.2020 Matter will be re-presented to the new Council after the Local Government elections.</p> <p>22.04.2020 Council re-considered this matter and passed resolution 2020/96: That Council liaises with other local stakeholders to form an events committee.</p> <p>11.09.2020 Governance Coordinator currently collating list of potential Events Committee members. A meeting to be held towards the end of September – informative report to be submitted to October Ordinary Council meeting.</p> <p>ONGOING</p>
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<p>Visitors Accommodation Complex – Ongoing Security and Visitor Disturbances</p>	<p>Kerry Whiting</p>	<p>2020/43</p>	<p>24 January 2020</p>	<p>06.03.2020 Matter will be re-presented to the new Council after the LG elections. An interim "nightwatchmen service" has been commenced.</p> <p>22.04.2020 Council re-visited this matter in Ordinary April Council meeting and passed resolution 2020/95: That Council defer the matter to a future Council meeting once the Visitor's Accommodation Centre Business Plan has been distributed and can be presented in correlation with this report.</p> <p>ACTION ITEM DEFERRED UNTIL VISITORS ACCOMMODATION CENTRE BUSINESS PLAN IS AVAILABLE</p>
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<p>Torres Cape Indigenous Council Alliance (TCICA) – Formation of a Regional Roads and Transport Group (RRTG)</p>	<p>Frank Mills</p>	<p>2020/21</p>	<p>24 January 2020</p>	<p>05.02.2020 Torres Cape Indigenous Council Alliance advised Council of decision.</p> <p>24.01.2020 Council adopted resolution 2020/21: That Council approve the two suggested submissions for funding by the Aboriginal and Torres Strait Islander Transport Infrastructure Scheme in 2020 as outlined in this report. That Council advise that Mornington Shire Council does not support the formation of the proposed Torres Cape Indigenous Councils Alliance, Regional Roads and Transport Group.</p> <p>17.02.2020 Acting Executive Manager Technical Services to submit two proposals to TMR for ATSI TIDS funding.</p> <p>ONGOING</p>
<p>Animal Management</p>	<p>David Torr</p>	<p>2015/11</p>		<p>04.12.2019 Animal Management Officer will present to December Briefing Meeting at 12pm, expected to provide a PowerPoint presentation on Animal Management Strategy and directions with a view of finalising a report for early 2020</p>

<p>Ergon Energy – Lights on Basketball Courts and Playgrounds</p>	<p>David Torr</p>		<p>16.07.2019 Council waiting on report from Ergon Energy.</p> <p>02.10.2019 Ergon conducting works on Mornington Island from 15th - 21st of October 2019 .</p> <p>07.01.2020 Investigation conducted to identify a lighting type that will not disturb surrounding residents. ONGOING</p>
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10 CALL FOR ITEMS OF GENERAL BUSINESS

RECEPTION & CONSIDERATION OF COMMITTEE REPORTS

11 COMMITTEE REPORTS

Nil

RECEPTION & CONSIDERATION OF OFFICERS REPORTS

12 MAYOR AND COUNCILLORS REPORTS**12.1 YOUTH PROGRAMS TO SUPPORT RESTORATIVE JUSTICE FOR YOUTH OFFENDERS**

Author: Deputy Mayor

Attachments: 1 Mayor's Letter to Department of Youth Justice

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to address Mornington Island's Community youth issues and hold discussions around the issues we are receiving in relation to youth doing criminal activity.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION**Issues arising relating to youth criminal activity in community**

Ongoing break-ins to organisations, Council buildings and homes.

Vehicles, homes and vandalism to organisations are happening and there are very minimal actions happening because of the youth being juveniles. Mandatory conditions to a Detention Centre cannot happen as there are very difficult procedures which take up hours of time and money.

If we can have a proposal put together to both the youth justice and magistrate court, we maybe able to come up with a solution. This needs to happen now rather than later.

Mayor Yanner and I have been looking to service off the island to assist in referring these youth who are involved in criminal activity and send them out to the required services to possible organisations that can support the issues and provide these youth with help to get them back to who they are as young men and women.

There are three identified services that may assist in the Youth Restorative programs:

1. Myuma Station (based in Camooweal)
2. Mona On Country Program (Mt Isa)
3. Two people run a Youth Restorative Program outside of Townsville

I would like to get in contact with these services and determine who can take on these kids. The Magistrate's Children's Court is also waiting on a proposed plan to how we can support to stop the youth criminal activity.

As mentioned, if there are the main offenders attending a Restorative Program off the Island, then we will definitely have progress in minimising the issues relating to break-ins, vandalism and car theft.

If we can form a partnership with services who can support youth being referred to their programs that provide restorative justice then we may make this community a better place and minimise issues in the future.

Programs for youth are available but we need to move forward and make it happen as Community Representatives.

There was also a Committee Advisory Group mentioned but this seems to be a good idea in start but always falls away mainly if not continued support.

Support to action solutions are needed to start the process of getting youth referred to a service where they can receive help, otherwise this ongoing problem will not stop here.

There is funding approved for a youth program based at the Mirndiyan Art Centre but supervised and managed by Junkuri Laka in partnership. I am also in consultation with Junkuri Laka to enquire if there will be a Youth Restorative Program being developed to support youth offenders in

community and to have a proper plan in place to assist in positive outcomes and to ensure offenders do not re-offend.

Youth offenders will not stop now as this has already been identified where youth offenders have been in trouble and charged, then repeated an offence even on the same day.

I would strongly express to ask that Council come up with a decision to a solution and to consider a proper process controlled by Council and supported by Council that gives the assurance of the Community that we are doing what we can as a Council.

The Mayor and I are really passionate about a positive outcome to this proposal and to get further advice and support to starting further processes of referring and assurance of getting answers from both community and the justice system.

FINANCIAL & RESOURCE IMPLICATIONS

Nil.

RECOMMENDATION

1. That Council consider this report to further determine Youth Restorative Justice in community
2. That Council assist in the referral process to services detailed to consider partnership in processes of youth being dealt with 'Off Island' in a proper manner and procedures needed.
3. That Council consider a consultation process to other Agencies where applicable to support our proposal and reporting requirements to services who are currently receiving funding for youth and to provide feedback to data relating to youth support.
4. That Council consider consulting more with other services who have availability to assist and support the Youth Restorative Justice programs needed in the community.
5. That Council consult with Youth Justice on a Local Government level to ensure maximum support and consultation is done to ensure we minimise the youth offenders in the future and that the services comply with their funding requirements.
6. Deputy Mayor Dwayne Rogers will further complete his enquiries to the three areas at Mt Isa, Townsville and Camooweal to seek support for these kids and to develop a strategy to ensure Council has better procedures when youth offenders are charged and in court.



1 Mission Road
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FAX: (07) 4745 7275
EMAIL: mayor@mornington.qld.gov.au

13.08.2020

To Samantha Slade,

Dear Samantha,

I have received your notice of the list of crimes committed against our council workshop, and whilst I appreciate that Youth Justice have feeling for the youth of my community, I don't agree wholly on your approach. From my view, your department is basically building up an unhealthy behavior pattern in our youth and is why we have a very high number of repeat offences.

How I see it is that Youth Justice, in giving so many chances in an attempt of keeping our youth from going to detention center's is not working. My concerns as a Mayor and also a passionate community member is that you are not teaching them a thing you are giving them too many options these young kids need to be held accountable for the actions now, we need to punish them now for their wrong doings, to detour them from any future bad behavior, they know what they are doing is wrong and they know they are going to get away with it, they know that youth justice will save them! we need to nip this bad behavior in the butt now as when they are of 18 years of age youth justice won't be there to save them.

I believe in 'protecting' these young people, you are confusing them on what is right and what is wrong as when they are older they have the perception that they have done all this before so they think that this behavior is ok! We need to educate them at a young age and show them that this behavior is unacceptable and that they must be held accountable for their actions.

From my observations these 'slaps on the wrist' are just going to get them sent to jail!

My suggestion is, don't ask them what they would like to do as punishment cos that is not how the real-world works. Make it mandatory that whatever damages they have done they have to work for \$12/per hour at that work place every day of the place that they have caused damage to until the whole amount has been paid back. Then this should give them some appreciation of what that work site does and give them a real understanding of the value of such item is! And it might make them respect that place or the value of things a little more! On top of that they are getting a real-life experience with work. And should keep them off the street of nights as they will be tired from a full day's work and it might inspire them to get a job.

I would welcome the opportunity to further discuss with you the concerns and ideas I have expressed in this letter. Please feel free to contact me if we can progress these issues further.

Yours sincerely,

Kyle Yanner

12.2 WILSEED RANGER INVITATION

Author: Deputy Mayor

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

A request was received by the Deputy Mayor to invite the WILSEED Head Ranger to the Council meeting to talk about various programs and any support required.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Nil.

FINANCIAL & RESOURCE IMPLICATIONS**RECOMMENDATION**

That Council consider options to support the WILSEED program.

13 CHIEF EXECUTIVE OFFICER'S REPORTS**13.1 ANIMAL MANAGEMENT - HORSES IN THE TOWNSHIP**

Author: Acting Chief Executive Officer

Attachments: 1 Flowchart
2 Mornington Shire Council Local Law No. 2 (Animal Management) 2016

PURPOSE (EXECUTIVE SUMMARY)

This report provides Council with available options for assisting with the management of horses in the town area.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The Community and Councillors have made it quite clear they want to see some action on this issue. The horse numbers have increased over the years with the estimated number currently approximately at 25. They are proving a menace by knocking over town wheelie bins and as a result rubbish is scattered and they are potentially dangerous if a horse bolts or runs through a public area and hits a person or vehicle.

A proposed line of action with options is set out below.

All options pose issues within themselves.

- Euthanasia may only be achievable through owner's consent or legal enforcement.
- To be moved off Island would require some form of crating and relocation.
- Castration of stallions would stop breeding but not the concerns of horses in town (it would alleviate some safety concerns).
- Releasing back to owners and owners removing horses to outstations would inevitably result in horses escaping enclosures and damaging the Island's environment.
- Council will have a responsibility to care for the horses while held in rodeo grounds and feed and water the animals. Some fencing and repairs to yards maybe required.

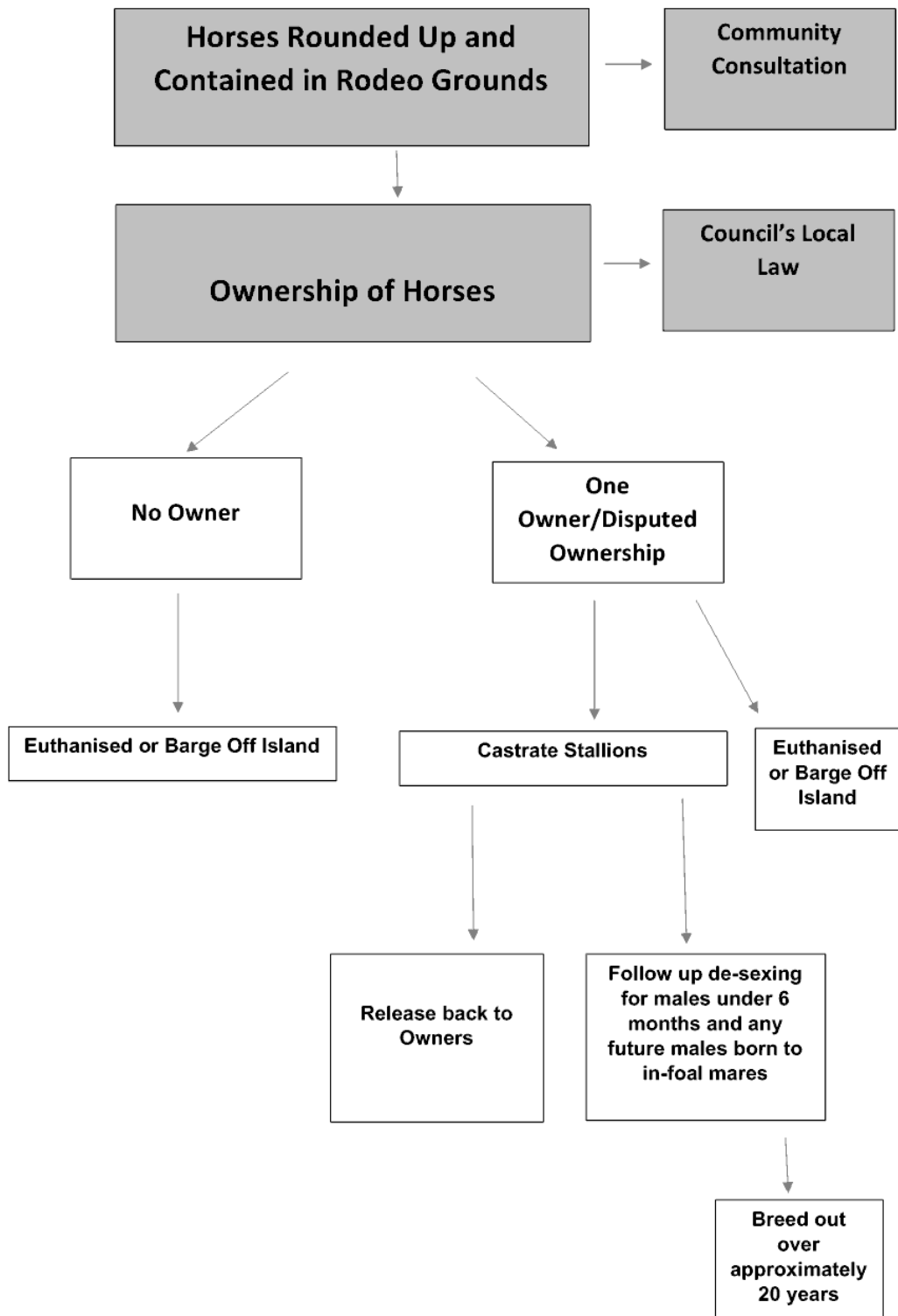
An important component in resolving the management of horses in the township is Community and owner consultation. Identifying ownership may be difficult without a register, however if ownership can be agreed upon, then Council may be able to work with owners to provide a satisfactory solution.

If necessary public notice and compliance enforcement maybe required.

RECOMMENDATION

That Council inform the Community via a Public Notice (Notice of Intent) and community meeting that all horses are to be removed from the town area. That Council request a meeting with owners to assist with arrangements (working with Council) for their removal.

That any animals remaining, without ownership to be impounded and removed from Island.



Mornington Shire Council Local Law No. 2 (Animal Management) 2016

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Part 1 Preliminary

1 Short title

This local law may be cited as *Local Law No. 2 (Animal Management) 2016*.

2 Purpose

The purpose of this local law is to regulate and manage the keeping and control of animals in the local government area.

3 Definitions—the dictionary

The dictionary in the schedule defines particular words used in this local law.

4 Relationship with other laws¹

- (1) This local law is—
 - (a) in addition to, and does not derogate from—
 - (i) laws regulating the use or development of land; and
 - (ii) other laws about the keeping, control or welfare of animals; and
 - (b) to be read with *Local Law No. 1 (Administration) 2016*.

Part 2 Keeping of animals

Division 1 Prohibition on keeping animals

5 Prohibition on keeping animals in prescribed circumstances

- (1) The local government may, by subordinate local law, prohibit the keeping of animals in prescribed circumstances.
- (2) The circumstances in which the keeping of animals is prohibited may be specified by reference to 1 or more of the following factors—
 - (a) species;
 - (b) breed;
 - (c) sex;
 - (d) age;
 - (e) number;
 - (f) whether an animal is a restricted dog;²
 - (g) the locality in which the animal would be kept;
 - (h) the nature of the premises in which the animal would be kept, including the size of the enclosure or the size of the allotment.³

¹ This local law and any subordinate local law made under it do not apply to the extent of any inconsistency with a law of the State or Commonwealth. See the Act, section 27.

² Section 72(3) of the *Animal Management (Cats and Dogs) Act 2008* provides: “A permit application may be made for more than 1 restricted dog for the same place only if the keeping of more than 1 restricted dog and more than 1 dog of any breed is permitted under a local law.”

³ See the *Animal Management (Cats and Dogs) Act 2008*, chapter 4, regarding particular conditions on keeping regulated dogs, including requirements about enclosures.

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Example for subsection (2)—

A prohibition may be imposed in relation to keeping certain species or a prescribed number of animals of a certain species in an urban locality e.g. in town.

- (3) A person must not keep an animal in contravention of a prohibition under this section.

Maximum penalty —

- (a) For the first offence—

10 penalty units;

- (b) For the second offence in any 12 month period from the first offence—

20 penalty units; and

- (c) For a third or subsequent offence in any 12 month period from the first offence—

50 penalty units.

Division 2 Animals for which approval is required

6 Requirement for approval

- (1) Subject to subsections (2) and (3), the local government may, by subordinate local law, require an approval⁴ for keeping an animal or animals in prescribed circumstances.
- (2) The circumstances in which an approval is required may be specified by reference to 1 or more of the following factors—
- (a) species;
 - (b) breed;
 - (c) sex;
 - (d) age;
 - (e) number;
 - (f) the locality in which the animal is to be kept, including whether it is an urban or non-urban locality; and
 - (g) the nature of the premises in which the animal is to be kept, including the size of the enclosure or the size of the allotment.⁵
- (3) Under this section, the local government may not require an approval for keeping a restricted dog.⁶

⁴ Keeping an animal for which an approval is required under this local law is a *prescribed activity* under schedule 2 of *Local Law No. 1 (Administration) 2016*. The process for obtaining an approval for a prescribed activity is set out in part 2 of that local law and section 5 creates an offence for a person undertaking a prescribed activity without a current approval.

⁵ See note 3.

⁶ Section 71 of the *Animal Management (Cats and Dogs) Act 2008* requires a permit issued by the local government for a person to own or be responsible for a restricted dog. The processes for the granting of restricted dog permits are set out under chapter 4, part 3 of that Act.

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Division 3 Animals for which desexing is required

7 Requirement to desex an animal

- (1) The local government may, by subordinate local law, require an animal of a particular species or breed to be desexed.
- (2) The subordinate local law may—
 - (a) specify when the requirement for desexing applies; and
 - (b) exempt animals under particular circumstances.

Example for paragraph (b)—

Exemption might be provided for an animal that is owned by a member of a recognised breeders' association for the purposes of breeding or showing.

- (3) A person must not keep an animal that is required to be desexed unless the animal has been desexed.

Maximum penalty for subsection (3)—10 penalty units.

Division 4 Minimum standards

8 Minimum standards for keeping animals

- (1) The local government may, by subordinate local law, specify minimum standards for the keeping of animals or a particular species or breed of animal.
- (2) A person who keeps an animal must ensure that the relevant minimum standards prescribed by a subordinate local law are complied with.⁷

Maximum penalty for subsection (2)—10 penalty units.

- (3) If a person is required to hold an approval to keep an animal, the obligation to comply with the minimum standards prescribed by a subordinate local law is in addition to an obligation imposed by a condition of the approval.

Division 5 Identification of registered dogs

9 Identification for dogs in certain circumstances

The local government may, by subordinate local law, prescribe the identification required by the *Animal Management (Cats and Dogs) Act 2008* for a dog that is at a place other than the address stated in the registration notice for the dog.⁸

⁷ See also *Animal Management (Cats and Dogs) Act 2008*, schedule 1, sections 4 to 5, regarding the requirements about enclosures for declared dangerous dogs, declared menacing dogs and restricted dogs.

⁸ Section 45 of the *Animal Management (Cats and Dogs) Act 2008* requires a person who keeps a dog at a place other than the address in the registration notice to ensure it bears the identification prescribed by the local government under a local law.

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Part 3 Control of animals

Division 1 Animals in public places

10 Exclusion of animals

- (1) The local government may, by subordinate local law, specify public places where animals, or animals of a particular species or breed, are prohibited.
- (2) The owner or responsible person for an animal must ensure that the animal is not in a public place in contravention of a prohibition specified under subsection (1).

Maximum penalty—

- (a) For the first offence—
10 penalty units;
- (b) For the second offence in any 12 month period from the first offence—
20 penalty units; and
- (c) For a third or subsequent offence in any 12 month period from the first offence—
50 penalty units.

11 Dog off-leash areas

- (1) The local government may, by subordinate local law, designate an area within a public place as an area where a dog is not required to be on a leash (a dog off-leash area).
- (2) The local government must take reasonable steps to provide notice to members of the public regarding the designation of an area as a dog off-leash area.
- (3) In this section—
reasonable steps means the display of a notice at the local government's public office indicating the extent of the area.

12 Control of animals in public places⁹

- (1) The owner or responsible person for an animal must ensure that the animal is not in a public place—
 - (a) unless the animal is under the effective control of someone; and
 - (b) if the animal is a declared dangerous animal¹⁰—unless the animal is securely restrained to prevent it from—
 - (i) attacking a person or animal; or
 - (ii) acting in a way that causes fear to a person or animal; or
 - (iii) causing damage to property.

⁹ See also *Animal Management (Cats and Dogs) Act 2008*, schedule 1, section 3, regarding the requirement for muzzling and effective control of regulated dogs in public and section 93, which applies this requirement where a dog is subject to a proposed declaration notice.

¹⁰ See the definition of *declared dangerous animal* in the Schedule 1.
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Maximum penalty—

(c) For the first offence—

10 penalty units;

(d) For the second offence in any 12 month period from the first offence—

20 penalty units; and

(e) For a third or subsequent offence in any 12 month period from the first offence—

50 penalty units.

(2) The owner or responsible person for a dog that is on heat must ensure that the animal is not in a public place.

Maximum penalty—

(a) For the first offence—

10 penalty units;

(b) For the second offence in any 12 month period from the first offence—

20 penalty units; and

(c) For a third or subsequent offence in any 12 month period from the first offence—

50 penalty units.

(3) An animal is under the **effective control** of someone only if—

(a) a person who is physically able to control the animal—

(i) is holding it by an appropriate leash, halter or rein; or

(ii) has appropriately tethered it to an object fixed to a place from which the object can not be moved by the animal and is continuously supervising the animal; or

(iii) has corralled it in a temporary enclosure adequate to contain the animal and is continuously supervising the animal; or

(b) the animal is tethered in or on a vehicle and unable to reach beyond the vehicle extremities; or

(c) the animal is a dog in a dog off-leash area and under the supervision of a person who is able to control the animal by voice command; or

(d) the animal is participating in, or being exhibited or trained at, an exhibition or an obedience trial supervised by a body recognised for this section by the local government; or

(e) the animal is a working animal actually engaged in moving livestock and under the supervision of a person who is able to control the animal by voice command.

13 Person in control of prescribed animal to clean up faeces

If an animal prescribed by subordinate local law defecates in a public place, the person who has control of the animal must immediately remove and dispose of the faeces in a sanitary way.

Maximum penalty—

- (a) For the first offence:
10 penalty units;
- (b) For the second offence in any 12 month period from the first offence:
20 penalty units; and
- (c) For a third or subsequent offence in any 12 month period from the first offence:
50 penalty units.

Division 2 Restraint of animals

14 Duty to provide proper enclosure and prevent animal from wandering

- (1) The owner and responsible person for an animal must ensure a proper enclosure is maintained to prevent the animal from wandering or escaping from the person's land.¹¹

Maximum penalty—

- (a) For the first offence:
10 penalty units;
 - (b) For the second offence in any 12 month period from the first offence:
20 penalty units; and
 - (c) For a third or subsequent offence in any 12 month period from the first offence:
50 penalty units.
- (2) The local government may, by subordinate local law, prescribe requirements for a proper enclosure for an animal or species or breed of animal.
 - (3) The owner and responsible person for an animal must ensure that it is not wandering at large.¹²

Maximum penalty—

- (a) For the first offence:
10 penalty units;
- (b) For the second offence in any 12 month period from the first offence:
20 penalty units; and
- (c) For a third or subsequent offence in any 12 month period from the first offence:
50 penalty units.

¹¹ See also *Animal Management (Cats and Dogs) Act 2008*, schedule 1, sections 4 to 5, regarding the requirements about enclosures for declared dangerous dogs, declared menacing dogs and restricted dogs.

¹² See the definition of *wandering at large* in the Schedule 1.
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- (4) It is a defence to a prosecution for an offence against subsection (3) for the defendant to prove that—
- (a) the defendant maintained a proper enclosure for the animal and could not, by the exercise of reasonable diligence, have prevented the escape of the animal; or
 - (b) the animal was wandering at large in circumstances authorised by the conditions of an approval granted under a local law.

Division 3 Aggressive behaviour by animals other than dogs

15 Limited application of division to dogs¹³

- (1) Unless otherwise indicated, this division does not apply in relation to aggressive behaviour by a dog.
- (2) In this section—
aggressive behaviour means attacking, or acting in a way that causes fear to, someone else or another animal.

16 Animals not to attack or cause fear to persons or animals

- (1) The owner and responsible person for an animal must take reasonable steps to ensure the animal does not attack, or act in a way that causes fear to, someone else or another animal.

Maximum penalty for subsection (1)—

- (a) if the attack causes the death of or grievous bodily harm to a person—300 penalty units; or
- (b) if the attack causes the death of or grievous bodily harm to another animal—100 penalty units; or
- (c) if the attack causes bodily harm to a person or another animal—50 penalty units; or
- (d) otherwise—20 penalty units.

- (2) A person must not allow or encourage an animal to attack, or act in a way that causes fear to, a person or another animal.

Maximum penalty for subsection (2)—

- (a) if the attack causes the death of or grievous bodily harm to a person—300 penalty units; or
- (b) if the attack causes the death of or grievous bodily harm to another animal—100 penalty units; or
- (c) if the attack causes bodily harm to a person or another animal—50 penalty units; or
- (d) otherwise—20 penalty units.

¹³ Aggressive behaviour by dogs is covered by the *Animal Management (Cats and Dogs) Act 2008*, sections 194 to 196.

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(3) In this section—

allow or encourage, without limiting the *Criminal Code*, sections 7 and 8, includes cause to allow or encourage.

another animal does not include vermin that are not the property of anyone.

Examples of vermin that are someone's property—

- a pet mouse or guinea pig
- vermin that are protected animals under the *Nature Conservation Act 1992*.¹⁴

17 Defences for offence against s 16

It is a defence to a prosecution for an offence against section 16 for the defendant to prove that the animal attacked, or acted in a way that caused fear to, the person or other animal—

- (a) as a result of the animal being attacked, mistreated, teased, or provoked by the person or other animal, including a dog; or
- (b) to protect the responsible person, or a person accompanying the responsible person (the *accompanying person*), or the responsible person's or accompanying person's property.

Division 4 Dangerous animals other than dogs¹⁵

18 Declaration of dangerous animal other than a dog

- (1) A local government may, by subordinate local law, specify criteria for an authorised person to declare an animal other than a dog to be a declared dangerous animal.
- (2) An authorised person may declare an animal other than a dog to be a declared dangerous animal if, in the reasonable opinion of the authorised person, the animal meets the criteria prescribed by subordinate local law.
- (3) A declaration under subsection (2) takes effect at the time the local government gives the responsible person for the animal a notice about the declaration.

19 Power to require responsible person for declared dangerous animal to take specified action

An authorised person may, by giving a compliance notice,¹⁶ require the responsible person for a declared dangerous animal to take specified action—

- (a) to warn persons who enter land on which the animal is kept of the presence of a declared dangerous animal on the land; and
- (b) to ensure that the animal remains in secure custody and is unable to attack or cause fear to persons or other animals or cause damage to another person's property.

¹⁴ See section 83 of that Act.

¹⁵ Dangerous dogs are dealt with in the *Animal Management (Cats and Dogs) Act 2008*.

¹⁶ See *Local Law No.1 (Administration)2016*, section 22 regarding the requirements for compliance notices and the offence for not complying with a compliance notice.

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Part 4 Seizure, impounding or destruction of animals

Division 1 Seizure of animals

20 Seizure of animals

- (1) An authorised person may seize¹⁷ an animal, other than a dog,¹⁸ in the following circumstances—
 - (a) the animal is found wandering at large; or
 - (b) the responsible person for the animal has not complied with a compliance notice that has been issued in relation to compliance with this local law; or
 - (c) the animal has attacked, threatened to attack, or acted in a way that causes fear to, a person or another animal; or
 - (d) the authorised person considers on reasonable grounds that the animal has been abandoned, left or found on a road in the circumstances mentioned in section 100(12) of the *Transport Operations (Road Use Management) Act 1995*.¹⁹
- (2) An authorised person may seize a dog in the following circumstances—
 - (a) the dog is found wandering at large; or
 - (b) the responsible person for the dog has not complied with a compliance notice that has been issued in relation to compliance with this local law; or
 - (c) the authorised person considers on reasonable grounds that the animal has been abandoned, left or found on a road in the circumstances mentioned in section 100(12) of the *Transport Operations (Road Use Management) Act 1995*.
- (3) The authorised person may seize an animal under subsection (1)(a) or a dog under subsection (2)(a) where—
 - (a) another person has found the animal or dog wandering at large and delivered it to the authorised person; or
 - (b) an occupier of private land has found the animal or dog wandering at large on the land, taken it under effective control and requested the authorised person to enter the land to seize it.
- (4) However, an authorised person is not obliged to accept the custody of an animal under this section.
- (5) For the purposes of seizing an animal, an authorised person may take any action, including the use of force, which is reasonable in the circumstances to capture or control the animal.

¹⁷ See the *Local Government Act 2009*, chapter 5, part 2, division 1 in relation to authorised persons' enforcement powers, including entry to land.

¹⁸ See the *Animal Management (Cats and Dogs) Act 2008*, section 125, for seizure of a dog.

¹⁹ The *Transport Operations (Road Use Management) Act 1995*, section 100(13) provides: "If a local law provides for a matter mentioned in subsection (12), subsections (3) to (11) no longer apply in the local government's area."

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Division 2 Destruction of animal without notice**21 Power to immediately destroy seized animal**

- (1) This section applies where an authorised person has seized an animal, other than a regulated dog,²⁰ under this local law or another law.
- (2) The authorised person may, without notice, immediately destroy the animal if—
 - (a) the authorised person reasonably believes the animal is dangerous and the authorised person can not control it; or
 - (b) the animal is significantly suffering as a result of disease, severe emaciation or serious injuries; or
 - (c) an owner of the animal has requested the authorised person to destroy it.

Division 3 Return or impounding of animals**22 Immediate return of animal seized wandering at large**

- (1) This section applies where—
 - (a) an animal has been seized under section 20(1)(a) or section 20(2)(a); and
 - (b) the authorised person who seizes the animal knows, or can readily find out, the name and address of the owner or responsible person for the animal.
- (2) The authorised person may return the animal to the owner or responsible person.

23 Impounding of seized animal

An authorised person who seizes an animal under this local law or another law may impound the animal at a place of care for animals operated by the local government.

Example—

An animal pound.

24 What is a notice of impounding

- (1) A *notice of impounding* means a written notice, given to the owner or responsible person for an animal, stating that—
 - (a) the animal has been impounded; and
 - (b) the animal may be reclaimed within the prescribed period provided that—
 - (i) the cost-recovery fee is paid; and
 - (ii) if an approval or registration is required for the keeping of the animal and the owner or responsible person does not have the approval or registration— the approval or registration is obtained; and
 - (iii) if the animal has been seized under section 20(1)(b) or 20(2)(b)— the owner or responsible person has complied with the relevant compliance notice; and

²⁰ See the *Animal Management (Cats and Dogs) Act 2008*, section 127, for power to destroy a seized regulated dog.
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- (iv) continued retention of the animal is not needed as evidence for a proceeding or proposed proceeding for an offence involving the animal; and
- (v) no destruction order has been made for the animal.

(2) In this section—

relevant compliance notice means the compliance notice mentioned in section 20(1)(b) or 20(2)(b).

25 Dealing with animal seized and impounded for wandering at large

(1) Subsection (2) applies where—

- (a) an authorised person has impounded an animal seized under section 20(1)(a) or 20(2)(a); and
- (b) the animal was not a declared dangerous animal at the time of being seized; and
- (c) the authorised person knows, or can readily find out, the name and address of the owner or responsible person for the animal.

(2) The authorised person must give the owner or responsible person a notice of impounding.

(3) Subsection (4) applies where—

- (a) an authorised person has impounded a declared dangerous animal seized under section 20(1)(a); or
- (b) an authorised person has impounded an animal that has been seized more than 3 times during a 12 month period.

(4) The authorised person may—

- (a) give the owner or responsible person for the animal a notice of impounding; or
- (b) make a destruction order for the animal under section 29.

26 Dealing with animal seized and impounded for non-compliance with local law

(1) This section applies where an authorised person has impounded an animal seized under section 20(1)(b) or 20(2)(b).

(2) The authorised person may—

- (a) give the owner or responsible person for the animal a notice of impounding; or
- (b) if the animal was being kept in contravention of section 5 of this local law or is an animal for which an approval cannot be granted under this local law or is an animal for which an application for approval under this local law has been rejected— dispose of the animal under division 5.

27 Dealing with animal seized and impounded for attacking etc a person or another animal

(1) This section applies where an authorised person has impounded an animal seized under section 20(1)(c).

- (2) The authorised person may²¹—
 - (a) make a destruction order for the animal under section 29; or
 - (b) give the owner or responsible person a notice of impounding.

28 Reclaiming an impounded animal

- (1) This section applies where—
 - (a) the owner or responsible person for an animal has been given a notice of impounding; or
 - (b) an authorised person does not know, and cannot readily find out, the name and address of an owner or responsible person for the animal.
- (2) The animal may be reclaimed by an owner or responsible person if the owner or responsible person—
 - (a) reclaims the animal within the prescribed period; and
 - (b) pays the cost-recovery fee; and
 - (c) if an approval or registration is required for the keeping of the animal and the owner or responsible person does not have the approval or registration— obtains the approval or registration; and
 - (d) if the responsible person has not complied with a current compliance notice that has been issued in relation to compliance with this local law—complies with the compliance notice.
- (3) However, the animal may not be reclaimed by an owner or responsible person if—
 - (a) continued retention of the animal is needed as evidence for a proceeding or proposed proceeding for an offence involving the animal; or
 - (b) a destruction order has been made for the animal.
- (4) The animal may be reclaimed by an owner or responsible person for the animal if an event as follows happens—
 - (a) if subsection (3)(a) applies—
 - (i) an authorised person advises the owner or responsible person that the animal's continued retention as evidence is no longer required; and
 - (ii) the owner or responsible person has satisfied subsection (2)(b)-(d);
 - (b) if subsection (3)(b) applies—
 - (i) an application for a review or an appeal is made relating to the destruction order and, as a result of the review or appeal, the order is no longer in force; and
 - (ii) the owner or responsible person has satisfied subsection (2)(b)-(d).

²¹ An authorised person may also declare an animal as a declared dangerous animal under section 18 if specified criteria are met.
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Division 4 Destruction of animal following notice**29 Destruction orders**

- (1) An authorised person may make an order (a *destruction order*) stating the person proposes to destroy an animal 14 days after the order is served.
- (2) A destruction order may only be made in 1 or more of the following circumstances—
 - (a) the animal has attacked, threatened to attack, or acted in a way that causes fear to, a person or another animal; or
 - (b) the animal is a declared dangerous animal and was found wandering at large; or
 - (c) the animal has been seized more than 3 times during a 12 month period.
- (3) The destruction order must—
 - (a) be served on a person who owns, or is a responsible person for, the animal; and
 - (b) include or be accompanied by an information notice.²²
- (4) If a destruction order is made for the animal, the person may destroy the animal 14 days after the order is served if no review application has been made relating to the decision to make the order.
- (5) If an application for review has been made relating to the decision to make the order, the person may destroy the animal if—
 - (a) the review is finally decided or is otherwise ended; and
 - (b) the order is still in force; and
 - (c) the time allowed for filing a notice of appeal has expired and no notice of appeal has been filed.
- (6) If an appeal is made relating to the decision to make the order, the person may destroy the animal if—
 - (a) the appeal is finally decided or is otherwise ended; and
 - (b) the order is still in force.
- (7) If the animal has been impounded, the owner or responsible person for an animal may reclaim the animal if—
 - (a) a review relating to the decision to make the order is finally decided or is otherwise ended; and
 - (b) no application for an appeal has been made against the order; and
 - (c) the order is no longer in force; and
 - (d) the owner or responsible person has satisfied section 28(2)(b)-(d).
- (8) If the animal has been impounded, the owner or responsible person for an animal may reclaim the animal if—
 - (a) an appeal relating to the decision to make the order is finally decided or is otherwise ended; and

²² See note 17.
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- (b) the order is no longer in force; and
 - (c) the owner or responsible person has satisfied section 28(2)(b)-(d).
- (9) In this section—

review means a review conducted under the process mentioned in part 4 of *Local Law No.1 (Administration) 2016*.

appeal means an appeal under Part 4 of this local law.

Division 5 Disposal of impounded animals

30 Application of this division

This division applies where—

- (a) an impounded animal has not been reclaimed within the prescribed period under section 28(2); or
- (b) if section 28(3)(a) applies—the impounded animal has not been reclaimed within 3 days of an authorised person’s advice to the owner or responsible person that the animal’s continued retention as evidence is no longer required; or
- (c) if section 28(3)(b) applies—the impounded animal has not been reclaimed within 3 days of the completion of a review or appeal that caused a destruction order to no longer be in force; or
- (d) an authorised person has seized an animal mentioned in section 26(2)(b); or
- (e) the owner of an animal has surrendered the animal to the local government.

31 Sale, disposal or destruction of animals

- (1) The local government may—
 - (a) offer the animal for sale by public auction or by tender; or
 - (b) sell the animal by private agreement;
 - (c) dispose of the animal in some other way without destroying it; or
 - (d) destroy the animal.
- (2) An animal may only be sold or disposed of under subsection (1) if the local government is satisfied that this will not result in the animal being kept in contravention of the requirements of this local law.

Examples—

- A pig that has been seized because it is being kept in the township area in contravention of a prohibition under a subordinate local law could be sold to a person outside the township area but not to another person in the township area.
 - An animal that a subordinate local law has prohibited in any part of the local government area could not be sold to a person who resides within the local government area.
 - A declared dangerous animal could only be sold to a person who has complied with any specified requirements for keeping such an animal.
- (3) If an animal is to be offered for sale at a public auction under this section, notice of the time and place of the auction must be exhibited at the local government’s public office for at least 2 days before the date of the auction.
 - (4) An amount realised on sale of an impounded animal must be applied—

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- (a) in accordance with section 38A of the Act if section 38A applies to the disposal of the animal; or
 - (b) if subsection (a) does not apply—
 - (i) first, towards the costs of the sale; and
 - (ii) second, towards the cost-recovery fee for impounding; and
 - (iii) third, in payment of the remainder to the former owner of the animal, unless the owner had surrendered the animal to the local government.
- (5) If no person establishes a valid claim to the amount to which the former owner is entitled under subsection (4)(b)(iii) within 6 months of the date of the sale, the amount becomes the property of the local government.
- (6) If an animal that is offered for sale by public auction or tender is not sold through the auction or tender process, the local government may dispose of the animal as it considers appropriate.

Examples—

- The local government may give the animal away.
- The local government may have the animal destroyed.

Division 6 Other impounding matters

32 Register of impounded animals

- (1) The local government must ensure that a proper record of impounded animals (the *register of impounded animals*) is kept.
- (2) The register of impounded animals must contain the following information about each impounded animal—
 - (a) the species, breed and sex of the animal;
 - (b) the brand, colour, distinguishing markings and features of the animal;
 - (c) if applicable—the registration number of the animal;
 - (d) if known—the name and address of the responsible person;
 - (e) the date and time of seizure and impounding;
 - (f) the name of the authorised person who impounded the animal;
 - (g) the reason for the impounding;
 - (h) a note of any order made by an authorised person relating to the animal; and
 - (i) the date and details of whether the animal was sold, released, destroyed or disposed of in some other way.
- (3) The register of impounded animals must be kept available for public inspection at the place of care for animals or, if the place has no public office, at an office prescribed by subordinate local law.

33 Access to impounded animal

- (1) This section applies to an animal impounded under section 23.
- (2) The local government must allow the owner of the animal to inspect it at any reasonable time, from time to time.

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- (3) Subsection (2) does not apply if it is impracticable or would be unreasonable to allow the inspection.
- (4) The inspection must be provided free of charge.

34 Unlawful removal of seized or impounded animal

- (1) A person must not, without the authority of an authorised person, remove or attempt to remove—
 - (a) a seized animal from the custody or control of an authorised person; or
 - (b) an impounded animal from the local government's facility for keeping impounded animals.

Maximum penalty for subsection (1)—50 penalty units.

- (2) Any costs arising from damage or loss caused by a person contravening subsection (1) are recoverable by the local government as a debt.

Part 5 Appeals against destruction orders

35 Who may appeal

An owner or responsible person for an animal the subject of a destruction order may appeal to the Magistrates Court against the decision to make the destruction order.

36 Starting appeal

- (1) An appeal must not be started unless a review of the decision to make the destruction order has been finally decided or otherwise ended.
- (2) An appeal is started by—
 - (a) filing notice of appeal with the Magistrates Court; and
 - (b) serving a copy of the notice of appeal on the local government; and
 - (c) complying with rules of court applicable to the appeal.
- (3) The notice of appeal must be filed within 14 days after the appellant is given notice by the local government about the finalisation of the review of the decision to make a destruction order.
- (4) However, the court may, at any time, extend the time for filing the notice of appeal.
- (5) The notice of appeal must state fully the grounds of the appeal and the facts relied on.

37 Stay of destruction order

Upon filing the notice of appeal, the destruction order is stayed until the court decides the appeal.

38 Hearing procedures

- (1) In deciding an appeal, the Magistrates Court—
 - (a) has the same powers as the local government; and
 - (b) is not bound by the rules of evidence; and

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(c) must comply with natural justice.

(2) An appeal is by way of rehearing, unaffected by the decision appealed against.

39 Court's powers on appeal

(1) In deciding an appeal, the Magistrates Court may—

(a) confirm the decision appealed against; or

(b) set aside the decision and substitute another decision; or

(c) set aside the decision and return the matter to the local government with directions the court considers appropriate.

(2) If the court substitutes another decision, the substituted decision is, for the purposes of this local law, other than this part, taken to be the decision of the local government.

(3) An order for the costs of an appeal may only be made against the local government if the court is satisfied that the animal was unlawfully seized or there was no reasonable basis for making the decision subject to the appeal.

40 Appeal to District Court

An appeal lies to a District Court from a decision of the Magistrates Court, but only on a question of law.

Part 6 Miscellaneous

41 Sale of animals

(1) The local government may, by subordinate local law, specify conditions to be complied with by persons who offer animals, or a particular species of animal, for sale.

(2) Conditions specified under subsection (1) are in addition to requirements of the *Animal Management (Cats and Dogs) Act 2008* in relation to the supply of cats and dogs.

(3) A person must not offer or display animals for sale in the area unless the person complies with conditions specified under subsection (1).

Maximum penalty for subsection (3)—50 penalty units.

42 Subordinate local laws

The local government may make subordinate local laws about—

(a) the circumstances in which the keeping of animals is prohibited;²³ or

(b) the circumstances in which an approval is required for the keeping of animals;²⁴ or

(c) the circumstances in which desexing of an animal is required;²⁵ or

(d) minimum standards for keeping animals generally or animals of a particular species or breed;²⁶ or

²³ See section 5(1).

²⁴ See section 6(1).

²⁵ See section 7(1).

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- (e) the identification for dogs required under the *Animal Management (Cats and Dogs) Act 2008*;²⁷ or
- (f) the exclusion of animals, or animals of a specified species, from public places;²⁸ or
- (g) designated dog off-leash areas;²⁹ or
- (h) animals whose faeces in public places must be removed and disposed of;³⁰ or
- (i) proper enclosure requirements;³¹ or
- (j) the criteria for declaring an animal other than a dog to be a declared dangerous animal;³² or
- (k) the office at which the register of impounded animals is available for public inspection;³³ or
- (l) the conditions to be complied with by persons who offer animals, or a particular species of animal, for sale;³⁴ or
- (m) the exclusion of animals of a particular species from the application of this local law;³⁵ or
- (n) the declaration of a species of animal as a declared dangerous animal;³⁶ or
- (o) the period within which an impounded animal may be reclaimed.³⁷

²⁶ See section 8(1).

²⁷ See section 9.

²⁸ See section 10(1).

²⁹ See section 11(1).

³⁰ See section 13.

³¹ See section 14(a).

³² See section 18(1).

³³ See section 32(3).

³⁴ See section 41(1).

³⁵ See the definition of *animal* in the schedule 1.

³⁶ See the definition of *declared dangerous animal* in the schedule 1.

³⁷ See the definition of *prescribed period* in the schedule 1.

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Schedule 1 Dictionary

Section 3

animal includes a mammal, fish, bird, reptile, amphibian or insect but does not include an animal of a species excluded by subordinate local law from the application of this local law.

attack, by an animal, means—

- (a) aggressively rushing at or harassing any person or animal; or
- (b) biting, butting, kicking, or otherwise causing physical injury to, a person or an animal; or
- (c) tearing clothing on, or otherwise causing damage to the property in the immediate possession of, a person.

compliance notice means a compliance notice mentioned in *Local Law No.1 (Administration) 2016*, section 22.

cost-recovery fee means the fee fixed by the local government to cover the costs associated with impounding an animal.

declared dangerous animal means an animal—

- (a) of a species declared by subordinate local law as a declared dangerous animal; or
- (b) declared under section 18 of this local law to be a declared dangerous animal.

destroy, an animal, includes causing it to be destroyed.

destruction order see section 29(1).

dog off-leash area see section 11(1).

effective control see section 12(3).

notice of impounding see section 24(1).

owner, of an animal, means

- (a) its registered owner;
- (b) a person who owns the animal, in the sense of it being the person's personal property;
- (c) a person who usually keeps the animal, including through an agent, employee or anyone else;
- (d) if a person mentioned in paragraphs (a) to (c) is a minor—a parent or guardian of the minor.

prescribed period means the period, fixed by subordinate local law commencing on the day a notice of impounding is given to a person or, if no notice is given to a person, on the day of the seizure.

public place see the Act, section 125(5).

registered owner, of an animal, means a person recorded as being the owner of the animal in a registry kept by a local government.

responsible person, for an animal, means—

- (a) the person, or the person's employee acting within the scope of the employment, who has immediate control or custody of the animal; or
- (b) the parent or guardian of a minor who has immediate control or custody of the animal; or
- (c) the person who occupies the place at which the animal is usually kept, but does not include—
 - (a) a person who occupies the place at which the animal is usually kept, if someone else who is an adult and lives at the place keeps the animal; or
 - (b) a person who has the control or custody of or keeps the animal as an employee of someone else, if the person is acting within the scope of the employment.

restricted dog see *Animal Management (Cats and Dogs) Act 2008*, section 63.

State planning instrument see *Sustainable Planning Act 2009*, schedule 3.

the Act means the *Local Government Act 2009*.

wandering at large means—

- (a) the animal is not under the effective control of someone; and
- (b) the animal is in either—
 - (i) a public place; or
 - (ii) a private place without the consent of the occupier.

13.2 COUNCILLOR PORTFOLIO POLICY

Author: Acting Chief Executive Officer

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The Councillor Portfolio Policy applies to Portfolio Councillors and Council employees who have a responsibility in ensuring the Portfolio Councillor is kept informed on key matters relating to their area of portfolio responsibility.

The purpose of the Policy is to clarify expectations and set clear directions for the role of Portfolio Councillors. This includes their role in representing Council on issues which fall within their portfolio.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The main role of Portfolio Councillors is to be a spokesperson within the Council Chamber advising on topical issues for their allocated portfolio and not be involved in the day to day operations of the portfolio. The portfolio to be assigned to a respective Councillor is determined by a resolution of Council. Changes to Councillor Portfolios can occur at any time by means of a Council resolution.

Objectives

- Council will be better informed by the Portfolio holder who will have a more intimate understanding of the portfolios activities and issues than Councillors generally.
- The Portfolio Councillor will be able to speak with knowledge of his/her portfolio.
- The Portfolio Councillor will be better able to represent and understand the topical or pending issues of the portfolio area.
- The Community can identify which Councillor to approach according to portfolio issues.

Portfolio Briefings

Portfolio Councillors and the relevant Executive Manager/CEO will arrange for regular briefings to be provided to the Councillor. These briefings should be strategic in nature and dictated by the demands of the Portfolio but should be a minimum of every two (2) months.

Proposals and initiatives should be discussed between the Portfolio Councillor and the Executive Director/CEO to assist the development of reports for the information of Councillors at a Briefing Session or consideration of a decision by Council at a formal Council meeting. The preparation and content of the report will remain the responsibility of the Executive Manager/CEO.

Portfolio Councillor Responsibilities

In addition to their responsibilities as a Councillor under the *Local Government Act 2009*, Portfolio Councillors should:

1. Respect intergovernmental relations, governance and advocacy are a core responsibility for the Mayor
2. Take a particular interest in their portfolio and familiarise themselves with key issues.
3. Represent the Council when required in relation to portfolio related matters.
4. Participate as Council's representative on external bodies as resolved by Council on issues relevant to the Portfolio.
5. Be a key point of contact and engage with community groups on their portfolio matters.

The Portfolio system provides no formal delegated authority to the Portfolio Councillor. It provides, however, the Councillor with an opportunity to develop and maintain a heightened level of

knowledge and strategic leadership across the region in a specified field of Council’s responsibilities and functions.

The Portfolio system in no way overrides or impinges on the requirements of the Act that requires Corporate decisions on policies and resources to be made at properly constituted Council meetings.

The Portfolio system also does not override Council’s “Acceptable Requests by Councillors for Advice or Information Guidelines” in relation to communication between Councillors and Council staff by the Act.

Proposed Councillor Portfolio Options

Designated Councillor	Portfolio	Executive Manager Responsible	Advisory and/or Special Committees/Community Bodies
Mayor Kyle Yanner	<ul style="list-style-type: none"> Intergovernmental relations, governance, advocacy and media are a core responsibility for the Mayor 	<ul style="list-style-type: none"> Chief Executive Officer 	<ul style="list-style-type: none"> Chair of LDMG – Local Disaster Management Group Mornington Technical Working Group (DATSIP) Meetings with State and Federal Departments and Ministers
Deputy Mayor Dwayne Rogers			<ul style="list-style-type: none"> Deputy Chair of LDMG – Local Disaster Management Group
Councillor Bobby Thompson			
Councillor Roxanne Thomas			
Councillor David Barnes			
Suggested Portfolio Options			
	Housing and Council Owned Facilities	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services Executive Manager, Finance and Human Services 	<ul style="list-style-type: none"> Mornington Technical Working Group (DATSIP) Project Management (Lana Maki) Tenancy Advisory Group
	Health/Youth/Aged Care	<ul style="list-style-type: none"> Executive Manager, Governance and Communications Chief Executive Officer 	<ul style="list-style-type: none"> Mornington Technical Working Group (DATSIP) Junkuri Laka Justice Group Kuba Natha Aged Person’s Hostel PCYC Wellbeing Centre Community Safety Plan Alcohol Management Plan Youth Advisory Group
	Animal Control/Pests	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	<ul style="list-style-type: none"> Vets
	Civil Operations: <ul style="list-style-type: none"> Roads Drainage Workshop Plant and Equipment 	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	<ul style="list-style-type: none"> Mornington Island Technical Working Group (DATSIP)

Designated Councillor	Portfolio	Executive Manager Responsible	Advisory and/or Special Committees/Community Bodies
	<ul style="list-style-type: none"> Water Waste Management/Refuse Environment 	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	<ul style="list-style-type: none"> Mornington Island Technical Working Group (DATSIP)
	<ul style="list-style-type: none"> Finance/Asset Management Audit Workplace Health and Safety 	<ul style="list-style-type: none"> Executive Manager, Finance and Human Services 	<ul style="list-style-type: none"> Audit/Risk Management Mornington Technical Working Group (DATSIP)
	Arts and Culture/Cemeteries/Funerals	<ul style="list-style-type: none"> Executive Manager, Infrastructure and Technical Services 	<ul style="list-style-type: none"> Mirndiyan Gununa Aboriginal Corporation
	Native Title/Land Tenure	<ul style="list-style-type: none"> Chief Executive Officer 	<ul style="list-style-type: none"> Carpentaria Land Council Aboriginal Corporation (CLCAC) Gulf Region Aboriginal Corporation (GRAC) Wellesley Island Rangers (WILSSED)

RECOMMENDATION

That Council adopt the Councillor Portfolio Policy and that Councillors be assigned to proposed portfolio options.

13.3 REVIEW OF COMMUNITY GRANTS POLICY

Author: Acting Chief Executive Officer

Attachments:

- 1 Local Government Regulation 2012 Part 5 - Community Grants - Section 194 and 195
- 2 Mornington Shire Council Community Grants Policy Version V

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to review and if required update Council's Community Grants Policy.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The Local Government Regulations 2012 set out the minimum requirements for providing grants to community organisations and the adoption of a Community Grants Policy.

Council last reviewed the Community Grants Policy in 2018.

As Councillors have been discussing assistance and support to community groups, it is timely that this Policy is understood and reviewed.

FINANCIAL & RESOURCE IMPLICATIONS

Budget variation to allocate funding to community grants.

RECOMMENDATION

That Council endorse the Mornington Shire Council's Community Grants Policy for the operations and procedure of providing community grants with a further review of 30 June 2021.

LOCAL GOVERNMENT REGULATION 2012

CHAPTER 5 - FINANCIAL PLANNING AND ACCOUNTABILITY

Part 5 Community Grants**194 Grants to community organisations**

A local government may give a grant to a community organisation only –

- a) If the local government is satisfied –
 - i. the grant will be used for a purpose that is in the public interest; and
 - ii. the community organisation meets the criteria stated in the local government's community grants policy; and
- b) In a way that is consistent with the local government's community grants policy.

195 Community grants policy

A local government must prepare and adopt a policy about local government grants to community organisations (a community grants policy), which includes the criteria for a community organisation to be eligible for a grant from the local government.



MORNINGTON SHIRE COUNCIL

MORNINGTON SHIRE COUNCIL

Community Grants Policy
RESOLUTION NO. VERSION V5

This is an official copy of the **Community Grants Policy** of **Morningshon Shire Council**, made in accordance with the provisions of *Local Government Act and Regulations, Public Records Act, Morningshon Shire Council's Local Laws, Subordinate Local Laws and current Council Policies*.

Statutory Policies comply with a legislative requirement; the **Community Grants Policy** is approved by the Morningshon Shire Council for the operations and procedure of Council.

DOCUMENT VERSION CONTROL			
VERSION	DATE	RESOLUTION NO.	DETAILS
V1	30/07/2014	67/2014	Responsible Officer Manager Finance Description Statutory Policy
V2	29/06/2015	171/2015	Responsible Officer Manager Finance Description Statutory Policy
V3	29/06/2016	2016/112	Responsible Officer Manager Finance Description Statutory Policy
V4	21/06/2017	2017/110	Responsible Officer Executive Manager Financial Services Description Statutory Policy
V5	27/06/2018	2018/126	Responsible Officer Executive Manager Finance & Human Services Description Statutory Policy
		EXPIRY	30.06.2021



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL
Community Grants Policy
RESOLUTION NO. VERSION V5

Policy Statement

Commencement

The Morningson Shire Council Community Grants Policy will take effect following the adoption of Council's Budget at the Ordinary Council Meeting on 27 June 2018.

Policy Instruction

Purpose

The policy is intended to provide a structure for making grants to community organisations, which is open, transparent, legal, equitable, and furthers the aims and objectives of Council.

The objectives of this policy are to ensure that grants, gifts, and concessions to community organisations are provided in an equitable and accountable manner and produce the benefits towards which they are aimed.

Application of the Policy

This policy applies to:

- Direct cash grants to community organisations;
- Assets given to community organisations;
- In-kind assistance given to community organisations; and
- Concessions (e.g. rates remitted) for community organisations.

This policy does not apply to:

- There are no circumstances that this policy does not apply.

Background

Section 195 Local Government Regulation 2012 requires that a policy about grants to community organisations must be prepared.

It states that a local government must prepare and adopt a policy about local government grants to community organisations (a community grants policy), which includes the criteria for a community organisation to be eligible for a grant from the local government.

Section 194 states a local government may give a grant to a community organisation only:

- a) If the local government is satisfied:
 - (i) The grant will be used for a purpose that is in the public interest; and
 - (ii) The community organisation meets the criteria stated in the local government's community grants policy; and
- b) In a way that is consistent with the local government's community grants policy.

Principles

Grants shall be provided in an equitable manner. That is, they should not benefit one group of the community and exclude another.

The arrangements for making grants should be made on a whole of area basis.

Grants should be provided to achieve an identified benefit to the community generally. The council should ensure that the benefits are obtained.

MORNINGTON SHIRE COUNCIL – COMMUNITY GRANTS POLICY

Page 2 of 3



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL

**Community Grants Policy
RESOLUTION NO. VERSION V5**

Policy

In making grants, donating assets, or providing concessions to community organisations, the Council will use the following process:

- (i) At budget time, an amount will be decided and made which is available for making grants to community organisations in the financial year that the budget relates to.
- (ii) No specific invitation will be issued for community organisations to apply for assistance rather as requests or applications are received. These are to be reported to the next Council meeting following their receipt and Council as a whole determines whether or not assistance is to be provided.

That for donation applications of \$2,000 or more, Council will require the provision of a set of audited financial statements.

Criteria in assessing a request or applications for assistance must include:

- The number of people likely to benefit;
- Availability of funding;
- Acquittal of previous assistance provided;
- The amount requested per person;
- Whether a particular organisation has benefited in previous years;
- The consequences of not making the grant;
- The financial capabilities of the organisation making the request; and
- The alignment of the purpose with Council's aims and objectives as set out in the Corporate Plan.

The Council will require, as a condition of each grant, that the organisation submit a report confirming that the grant has been used for the purpose intended.

This may be a copy of the accounts of the organisation supported by an explanation, if necessary.

A requirement for special audit reports should be avoided unless the Council has reason to suspect that the reports submitted are misleading or incorrect.

Acquittal reports should be submitted within three months of the assistance being provided.

13.4 ACTING CHIEF EXECUTIVE OFFICER'S REPORT

Author: Acting Chief Executive Officer

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

To provide Council with an update on the activities undertaken by the Acting CEO for the reporting period.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The Acting CEO attended the following meetings on behalf of Council:

22 October 2020	Dr Steven Donohue and Nurse Cam Pope, North West Hospital and Health Service, Mt Isa, <i>Presentation on Covid-19</i>
27 October 2020	Duncan Smith, Animal Management Contractor
4 November 2020	Robbie Johns, EESI Group, <i>Soil Contamination Analysis</i>
6 November 2020	Steve Jones, State Manager Qld, Regional Express Airlines
10 November 2020	Jenny Cameron, Operations Manager - Lower Gulf and Trevor Saunders Chief Financial Officer, Gidgee Healing
12 November 2020	Mornington Island Technical Working Group
13 November 2020	Mornington Island Local Disaster Management Group

FINANCIAL & RESOURCE IMPLICATIONS

There are no financial and resource implications associated with this report or its recommendations. Any and all incidental costs such as attendance, memberships and or subscriptions made as a consequence of this report are met with Council's approved budget.

RECOMMENDATION

That Council receives and note this report.

13.5 FUNDING PROGRAMS REPORT

Author: Special Project Manager

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to update Council on funding programs.

Regional Connectivity Program

There has been a change to this application with Telstra stepping up to propose a solution for funding for Mornington Island. Council's Grant Officer is working with Telstra to lodge this application. More details to be provided. Whilst there is no surety that this project will be funded the joint submission from the Council's grant writing team and Telstra is expected to be strong.

Regional Aviation Access Program – Remote Airstrip Upgrade Program

An application was underway for lodgment for 12 November 2020 for the following projects:

1. Illuminated Wind Indicator moved away from the runway so it does not infringe on the transitional surface.
2. Trees in the yards along southside of the aerodrome need lopping.
3. Aircraft tie downs.
4. Documentation of a new manual.
5. An overhaul of record keeping methods and procedures.
6. Additional AROs to be trained.
7. Stormwater drainage works around general aviation area.

New Funding Programs

The grants team is awaiting the opening of a major funding program, the following projects are on the wishlist for funding:

- Splash Park
- Rockpool
- School pool
- Skate Park / BMX track
- Library
- Alternate Energy
- Basketball shade structure
- Water security
- Artwork commissions for new buildings

RECOMMENDATION

That Council notes and supports this report and the planned works.

13.6 MORNINGTON ISLAND TECHNICAL WORKING GROUP MEETING

Author: Special Project Manager

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to update Council on the Mornington Island Technical Working Group meeting.

The meeting was held with Garry Bailetti (DATSIP) and Carlo Porreca (DHPW) in attendance and several other department representatives in attendance via video link. Due to the technical issues experienced it was decided that in future the preference would be for Department representatives to attend in person.

Water and Associated Infrastructure

Executive Manager Infrastructure and Technical Services advised on potential to increase water storage capacity of the dam by way of an increase in the dam wall. Garry to request DNRME representative attend next TWG meeting to discuss opportunities.

Home Ownership

John Coyle (Program Manager – Home Ownership) provided an overview of home ownership in the community and on country. Council had the following concerns:

- Council as the trustee of the land and with rights to approve the sale of land, need to have a robust policy that ensures land is only sold to local people and that this requirement survives any subsequent resale. Concerns were held around future Council's continuing to ensure that Mornington Island land was not sold to non-local people.
- Council wanted to ensure the community were aware of the risks around home ownership, in particular the high costs to maintain buildings on Mornington Island and how people would manage emergencies such as burst water pipes or electrical faults and the likely high associated costs of emergency call outs.

Due to technical issues being experienced the presentation was cut short. The topic of home ownership on country was not discussed in detail, however there were concerns that the process appeared to remove the land from native title with ownership going to DNRME and people wishing to purchase the land entering a 99 year lease, similar to the purchase of land within the township.

Council were unsure of the benefit of the program.

Community Housing

The crisis in community housing was discussed in detail with the group including the following issues:

- High numbers of people living in 3 and 4 bedroom houses.
- Disparity between Department of Housing and Public Works understanding of the issue and the reality of the issue as the Department was relying on tenants providing information in regard to the number of people in a house. This number was being skewed as tenants are expected to pay more if more people occupy their home.
- At least 13 dwellings were identified as having very high numbers of occupants. The range of occupation was discussed at 14, 18 and up to 22 people in 3 and 4 bedroom houses.
- The impact overcrowding is having on the entire community due to the stresses on individuals and households such as: excessive drinking and drug use, children wandering the streets at night, children not attending school, people not attending work, frequent disputes and fighting, high tensions, loss of community cohesion.
- A number of people are planned to return to the community who were required to be off island for dialysis. Concerns regarding how these highly vulnerable people would be housed.
- A response was yet to be received in regard to a survey undertaken approximately 8 months ago showing 32 houses vacant in the community.

- The blue phone system did not appear to be working and the community are unaware of who they should notify to get issues fixed. Many were slipping through the cracks with people living long term in transitional housing or putting up with issues as no rectification works were undertaken. An example was given where a late night emergency water leak was placed on a Councillor to resolve as the community do not know where to get help from. More needs to be done to rectify this. Emergency numbers needs to be highly published in the community.
- Three monthly inspections did not appear to be occurring which was having the affect of houses falling into disrepair, impacted by termites and suffering structural failure which was difficult for a tenant to identify as it requires a building professional's evaluation.
- Housing renovations need to be more responsive to the age and abilities of tenants residing in the house.
- An on-island Department of Housing and Public Works representative is required to manage the issues more completely. A letter needs to be provided to the Department advising of the need to reinstate this position on island.

\$2.35M Housing Allocation

A meeting with the Mornington Island Technical Working Group (TWG) revealed that this project has not progressed as Council has elected to undertake the proposed works. Due to the significant change over in staff this had not been relayed to the new Council. The agreed works are made up of 3 projects:

1. New 3 bedroom house on 152 Lardil St – existing house to be demolished by Department of Housing and Public Works.
2. Civil and Infrastructure works on Lots 925 and 926
3. Provide plug ins for up to 10 properties – 8 currently proposed

Preparations will now begin to progress this project as a priority

Government Employee Housing

Carlo Porreca attended the meeting to present a proposed change to property boundaries, population density and as a result an existing lease on land across Lots 120, 121 & 124 on the corner of Lardil and Dunlyu Streets.

Whilst Council was generally in agreement with increased density to maximise land use, there were concerns regarding impacts on neighbouring community housing lots and consultation should be undertaken with tenants on adjoining lots to mitigate negative impacts. As this is an initiative of DHPW there should be allowance made by the department to consult with tenants on adjoining properties.

Executive Manager Infrastructure and Technical Services also advised consideration needs to be given to the increased demand on water and sewer infrastructure.

DHPW will provide a briefing document to Council for consideration at the December Council meeting in preparation for a formal application in the January Council meeting.

\$7.382 Future Housing Allocation

A meeting with the Mornington Island Technical Working Group revealed that this funding has been allocated to Mornington Island and is awaiting the newly elected Government to be sworn in for the formal notification. Infill housing on vacant lots within the township have previously been put forward for consideration under this allocation.

Some additional projects which could be considered:

- Investigate opportunities:
 - For re-alignment of boundaries to create additional lots
 - For duplexes of varying sizes – 2, 3, 4 & 5+ bedrooms
 - To relocate services to maximise lot yields
- Investigate feasibility of bringing existing unsurveyed residential land online in preparation for runway realignment

Splash Park

Garry Bailetti (DATSIP) to investigate the opportunities for funding this project. This project is on the wish list for funding with the Grants Officer.

School Pool

This project will be put on the wish list for funding with the Grants Officer.

Rock Pool

Discussions were held around the development of a rockpool that acts as a protection barrier to help control erosion on the foreshore. This project is on the wishlist for funding with the Grants Officer.

RECOMMENDATION

That Council

1. Notes and supports this report and the planned works.
2. Council requests Department representatives attend the meeting in person for future TWG meetings due to the technical difficulties experienced.
3. A letter is written to Department of Housing and Public Works to advise the need for the reinstatement of an on-island representative for Mornington Island.
4. Consider writing a letter to Department of Housing and Public Works asking for a response in relation to:
 - a. The survey detailing 32 vacant houses in the community – outlining the current status of vacant houses, how many and what is the timeframe for each to be available for occupation.
 - b. Requesting a review of how rent is charged that does not penalise people who open their homes to more people and as a result are living in extreme conditions. This is causing a skew in the reportable numbers of people residing in a home.
 - c. Requesting details of the departments plans to resolve the issue of the community not knowing who they can call for repairs to their home and emergencies.
 - d. Requesting that an audit is done on all houses on the island to identify structural, termite, asbestos, health issues and that the tenants are requested to provide a list of issues they may be experiencing to inform the audit.
 - e. Requesting that rectification works are planned to bring all houses on the island up to an acceptable level.
 - f. Requesting that all works undertaken on houses on the island takes into consideration the age and ability of the tenant as well as NDIS recommendations from the Hospital.
5. Include the school pool on the wish list for funding.

13.7 SPECIAL PROJECTS REPORT

Author: Special Project Manager

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to confirm Council of the planning, development and progress of current Special Projects on Mornington Island.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Works are proceeding on all projects

Administration Building (LGGSP)

Preliminary concepts were presented to Council 3 November 2020, feedback from this meeting helped to refine the final concepts presented to the community at the PCYC grounds 12 November 2020. Feedback from the community was positive.

Images will be circulated electronically. The design will now move into the next phase of documentation in preparation for going to tender. Schematic design will be presented to Council for review at the December meeting.

Images of the concepts presented to the community will be displayed in the Council Chambers. The project is expected to be released for tender early 2021.

Library

A library building will be investigated for funding to be constructed on the Civic Centre site as Stage 2

Splash Park

Investigations are continuing in regard to funding opportunities via the Grants Officer and Garry Balletti – DATSIP.

Investigations are also continuing into the proposed site adjacent the existing playground within the sports precinct. As previously advised this site is about to have a shade shelter, bubbler and picnic tables installed. The amenities block is also under investigation to recommission for use

Lelka Murrin Tavern Refurbishment

Works on the Tavern are progressing; however progress is being hampered by issues in sourcing materials and trades during this busy end of year period.

The retaining walls adjacent the outdoor area have been installed together with underground stormwater drainage and the area leveled in preparation for paving. The new steel arbour is under construction which will provide options for future solar panels and native vines to help shade the northern side of the building and terrace.

The Tavern is our highest priority project to complete with the following works planned for the next period:

- Paving external terrace and entry

- Installing windows and glazed wall
- Painting
- Fitoff of toilets
- Benchtops
- Airconditioning
- Bar Coolroom
- Tiling

Dog Pound Termite Proofing

Termite management system has been installed.

Service Station Canopy Lining

Materials have been supplied for this project, works will likely commence this month.

Training Centre

Platform steps leading to the front of the training centre have been completed. A number of minor additional works are to be completed on this project in coming weeks, none of the works prevent the facility from being utilised. This work will be undertaken in between works at the tavern.

Other Projects

The following projects in the pipeline to complete remediation works and additions:

- Red Shed Defects
- Airport Terminal Horse Proof Fence
- Batch Plant Amenities

W4Q COVID Projects

The following projects are to be undertaken under this program:

1. Chambers re-stumping and handrail replacement

- Initial investigations have been undertaken. Engineering advice has been provided, this project has some logistical issues which may mean this project is delayed due to the need to keep this building operational until the new Council Chambers are built

2. Tavern outdoor area works

- funds from the jetty insurance claim will also be utilised to complete this project. Works are continuing on this project to augment the completion of the Tavern.

3. Staff housing

- Initial concepts have commenced.

4. Guest house improvements

- Design complete, site inspections to be undertaken for materials.

5. VAC improvements

- Yet to be scoped

6. *Motel improvements*

- Yet to be scoped

LRCI Program

Three sites have been selected to construct picnic shelters, picnic tables and water bubblers:

1. Sports oval playground
2. Basketball court playground
3. Post Office

Materials are being sourced. Bubblers with graphics panels will be sourced, artwork by a local artist will be purchased for use on the bubblers.

RECOMMENDATION

That Council notes and supports this report and the planned works.

14 STAFF REPORTS - FINANCIAL SERVICES

14.1 FINANCIAL REPORT AS AT 31ST OCTOBER 2020

Author: Acting Executive Manager Finance and Human Services
Attachments: 1 Financial Statements as at October 2020
 2 Capital Summary as at October 2020

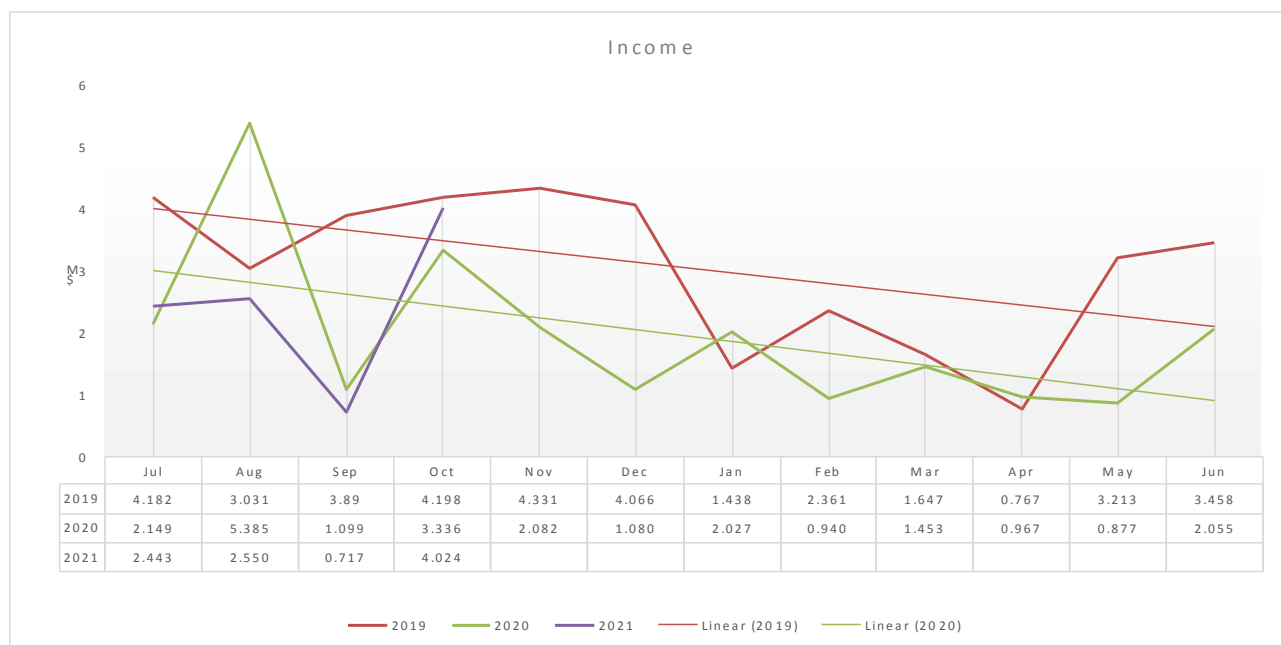
PURPOSE (EXECUTIVE SUMMARY)

This report provides Council with a financial report as required under Section 204 of the Local Government Regulation 2012. The financial report must state the progress that has been made in relation to the local government’s budget for the period of the financial year up to a day as near as practicable to the end of the month before the meeting is held. This report provides the following attachments as supporting information as at 31st October 2020 (i.e. 33.33% through the financial year);

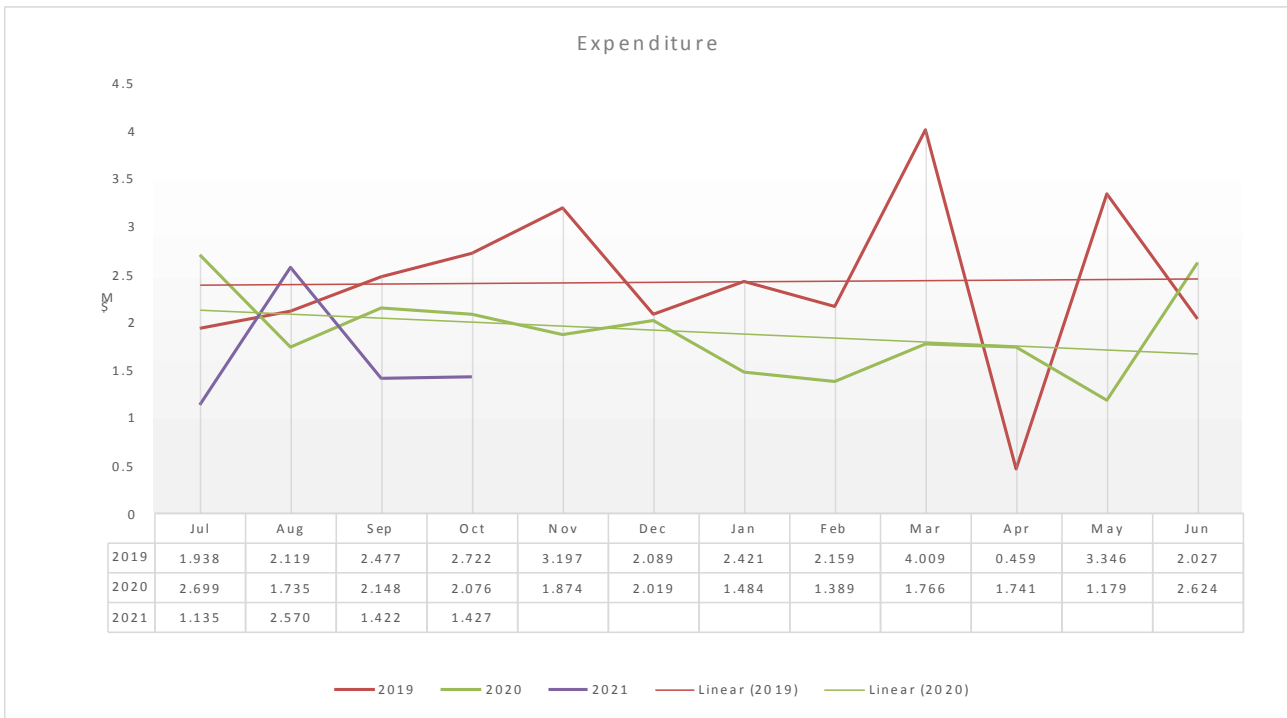
- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Cash Flows
- Capital Budget Summary

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

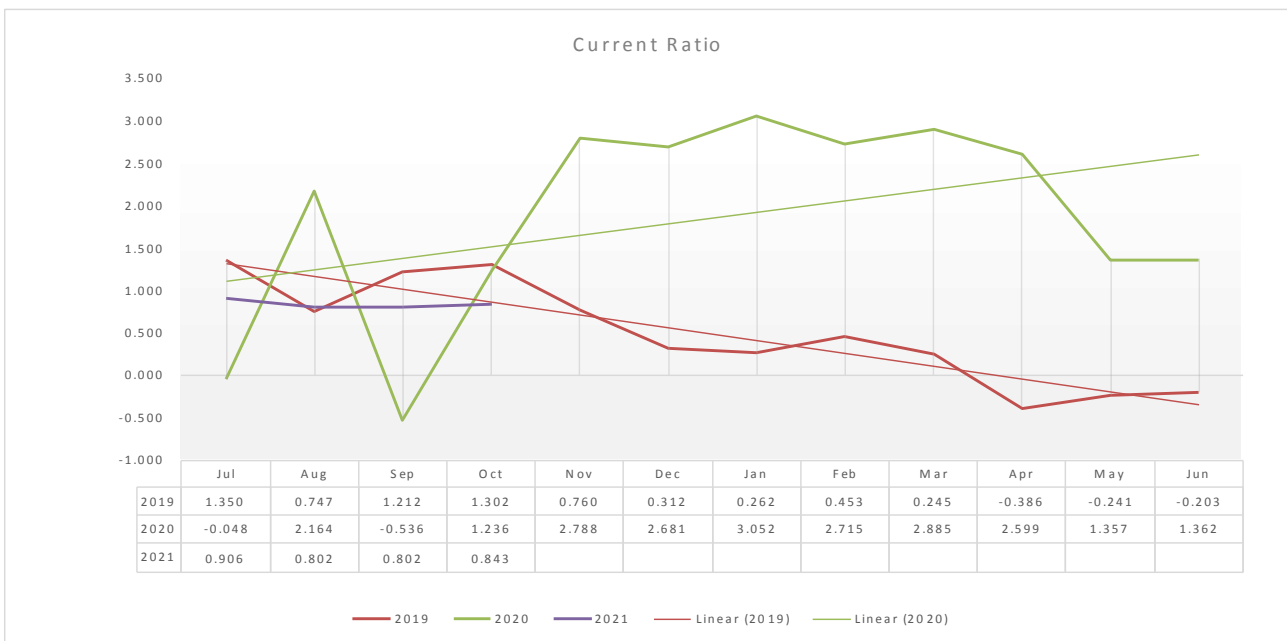
The following graphs illustrate the main points of interest. The data is drawn from the attached documents and comparative information which has been drawn from information presented to Council in previous reporting months.



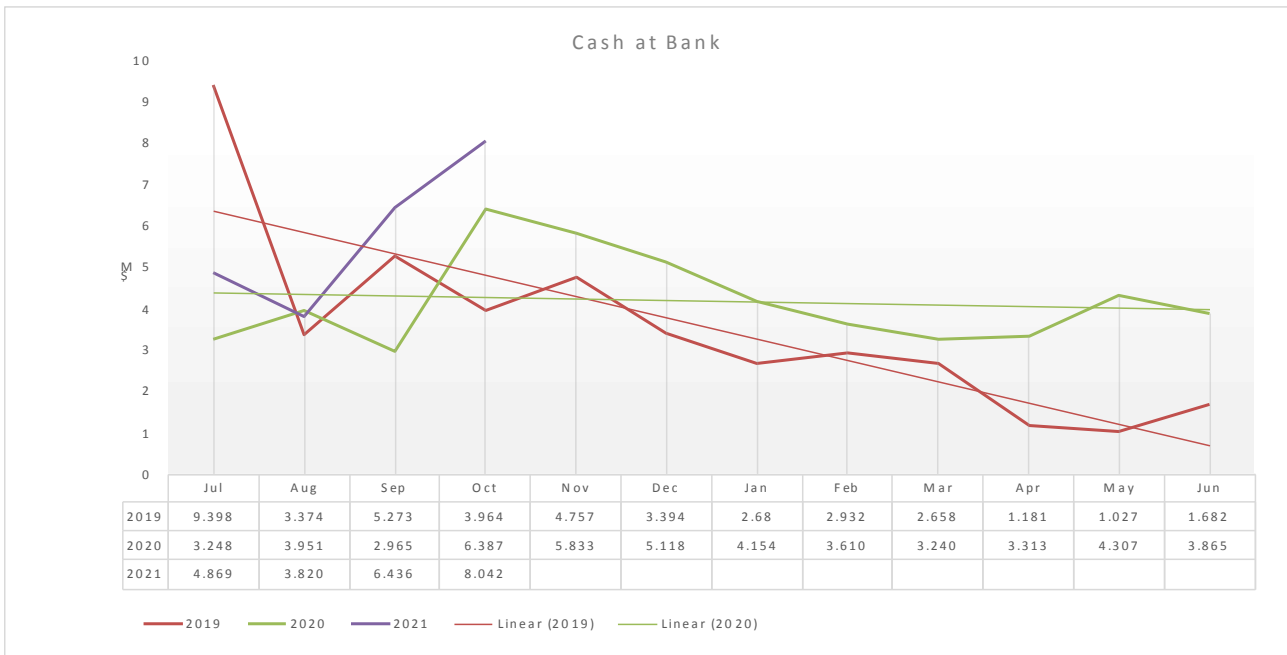
Comment: Total Income at 33% of total budget. Total recurrent revenue is 48% of budget as at 31 October 2020. Capital income is down on budget, predominantly as a result of timing of forecasted capital grants and contributions for disaster recovery works.



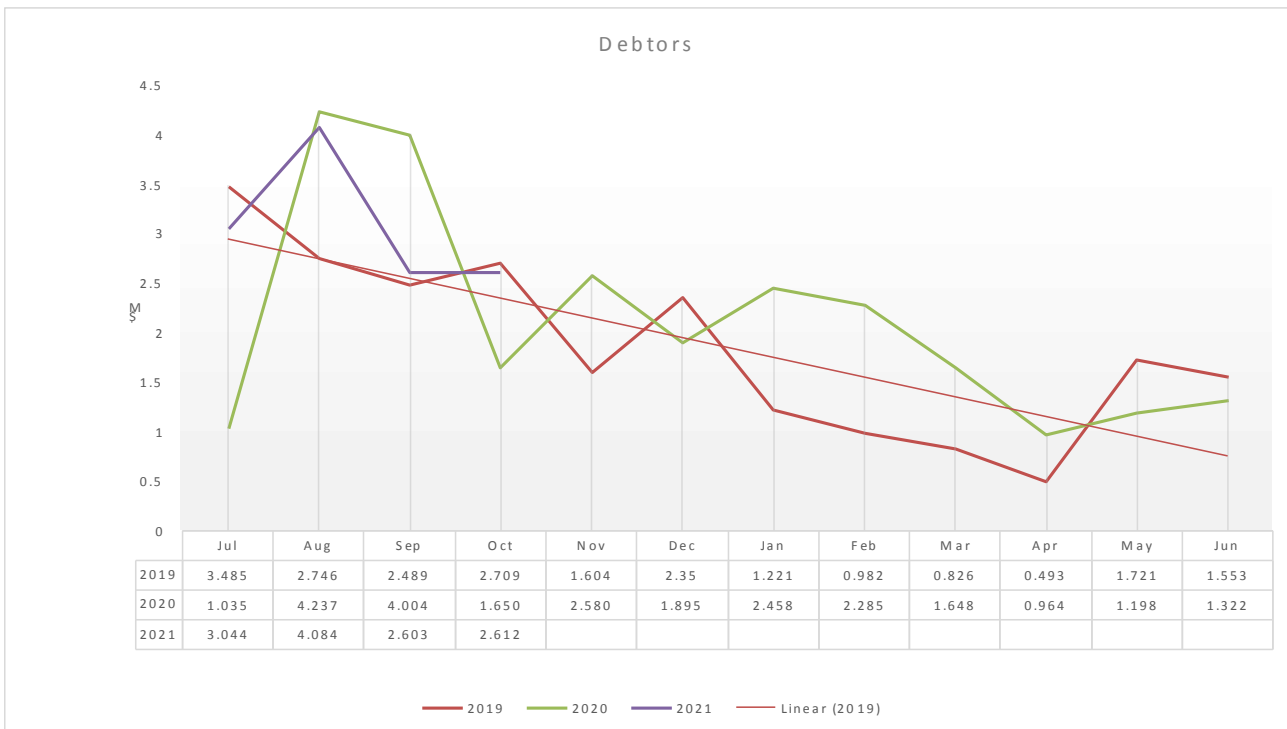
Comment: Expenditure at 30% of total budget and below the current budget. Employee benefits are currently 26% of budget as at 31 October 2020, materials and services are currently at 33% of budget.



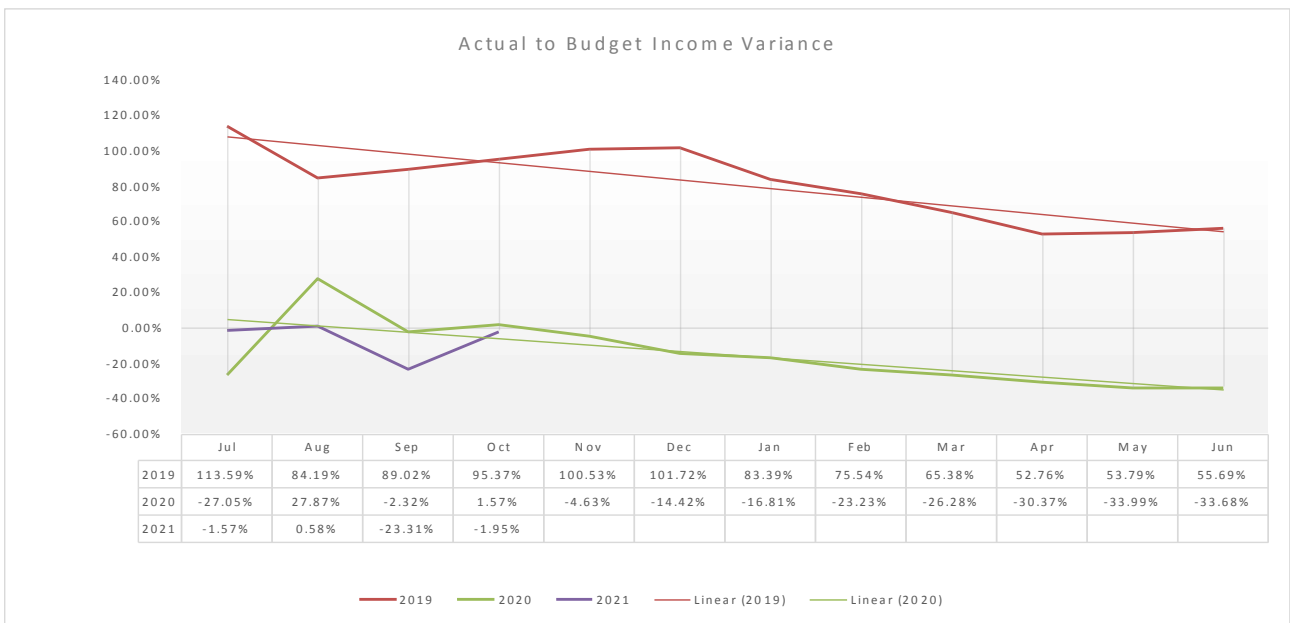
Comment: A current ratio above 1 is considered a minimum. Compared to 2018 this indicator excludes unexpended grant balances and debtors older than 30 days being included from current assets. It is envisaged this indicator will decrease in the later half of the year as Council draws down on the operational assistance grants received.



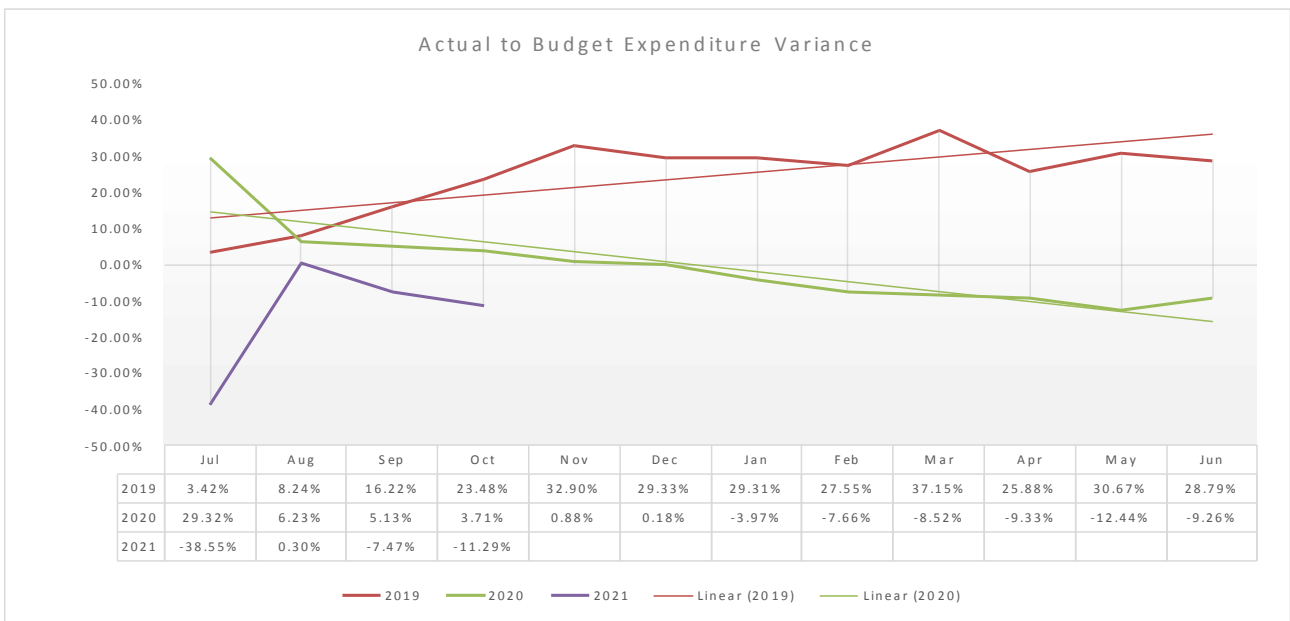
Comment: This graph provides comfort if it is trending upwards. This has increased in October 2020, predominantly due to receiving state government grants of \$2.190m and also receiving legal recoveries of \$0.9m. When unexpended grants are excluded, Council has a positive cash at bank of \$3.510m as at October 2020.



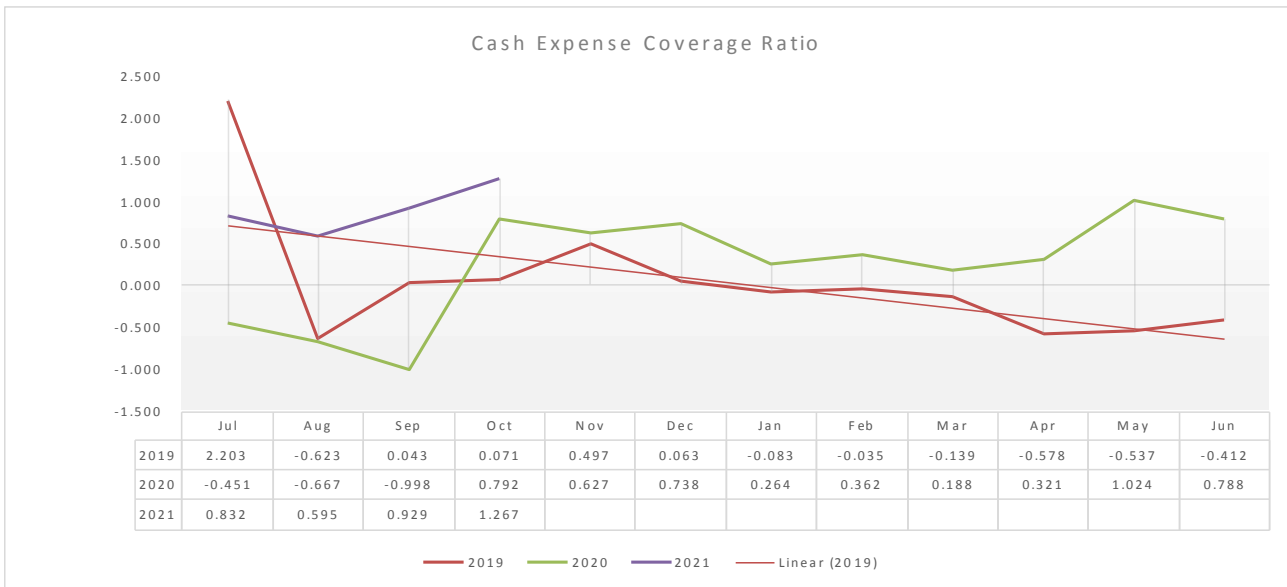
Comment: This graph should be trending downwards from the commencement of each year. Whilst good progress has been achieved in the collection of Council service charge revenue and ongoing housing program works, there are still several general service charges being followed up. Council will refer old accounts not being paid to debt collectors.



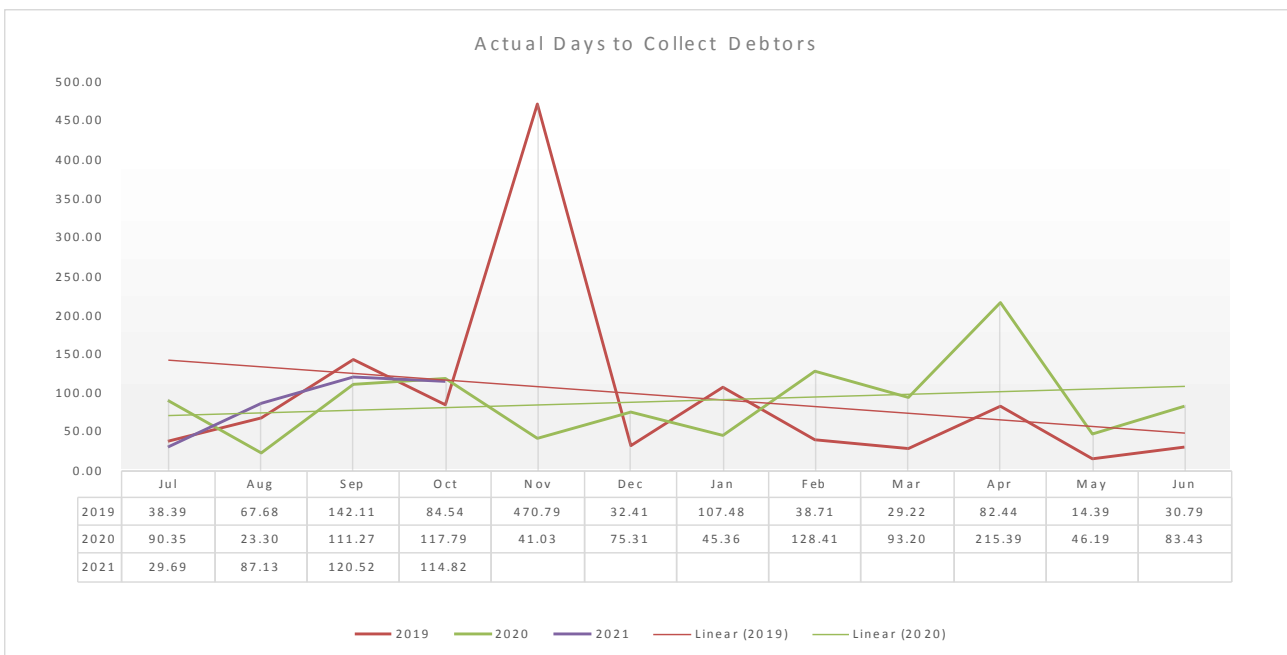
Comment: This graph should hover around the 0 +/- 5% trend line. This would represent an organisation on track with budget management and may take years to develop. A large diversion from 0% indicates a poor budget prediction for income by managers. Increased ownership and education measures have been developed as part of this year's budget process. The Actual to Budget Income variance is at -1.95% as at October 2020 which is within the target range of the forecast trend line.



Comment: This graph should hover around the 0 +/- 5% trend-line. This would represent an organisation on track with budget management and may take many years to develop. The actual to budget expenditure variance below budget is at -11.29% as at October 2020. This is due to the lower than forecasted salaries and wages for the period ended 31 October 2020.



Comment: The expense coverage ratio has been included for the first time in 2019/2020 as is considered by QAO as a good indicator of a Council’s short term liquidity. A healthy target as suggested by QAO is between three (3) and six (6). Mornington is one of nine (9) QLD councils with a cash expense coverage ratio of less than 3 months. This indicator needs to increase and further cost control measures may need to be taken if the ratio does not increase to acceptable levels. This ratio will decrease again as Council draws down on this cash. There is further works being reviewed to reduce operational expenditure, and maximise income opportunities. The cash expense coverage ratio is currently 1.267 months.



Comment: The actual days to collect debtors measures how quickly cash is being collected from debtors. A shorter number of days is preferred, else Council is financing debts of individuals and organisations. Council has implemented an interest charge for overdue debtors. It is hoped this acts as a disincentive for debtors with outstanding debts. The actual number of days to collect debtors decreased during the month to an average of 115 Days. This has increased due to levies and charges invoiced in August 2020 for some government departments electing to pay these in instalments.

FINANCIAL & RESOURCE IMPLICATIONS

Following the Covid-19 restrictions impacting the later half of 2020, Council operations are working towards business as usual, with contractors travelling to the island, and backlog of projects are recommencing to be completed. Council's overall cash position is still positive in October 2020

RECOMMENDATION

That Council receives and notes the information in this report.

Mornington Shire Council
Statement of Comprehensive Income
For the month ended 31 October 2020

	ACTUALS	ACTUALS/ BUDGET	ORIGINAL BUDGET	ORIGINAL BUDGET
	31-Oct-20	%	31-Oct-20	30-Jun-21
Revenue				
Recurrent revenue				
Local Government Levies	3,257,967	99%	1,093,833	3,281,500
Fees and Utility Charges	507,774	96%	175,900	527,700
Rental Income	28,470	2%	598,733	1,796,200
Interest Earned	9,911	15%	22,667	68,000
Sales-Contracts and Recoverable Works	2,373,275	23%	3,439,493	10,318,480
Other Recurrent Income	947,370	798%	39,580	118,740
Grants, Subsidies and Contributions	2,591,193	60%	1,446,567	4,339,700
Total recurrent revenue	9,715,960	48%	6,816,773	20,450,320
Capital revenue				
Capital Grants, Subsidies, and Contributions	0		3,037,712	9,113,137
Total capital revenue	0	0%	3,037,712	9,113,137
Total revenue	9,715,960	33%	9,854,486	29,563,457
Capital Income	18,182	0%	73,333	220,000
Total income	9,734,142	33%	9,927,819	29,783,457
Expenses				
Recurrent expenses				
Employee Benefits	1,847,686	26%	2,415,192	7,245,577
Materials and Services	3,348,916	33%	3,388,280	10,164,840
Finance Costs	4,716	20%	8,000	24,000
Depreciation and Amortisation	1,701,341	36%	1,575,535	4,726,605
Total recurrent expenses	6,902,659	31%	7,387,007	22,161,022
Capital Expenses	-348,253		0	0
Total capital expenses	-348,253		0	0
Total expenses	6,554,406	30%	7,387,007	22,161,022
Net surplus	3,179,736	42%	2,540,812	7,622,435
Operating Capabilities before Depn and Capital Inc.	4,881,077		1,005,301	3,015,903
Operating Capabilities before Capital Income	3,179,736		-570,234	-1,710,702

Morningside Shire Council
Statement of Financial Position
For the month ended 31 October 2020

1

	ACTUALS	ORIGINAL BUDGET	ACTUALS
	31-Oct-20	30-Jun-21	30-Sep-20
Current Assets			
Cash and cash equivalents	8,041,823	5,161,224	6,436,499
Trade and other receivables	2,611,996	1,671,338	2,602,879
Inventories	632,300	756,761	620,539
Contract Asset	114,420	0	114,420
Leases	208,092	247,187	208,092
Total current assets	11,608,630	7,836,510	9,982,430
Non-current Assets			
Leases	6,199,478	5,731,595	6,199,478
Property, plant and equipment	113,067,708	126,820,334	111,006,959
Total non-current assets	119,267,186	132,551,929	117,206,437
TOTAL ASSETS	130,875,816	140,388,439	127,188,866
Current Liabilities			
Trade and other payables	182,426	286,822	522,622
Contract Liability	5,389,844	0	3,959,372
Provisions	487,735	703,514	487,735
Total current liabilities	6,060,004	990,336	4,969,728
Non-current Liabilities			
Provisions	1,549,816	1,219,527	1,549,816
Total non-current liabilities	1,549,816	1,219,527	1,549,816
TOTAL LIABILITIES	7,609,820	2,209,863	6,519,544
NET COMMUNITY ASSETS	123,265,997	138,178,576	120,669,322
Community Equity			
Asset revaluation reserve	99,160,206	107,141,328	99,160,206
Retained surplus/(deficiency)	24,105,790	30,120,988	21,509,116
Other reserves	0	916,260	0
TOTAL COMMUNITY EQUITY	123,265,996	138,178,576	120,669,322

Mornington Shire Council
Draft Statement of Cash Flows
For the month ended 31 October 2020

	ACTUALS	ORIGINAL BUDGET
	31-Oct-20	30-Jun-21
Cash flows from operating activities:		
Receipts from Customers	5,657,754	14,246,420
Payments to Suppliers and Employees	-4,388,483	-17,410,417
	1,269,271	-3,163,997
Interest Received	8,654	68,000
Rental Income	63,949	1,796,200
Non-Capital Grants, Subsidies and Contributions	2,572,622	4,339,700
Borrowing Costs	0	-24,000
Net cash inflow (outflow) from operating activities	3,914,496	3,015,902
Cash flows from investing activities:		
Payments for Property, Plant and Equipment	-1,598,107	-9,492,400
Payments for intangible assets	0	0
Proceeds from Sale of Property, Plant and Equipment	348,762	220,000
Finance lease Receipts	218,812	0
Capital Grants, Subsidies and Contributions	1,297,484	9,113,137
Net cash inflow (outflow) from investing activities	266,951	-159,263
Cash flows from financing activities	0	0
Repayment of Borrowings	0	0
Net cash inflow (outflow) from financing activities	0	0
Net increase (decrease) in cash held	4,181,447	2,856,640
Cash at Beginning of Reporting Period	3,860,376	2,304,584
Cash at End of Reporting Period	8,041,823	5,161,224

Mornington Shire Council
Capital Summary as at 31 October 2020

Department	N or R	Total	Opening Balance	Capitalised	Expensed	Additions	PY Funds Received	Add: Funds Received	Total Grants	Restricted 31/10
BOR - FUEL & SERVICE STATION										
4450 Service Station Upgrade (BOR)	R	436,062.19	435,028.98	-	-	1,033.21	400,000.00	-	400,000.00	-
4450 Fuel Facility Upgrade (BOR)	R	921,383.92	921,383.92	-	-	-	501,220.00	-	501,220.00	-
		1,357,446.11	1,356,412.90	-	-	1,033.21	901,220.00	-	901,220.00	-
BOR - LELKA MURRIN										
4100 Lelka Murrin Tavern Upgrade (BOR)	R	789,174.82	557,020.46	-	-	232,154.36	500,000.00	-	500,000.00	-
		789,174.82	557,020.46	-	-	232,154.36	500,000.00	-	500,000.00	-
LGGSP										
4100 Civic Centre (LGGSP)	N	36,707.43	32,794.95	-	-	3,912.48	1,450,280.00	-	1,450,280.00	1,413,572.57
		36,707.43	32,794.95	-	-	3,912.48	1,450,280.00	-	1,450,280.00	1,413,572.57
RAAP										
4450 Airport Safety (RAAP)	N	1,250,929.39	1,248,950.24	-	-	1,979.15	1,117,000.00	-	1,117,000.00	-
4100 Airport Terminal Building (RAAP)	R	1,774,315.27	1,774,119.44	-	-	195.83	1,883,000.00	-	1,883,000.00	-
		3,025,244.66	3,023,069.68	-	-	2,174.98	3,000,000.00	-	3,000,000.00	-
W4Q 2019										
4100 Dog Pound (W4Q)	N	481,022.24	480,606.69	-	-	415.55	472,000.00	-	472,000.00	-
4100 Staff Housing Install (W4Q)	N	55,117.85	55,117.85	-	-	-	-	-	-	-
4100 Warehouse Shelving (W4Q)	N	-	-	-	-	-	-	-	-	-
4100 Storage Shed Refurb (W4Q)	R	395,676.48	395,422.96	-	-	253.52	340,000.00	-	340,000.00	-
		931,816.57	931,147.50	-	-	669.07	812,000.00	-	812,000.00	-
W4Q 2020										
4100 Places of Refuge (W4Q)	R	234,622.74	227,438.89	-	-	7,183.85	1,287,000.00	-	1,287,000.00	-
4100 RTO Demountable	N	267,133.29	267,133.29	-	-	-	-	-	-	-
4100 Tavern Roof Tie Down	R	237,845.29	237,649.46	-	-	195.83	-	-	-	-
4100 188 Cemetery Road	R	21,477.78	21,477.78	-	-	-	-	-	-	-
4100 VAC Roof	R	160,317.62	160,317.62	-	-	-	-	-	-	-
4100 VAC Tie Down	R	76,617.08	76,617.08	-	-	-	-	-	-	-
		998,013.80	990,634.12	-	-	7,379.68	1,287,000.00	-	1,287,000.00	288,986.20
W4Q COVID										
W4QC20-1 Building & Facilities Maintenance	R	-	-	-	-	-	-	680,000.00	680,000.00	680,000.00
W4QC20-2 Accommodation Units & Outdoor Space	N	-	-	-	-	-	-	680,000.00	680,000.00	680,000.00
		-	-	-	-	-	-	680,000.00	680,000.00	680,000.00
LCRI										
4450 Basketball Court Playground (LCRI)	N	-	-	-	-	-	-	11,363.64	11,363.64	11,363.64
4450 Post Office Grounds (LCRI)	N	-	-	-	-	-	-	11,363.64	11,363.64	11,363.64
4450 Sports Oval Playground (LCRI)	N	-	-	-	-	-	-	12,008.18	12,008.18	12,008.18
		-	-	-	-	-	-	34,735.46	34,735.46	34,735.46
CAPEX OVERHEADS TO ALLOCATE										
Capital - Work in Progress		24,021.21	-	-	-	24,021.21	-	-	-	-
TOTAL SPECIAL PROJECTS		7,162,424.60	6,891,079.61	-	-	271,344.99	7,950,500.00	714,735.46	8,665,235.46	2,417,294.23

Mornington Shire Council
Capital Summary as at 31 October 2020

Department	N or R	Total	Opening Balance	Capitalised	Expensed	Additions	PY Funds Received	Add: Funds Received	Total Grants	Restricted 31/10
ICZIP										
4150 Effluent Outflow Pipe (ICZIP)	R	786,112.16	786,040.16	-	-	72.00	882,927.34	-	882,927.34	-
4250 Chlorine Hypo Dosing Upgrade (ICZIP)	R	117,851.07	111,648.00	-	-	6,203.07	86,709.54	-	86,709.54	-
4150 Landfill Signs (ICZIP)	N	-	-	-	-	-	-	-	-	-
4150 Sewer Pump Station Upgrade (ICZIP)	R	429,811.98	409,980.00	-	-	19,831.98	396,684.90	-	396,684.90	-
		1,333,775.21	1,307,668.16	-	-	26,107.05	1,366,321.78	-	1,366,321.78	32,546.57
QRRR - QRRRF										
QRRRF Radio Network	N	-	-	-	-	-	-	35,128.50	35,128.50	35,128.50
MISC										
4450 Basketball Court Fencing	R	17,843.76	17,843.76	-	-	-	35,000.00	-	35,000.00	17,156.24
QRA - DRFA REPA										
DRFA - 2019 Event	R	59,326.59	36,867.50	-	-	22,459.09	35,939.84	-	35,939.84	-
DRFA - 2020 Event	R	23,520.00	-	-	-	23,520.00	-	-	-	-
4200 DRFA MoSC0006.1920H	R	-	-	-	-	-	-	450,367.27	450,367.27	450,367.27
4200 DRFA MoSC0007.1920E	R	-	-	-	-	-	-	880,162.36	880,162.36	880,162.36
4200 DRFA MoSC0008.2021A	R	-	-	-	-	-	-	6,102.00	6,102.00	6,102.00
4200 DRFA MoSC002.1819G	R	2,667,169.61	2,074,440.94	-	-	592,728.67	2,074,440.93	-	2,074,440.93	-
4200 DRFA MoSC003.1819E	R	79,079.00	54,385.41	-	-	24,693.59	54,385.42	-	54,385.42	-
		2,829,095.20	2,165,693.85	-	-	663,401.35	2,164,766.19	1,336,631.63	3,501,397.82	1,336,631.63
QRA - DRFA BETTERMENT										
4200 DRFA MoSC005.1819E - 4200 Culvert Ballalee	N	-	-	-	-	-	52,053.28	-	52,053.28	52,053.28
NON-INFRASTRUCTURE/ PLANT & EQUIP/ FURNITURE & FIT										
Sport and Recreation		-	-	-	-	-	-	-	-	-
Workshop and Plant	R	152,342.92	1,013.45	373,032.91	-	524,362.38	-	-	-	-
Information Technology	R	16,072.60	-	-	-	16,072.60	-	-	-	-
Housing	R	8,502.21	-	-	-	8,502.21	-	-	-	-
Motel	R	-	-	38,099.04	-	38,099.04	-	-	-	-
Bakery	R	33,668.94	-	-	-	33,668.94	-	-	-	-
Administration	R	12,058.33	-	-	-	12,058.33	-	-	-	-
Technical Services	R	4,489.71	-	-	-	4,489.71	-	-	-	-
Cemetery	R	-	-	-	-	-	-	-	-	-
		227,134.71	1,013.45	411,131.95	-	637,253.21	-	-	-	-
TOTAL CAPEX		11,570,273.48	10,383,298.83	411,131.95	-	1,598,106.60	-	11,568,641.25	2,086,495.59	13,655,136.84
										3,890,810.45

14.2 QUARTERLY BUDGET REVIEW TO 30 SEPTEMBER 2020

Author: Acting Executive Manager Finance and Human Services

Attachments: 1 Quarterly Budget Review (As at 30th September 2020)

PURPOSE (EXECUTIVE SUMMARY)

This report provides Council with a high level review of Council's approved Budget with a number of recommended budget adjustments to reflect actual and planned results.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The following table summarises the recommended changes to the Quarterly Budget Review as at 30th September 2020.

Mornington Shire Council
Summary Working Funds
Quarterly Budget Review (As at 30th September 2020)
For the year ending 30th June 2021

	Actual 19/20	Budget 20/21	Revised Budget 2020/21 (@ 30 Sep 20)
OPERATING REVENUE	19,995,249	20,450,320	20,450,320
Less: OPERATING EXPENDITURE	- 23,611,155	- 22,161,022	- 21,536,426
Result (Before Capital Income)	- 3,615,906	- 1,710,702	- 1,086,106
Plus: CAPITAL INCOME	5,292,667	9,333,137	9,925,580
NET SURPLUS / (COST OF SERVICE)	1,676,761	7,622,435	8,839,474
Add back: Depreciation	5,702,727	4,726,605	4,726,605
FUNDS Available for CAPITAL PROGRAM	7,379,488	12,349,040	13,566,079
Less: CAPITAL EXPENDITURE	- 7,134,344	- 12,295,647	- 13,911,404
FUNDS Available for TRANSFER to RESERVE	245,144	53,393	345,325
TRANSFER to RESERVE (Internally Restricted)	-	912,260	912,260
WORKING FUNDS SURPLUS (DEFICIT)	245,144	- 858,867	- 1,257,585
Increase (Decrease) in Working Funds			-\$ 398,718

The following variations have been identified and recommended for the Quarter Ended 30th September 2020.

1. **2021 Capital Expenditure programs
(Unexpended Grant Funds Carried Forward from 2019-20)**
Represented by:
 - a. Places of Refuge (W4Q) \$ 296,366
 - b. ICCIP \$ 58,654

Total \$ 355,020

2. **2021 New grant funded projects**
Represented by:
 - a. UHF Radio Network (QRRRF) \$ 117,095
 - b. Picnic shelters, seating, water bubblers (LCRI) \$ 176,418
 - c. Bus shelters, bus stop seating (LCRI Extension) \$ 83,278

Total \$ 376,791

3. **2021 Capital Expenditure Program Amendments** \$ 883,946
Represented by:

MORNINGTON SHIRE COUNCIL
CAPITAL EXPENDITURE PROGRAM
SUMMARY
For the year ended 30th June 2021

Item #	Project Description	Budget \$	Variation	Revised Budget \$	Comments
ORIGINAL BUDGET					
1	Administration Centre Redevelopment	5,908,547		5,908,547	
2	Roads & Civil Works - Roads to Recovery Program	152,800		152,800	Street Crossing - \$40k
3	DRFA - Disaster Recovery Works	2,923,500		2,923,500	
4	Warehouse - Red Shed Floor	200,000		200,000	
5	Warehouse - Warehouse yard seal / concrete	200,000		200,000	
6	Warehouse - Barge & Jetty Safety Upgrade (Stage 1 - 2)	200,000		200,000	
7	Warehouse - LPG refill station	5,000		5,000	
8	Information Technology - PC & Peripherals	40,000		40,000	
9	Bakery Equipment	40,000		40,000	
10	Batch Plant - Amenities Block	5,000		5,000	
11	Emergency Service - Residence	170,000		170,000	Proposed Grant Funding - \$150,000 Transfer funds to Workshop Safety Container
12	Parks & Gardens - Storage Container - Cemetery	20,000		20,000	
13	Parks & Gardens - Storage Container - Casket Lowering Device	15,000	- 15,000	-	
14	Technical Services - Cable Locator	5,000		5,000	
15a	Works for Queensland - Covid-19 - Rectification of outdoor entertainment area @ Lelka Murrin Tavern Upgrade, Visitors accomodation camp, staff housing Cemetery Road	1,160,000		1,160,000	
16	Council housing (insurance recovery) - 162 Ngerrawurn Street	200,000	254,217	454,217	Insurance Claim - \$ 454,217
17a	Visitor Accomodation Centre (VAC) Improvements - Fencing, Boom Gate	170,000	61,435	231,435	Insurance Claim - \$ 61,435
18a	Council special projects (Carried forward 2019/20) - Airport Works	40,000		40,000	
18b	Council special projects (Carried forward 2019/20) - Dog Pound Termite Proofing Council special projects (Carried forward 2019/20) - 'Red Shed' Ground	5,000		5,000	
18c	Stabilisation, Cross-Overs	20,000		20,000	
18d	Council special projects (Carried forward 2019/20) - Batch Plants	40,000		40,000	
18e	Council special projects (Carried forward 2019/20) - ICT Rectication Project	136,000	51,000	187,000	
19	Workshop Plant & Equipment - Backhoe	200,000	- 68,000	132,000	
20	Workshop Plant & Equipment - Ride-on Mower	30,000		30,000	
21	Workshop Plant & Equipment - Small Plant & Equipment	20,000		20,000	
22	Workshop Plant & Equipment - All Terrain Forklift	150,000	- 150,000	-	
23	Workshop Plant & Equipment - Low Loader	50,000		50,000	
24	Workshop Plant & Equipment - Utilitiues (Qty x 2)	70,000	10,000	80,000	
25	Workshop Plant & Equipment - Gravel Truck	40,000		40,000	
26	Workshop Plant & Equipment - Dingo Digger / Post Hole Digger	49,800		49,800	
27	Workshop Plant & Equipment - Street Sweeper (Tractor linked)	30,000		30,000	
28	Workshop Plant & Equipment - Tilt Tray		65,000	65,000	
29	Workshop Plant & Equipment - Prime Mover		50,000	50,000	
30	Workshop Plant & Equipment - Grader		280,000	280,000	
31	Workshop Plant & Equipment - Mayor's Vehicle		100,000	100,000	
32	Workshop Plant & Equipment - Utilities (Qty x 4)		160,000	160,000	
33	Workshop Plant & Equipment - All Terrain Vehicles (ATV) (Qty x 2)		21,998	21,998	
34	Workshop Plant & Equipment - Community Bus		40,000	40,000	
35	Administration - Office Equipment		23,296	23,296	
		12,295,647	883,946	13,179,593	

The total variation to the capital expenditure budget is \$1,615,757 funded as follows:

1. Capital Grant Funds Received – 2020-21 (New)	\$ 592,443
2. Restricted Funds – Places of Refuge, ICCIP (x 2019-2020)	\$ 355,020
3. Expenditure Savings (Recognised to date – Employee Benefits)	\$ 567,506
4. Expenditure Savings (Workshop operations)	\$ 100,788
Total	\$ 1,615,757

Council is unable to generate enough funding from its own source revenue. There is significant reliance on grants and contributions from various sources, in the absence of which Council may not be able to sustain its ongoing operations. Council has no ability to fund any capital projects without capital grants and contributions. Council should prioritise looking at options to increase its revenue and reduce its spending levels in the short-term. The issue of sustainability is raised in the action schedule task managing the sustainability of local government services to optimise revenue and control expenditure.

FINANCIAL & RESOURCE IMPLICATIONS

As detailed above and attached.

RECOMMENDATION

That Council approves the 1st quarter budget adjustments reflected in the associated table above resulting in a revised net result of \$8,839,474, and a operating capabilities before capital grant's and contributions of a deficit of **(\$1,086,106)**.

Mornington Shire Council
Projected Operating Statement
Quarterly Budget Review (As at 30th September 2020)
For the year ending 30th June 2021

	Actual 19/20	Budget 20/21	Actual Sep 20	%	Revised Budget 2020/21 (@ 30 Sep 20)
Revenue					
Recurrent Revenue					
Rates, Levies & Charges	2,821,145	3,281,500	3,281,405	100%	3,281,500
Fees & Charges	1,607,553	527,700	377,827	72%	527,700
Sales Revenue	9,709,264	10,318,480	1,670,412	16%	10,318,480
Grants, subsidies and contributions	5,033,643	4,339,700	351,321	8%	4,339,700
	19,171,605	18,467,380	5,680,965	31%	18,467,380
Capital revenue					
Grants, Subsidies, Contributions & Donations	5,270,214	9,113,137	0	0%	9,705,580
Total capital revenue	5,270,214	9,113,137	0	0%	9,705,580
Rental income	517,719	1,796,200	11,649	1%	1,796,200
Interest revenue	46,952	68,000	6,339	9%	68,000
Other Income	258,973	118,740	10,732	9%	118,740
Capital income	504,624	220,000	0	0%	220,000
Total Income	25,770,087	29,783,457	5,709,685	19%	30,375,900
Expenditure					
Recurrent expenses					
Employee Benefits	-6,102,777	-7,245,577	-1,460,385	20%	-6,678,071
Materials & Services	-11,658,427	-10,164,840	-2,544,531	25%	-10,107,750
Finance Costs	-147,224	-24,000	-3,186	13%	-24,000
Depreciation & Amortisation	-5,702,727	-4,726,605	-1,459,184	31%	-4,726,605
	-23,611,155	-22,161,022	-5,467,286	25%	-21,536,426
Capital Expense	-482,171	0	340,663	0%	0
Total Expenditure	-24,093,326	-22,161,022	-5,126,623	23%	-21,536,426
OPERATING CAPABILITIES BEFORE DEPRECIATION AND CAPITAL EXPENSE	7,861,659	12,349,040	1,701,583	14%	13,566,079
OPERATING CAPABILITIES BEFORE CAPITAL INCOME	-3,615,906	-1,710,702	242,399	-14%	-1,086,106
Net Result	1,676,761	7,622,435	583,062	8%	8,839,474

Mornington Shire Council
Statement of Financial Position
Quarterly Budget Review (As at 30th September 2020)
For the year ending 30th June 2021

	Actual 19/20	Budget 20/21	Actual Sep 20	%	Revised Budget 2020/21 (@ 30 Sep 20)
Current Assets					
Cash and Cash Equivalents	3,860,376	5,161,224	6,436,499	125%	6,318,298
Trade and Other Receivables	1,308,961	1,671,338	2,602,879	156%	1,671,338
Inventories	629,560	756,761	620,539		756,761
Contract asset	303,551	-	114,420	0%	114,420
Leases	208,092	247,187	208,092	84%	247,187
Total Current Assets	6,310,540	7,836,510	9,982,429	127%	9,108,004
Non-Current Assets					
Trade and Other Receivables	-	-	-		-
Leases	6,199,478	5,731,595	6,199,478	108%	5,731,595
Property, Plant and Equipment	113,274,150	126,820,334	111,006,959	88%	128,436,091
Total Non-Current Assets	119,473,628	132,551,929	117,206,437	88%	134,167,686
TOTAL ASSETS	125,784,168	140,388,439	127,188,866	91%	143,275,690
Current Liabilities					
Trade and Other Payables	1,500,451	286,822	522,621	182%	286,822
Contract liability	2,622,740	-	3,959,372	0%	3,128,201
Provisions	24,902	703,514	487,735	69%	487,735
Total Current Liabilities	4,148,093	990,336	4,969,728	252%	3,902,758
Non-Current Liabilities					
Trade and Other Payables	-	-	-		-
Provisions	1,549,816	1,219,527	1,549,816	127%	1,549,816
Loans	-	-	-	0%	-
Total Non-Current Liabilities	1,549,816	1,219,527	1,549,816	127%	1,549,816
TOTAL LIABILITIES	5,697,909	2,209,863	6,519,544	295%	5,452,574
NET COMMUNITY ASSETS	120,086,259	138,178,576	120,669,322	87%	137,823,116
Community Equity					
Asset Revaluation Reserve	99,160,205	107,141,328	99,160,206	93%	107,141,328
Retained Surplus	20,926,054	30,120,988	21,509,116	71%	29,765,528
Other Reserves	-	916,260	-	0%	916,260
TOTAL COMMUNITY EQUITY	120,086,259	138,178,576	120,669,322	87%	137,823,116

Mornington Shire Council
Statement of Cash Flows
Quarterly Budget Review (As at 30th September 2020)
For the year ending 30th June 2021

	Actual 19/20	Budget 20/21	Actual Sep 20	%	Revised Budget 2020/21 (@ 31 Sep 20)
Cash flows from operating activities:					
Receipts from Customers	14,328,973	14,246,420	4,544,029	32%	14,246,420
Payments to Suppliers and Employees	- 18,222,034	- 17,410,417	- 7,791,148	45%	- 16,785,821
	- 3,893,061	- 3,163,997	- 3,247,119	103%	- 2,539,401
Interest Received	46,952	68,000	5,082	7%	68,000
Rental Income	517,719	1,796,200	50,489	3%	1,796,200
Operating Grants & Subsidies	5,033,643	4,339,700	2,527,596	58%	4,339,700
Borrowing Costs	-	24,000	-	0%	24,000
Net Cash Inflow (Outflow) from operating activities	1,705,253	3,015,903	- 663,952	-22%	3,640,499
Cash flows from investing activities:					
Payments for Property, Plant and Equipments	- 5,887,185	- 9,492,400	- 104,783	1%	- 11,108,157
Proceeds from Sales of Property, Plant & Equipment	81,955	220,000	340,663	155%	220,000
Finance Lease Receipts	214,857	-	218,812	0%	-
Capital Grants and Subsidies	5,564,283	9,113,137	2,785,383	31%	9,705,580
Net Cash Inflow(Outflow) from investing activities:	- 26,090	- 159,263	3,240,075	-2034%	- 1,182,577
Net Increase(Decrease) in Cash and Cash Equivalents Held:	1,679,163	2,856,640	2,576,123	90%	2,457,922
Cash and Cash Equivalents at Beginning of reporting Period	2,181,213	2,304,584	3,860,376	168%	3,860,376
Cash and Cash Equivalents at End of Reporting Period	3,860,376	5,161,224	6,436,499	125%	6,318,298

Mornington Shire Council
Summary Working Funds
Quarterly Budget Review (As at 30th September 2020)
For the year ending 30th June 2021

	Actual 19/20	Budget 20/21	Revised Budget 2020/21 (@ 30 Sep 20)
OPERATING REVENUE	19,995,249	20,450,320	20,450,320
Less: OPERATING EXPENDITURE	- 23,611,155	- 22,161,022	- 21,536,426
Result (Before Capital Income)	- 3,615,906	- 1,710,702	- 1,086,106
Plus: CAPITAL INCOME (Net of Capital Expenses)	5,292,667	9,333,137	9,925,580
NET SURPLUS / (COST OF SERVICE)	1,676,761	7,622,435	8,839,474
Add back: Depreciation	5,702,727	4,726,605	4,726,605
FUNDS Available for CAPITAL PROGRAM	7,379,488	12,349,040	13,566,079
Less: CAPITAL EXPENDITURE	- 7,134,344	- 12,295,647	- 13,911,404
FUNDS Available for TRANSFER to RESERVE	245,144	53,393	345,325
TRANSFER to RESERVE (Internally Restricted)	-	912,260	912,260
WORKING FUNDS SURPLUS (DEFICIT)	245,144	858,867	1,257,585
Increase (Decrease) in Working Funds			-\$ 398,718

MORNINGTON SHIRE COUNCIL
CAPITAL EXPENDITURE PROGRAM
SUMMARY
For the year ended 30th June 2021

Item #	Project Description	Budget \$	Variation	Revised Budget \$	Comments
ORIGINAL BUDGET					
1	Administration Centre Redevelopment	5,908,547		5,908,547	
2	Roads & Civil Works - Roads to Recovery Program	152,800		152,800	Street Crossing - \$40k
3	DRFA - Disaster Recovery Works	2,923,500		2,923,500	
4	Warehouse - Red Shed Floor	200,000		200,000	
5	Warehouse - Warehouse yard seal / concrete	200,000		200,000	
6	Warehouse - Barge & Jetty Safety Upgrade (Stage 1 - 2)	200,000		200,000	
7	Warehouse - LPG refill station	5,000		5,000	
8	Information Technology - PC & Peripherals	40,000		40,000	
9	Bakery Equipment	40,000		40,000	
10	Batch Plant - Amenities Block	5,000		5,000	
11	Emergency Service - Residence	170,000		170,000	Proposed Grant Funding - \$150,000
12	Parks & Gardens - Storage Container - Cemetery	20,000		20,000	Transfer funds to Workshop Safety Container
13	Parks & Gardens - Storage Container - Casket Lowering Device	15,000	15,000	-	
14	Technical Services - Cable Locator	5,000		5,000	
15a	Works for Queensland - Covid-19 - Rectification of outdoor entertainment area @ Leika Murrin Tavern Upgrade, Visitors accommodation camp, staff housing Cemetery Road	1,160,000		1,160,000	
16	Council housing (insurance recovery) - 162 Ngerrawurn Street	200,000	254,217	454,217	Insurance Claim - \$ 454,217
17a	Visitor Accommodation Centre (VAC) Improvements - Fencing, Boom Gate	170,000	61,435	231,435	Insurance Claim - \$ 61,435
18a	Council special projects (Carried forward 2019/20) - Airport Works	40,000		40,000	
18b	Council special projects (Carried forward 2019/20) - Dog Pound Termite Proofing	5,000		5,000	
18c	Council special projects (Carried forward 2019/20) - 'Red Shed' Ground Stabilisation, Cross-Overs	20,000		20,000	
18d	Council special projects (Carried forward 2019/20) - Batch Plants	40,000		40,000	
18e	Council special projects (Carried forward 2019/20) - ICT Rectification Project	136,000	51,000	187,000	
19	Workshop Plant & Equipment - Backhoe	200,000	68,000	132,000	
20	Workshop Plant & Equipment - Ride-on Mower	30,000		30,000	
21	Workshop Plant & Equipment - Small Plant & Equipment	20,000		20,000	
22	Workshop Plant & Equipment - All Terrain Forklift	150,000	150,000	-	
23	Workshop Plant & Equipment - Low Loader	50,000		50,000	
24	Workshop Plant & Equipment - Utilities (Qty x 2)	70,000	10,000	80,000	
25	Workshop Plant & Equipment - Gravel Truck	40,000		40,000	
26	Workshop Plant & Equipment - Dingo Digger / Post Hole Digger	49,800		49,800	
27	Workshop Plant & Equipment - Street Sweeper (Tractor linked)	30,000		30,000	
28	Workshop Plant & Equipment - Tilt Tray		65,000	65,000	
29	Workshop Plant & Equipment - Prime Mover		50,000	50,000	
30	Workshop Plant & Equipment - Grader		280,000	280,000	
31	Workshop Plant & Equipment - Mayor's Vehicle		100,000	100,000	
32	Workshop Plant & Equipment - Utilities (Qty x 4)		160,000	160,000	
33	Workshop Plant & Equipment - All Terrain Vehicles (ATV) (Qty x 2)		21,998	21,998	
34	Workshop Plant & Equipment - Community Bus		40,000	40,000	
35	Administration - Office Equipment		23,296	23,296	
		12,295,647	883,946	13,179,593	
CARRIED FORWARD PROJECTS (x 2019-2020)					
36	Places of Refuge (W4Q)		296,366	296,366	Restricted Funds - \$296,366
37	ICCIP		58,654	58,654	Restricted Funds - \$58,654
			-	-	
			355,020	355,020	
NEW GRANT FUNDED PROJECTS (x 2019-2020)					
38	UHF Radio Network		117,095	117,095	Grant Funded QRRRF - \$117,095
39	Local Community Infrastructure Program (Picnic Shelters, seating, water bubblers)		176,418	176,418	Grant Funded LCRI - \$76,418
40	Local Community Infrastructure Program (Bus shelter, Bus seating)		83,278	83,278	Grant Funded LCRI - \$83,278
			-	-	
			376,791	376,791	
TOTAL CAPITAL EXPENDITURE					
		12,295,647	1,615,757	13,911,404	
	Less: Additional Grants Funds Received - 2020/21		592,443	592,443	
	Less: Restricted Funds - Places of Refuge , ICCIP		355,020	355,020	
	Nett Total Capital Expenditure		668,294	12,963,941	
	* (1) Funded by Budget Savings to date (As at 31st October 2020) - Employee Benefits Budget \$2,415,192 Less Actual \$1,847,686 Equals \$567,506 (Budget Savings to Date)		100,788		

14.3 MORNINGTON SHIRE COUNCIL - 2020 FINAL AUDIT MANAGEMENT REPORT

Author: Acting Executive Manager Finance and Human Services

Attachments: 1 Final Audit Management Report 2020

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to table the 2020 Queensland Audit Office final management report as provided to Council.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Each financial year, the Queensland Audit office conducts an audit of Council operations to determine the operating effectiveness of Council. To achieve this, the Queensland Audit Office appoints a delegate and in the case of Council this is BDO (Nth Qld), based in Cairns.

The attached Final Audit Management Report for the financial year ending 30th June 2020 is based on the audit work performed relating to the financial year 2019-2020. This includes an assessment of the design and implementation, and operating effectiveness of Council controls.

Each year the Queensland Audit Office reports the results of all financial audits and significant issues to Parliament. In this report, included will be the results of the audit of our financial report, any significant internal control issues identified, and the overall results of the sector, including, major transactions and events.

During the audit for the financial year ended 30th June 2020, the following internal control deficiencies were identified:

- Failure to comply with purchasing policy
- Year end processes
- GST errors

Management has provided advice as to how these deficiencies will be actioned and resolved.

Due to an improvement in financial management during 2019-2020, Council was able to resolve financial reporting issue regarding conditions over contributions where unexpended grant funds exceed cash balances. This had been an outstanding issue raised in 2018, and now marked as being resolved.

Other matters identified through the audit were:

- Outdated policies and procedures
- Compliance with Act & regulations

Management has provided additional resourcing to address these outdated policies and working through the Department of Local Government checklists to ensure compliance with the Act & Regulations.

FINANCIAL & RESOURCE IMPLICATIONS

There are no financial and resource implications attached to this report or its recommendation.

RECOMMENDATION

That Council receive and note the 2020 Final Audit Management Report.



Our ref: 100334

SENSITIVE UNTIL TABLED IN COUNCIL MEETING

28 October 2020

Councillor Kyle Yanner
Mayor
Mornington Shire Council
c/- Post Office
GUNUNA QLD 4892

Dear Councillor Yanner

Final Management Report for Mornington Shire Council

We have completed our 2020 financial audit for Mornington Shire Council. The Auditor-General issued an unmodified audit opinion on your financial statements.

The purpose of this letter is to update you on any matters that have arisen since we presented our closing report on 13 October 2020.

Reporting on issues identified after the closing report

I can confirm that we have not identified significant issues since the presentation of our closing report. Issues and other matters formally reported to management and an update on actions taken by management to resolve these issues is included as Appendix A to this letter.

Report to parliament

Each year we report the results of all financial audits and significant issues to Parliament.

This year we intend to include the results of our audit of Mornington Shire Council in our report to Parliament. In this report we will comment on the results of our audit of your financial report, any significant internal control issues we identified, and the overall results of the sector, including, major transactions and events. We will discuss the proposed content of our report with your Chief Financial Officer and will continue to consult as we draft our report. Formally, you will have an opportunity to comment on our report and for these comments to be included in the final report.

Audit fee

The final audit fee for this year is \$93,750 exclusive of GST (2019: \$77,000). This fee is higher than the \$78,750 estimated in our external audit plan. We have discussed the key factors contributing to the fee variation with your Chief Financial Officer. In summary these matters were:

- Due to staffing issues, the capacity of the finance team was significantly reduced during the audit period. This resulted in delays completing the audit and the revision of completion dates.
- A number of misstatements were identified during the audit. These misstatements need to be documented, investigated and discussed with management resulting in additional time being required to complete the audit.

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 Queensland Audit Office (QAO)

Financial reporting maturity level

QAO are in the process of finalising a new financial statement preparation reporting tool, called the financial reporting maturity model. This model allows for scalable assessment of financial reporting preparation processes which aims to better reflect the differences in size and maturity of public sector entities. For future years, we are planning to move to assessing the process according to the new maturity model. In the interim we will commence working with management to understand their expected / desired positioning of maturity.

We would like to thank you and your staff for their engagement in the audit this year, and look forward to working with your team again next year.

If you have any questions about this letter or would like to discuss any matters regarding our audit service, please contact me on 4046 0044.

Yours sincerely



Greg Mitchell
Partner

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Appendix A1—Internal control deficiencies

The following table details control deficiencies and other matters identified since our last interim report dated 10 September 2020. It includes a response from management.

Our risk ratings are as follows—refer to [Internal controls rating definitions](#) for more detail.

 Significant deficiency  Deficiency  Other matters

Deficiencies

20 CR-1 Failure to comply with purchasing policy

Control activities

As per the procurement policy, purchase orders are required to be raised for all purchases other than the exemptions listed in the procurement policy. It was identified during expense testing that purchase orders have not been raised.

QAO recommendation

We recommend that Council ensures the correct processes are being followed and that all purchases are being raised in accordance with Council's Procurement Policy and the procurement requirements of the Local Government Regulations as outlined in section 224 to 235 of the regulations.

Management response

Council will follow up that the correct processes are in place that all purchases are in accordance with Council's Procurement Policy and Local Government Regulations. Council is currently investigating options available through establishing preferred vendor and supplier panels and increased use in Local Buy as part of its procurement process.

Responsible officer:	Executive Manager Finance and Human Services
Status:	Work in progress
Action date:	December 2020

20 CR-2 Year end processes

Control activities

As detailed in Appendix B, a number of misstatements were identified during the audit. These related to revenue cut-off, calculation of employee provisions, inventory, work in progress, unrecorded creditors, contributed assets, land fill provision and grants repayable. This is due to a lack of reconciliation process for revenue streams and deficiencies in the quality assurance processes for other balances.

QAO recommendation

It is recommended that reconciliations should be prepared for all balance sheet accounts on a monthly basis. A person independent of the preparer should review the completed reconciliations.

A monthly timetable should be established for completing the month-end reconciliations and reports.

Management response

Management agrees with the recommendations and will ensure processes are in place that the above items are routinely reconciled on a monthly basis and independently reviewed.

Responsible officer:	Finance and Administration Manager
Status:	Work in progress
Action date:	December 2020

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Appendix A1—Internal control deficiencies (continued)

20 CR-3 GST errors

Control activities

The GST receivable recorded at 30 June 2020 is higher than the amount reported on the Business Activity Statement for 30 June 2020. A review of the monthly GST reports for the year indicated that none of the totals agreed to the Business Activity Statement lodged.

It appears that adjustments have been made to the Xero file after Business Activity Statements have been lodged and that no amendments have been lodged with Australian Taxation Office.

In addition, errors were noted with GST being incorrectly attributed to grant funds which were GST free.

QAO recommendation

It is recommended that a GST review be conducted and amended Business Activity Statements be lodged with the Australian Taxation Office.

A review and reconciliation of GST transactions should be conducted on a monthly basis. A person independent of the preparer should review the completed reconciliation.

Management response

Management agrees with the recommendations and a review and reconciliation of GST transactions will be conducted on a monthly basis and independently reviewed.

Responsible officer:	Management Accountant
Status:	Work in progress
Action date:	October 2020

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Appendix A2—Financial reporting issues














There were no financial reporting issues identified through our audit.

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Appendix A3—Matters previously reported

The following table summarises all control deficiencies, financial reporting issues and other matters that we have raised this year and those issues raised in in prior years but are not yet resolved.




Reference	Rating	Issue	Status
Internal control issues			
20IR-1		Control Activity - Lack of formal periodic review of users, access privileges and process when assigning and terminating user access	Work in Progress – October 2020
20IR-2		Risk Assessment - Lack of evidence or review of financial management and fraud risks and control measures	Work in Progress – November 2020
CR19		Control Activities - Payroll records & pay rates	Work in Progress
20IR-3		Control Activities - Incorrect pay rates	Work in Progress – December 2020
20IR-4		Control Environment - Policies and procedures	Work in Progress – December 2020
20IR-5		Control Activities - Control ownership	Work in Progress – November 2020
20IR-6		Control Activities - Credit card reconciliations	Work in Progress – September 2020
16IR		Control Environment - Compliance matters Council has not implemented an Asset management strategy and has not adopted a Long-term asset management plan	Work in Progress
17IR		Control Activities - No review of Bank Reconciliations	Work in Progress
Financial reporting issues			
CR18		Conditions over contributions - unexpended grant funds exceed cash balance	Resolved
Other matters			
20IR-7		Outdated policies and procedures	Work in Progress – December 2020
20IR-8		Compliance with Act & Regulations	Work in Progress – December 2020
18IR		Conflict of interest implementation	Work in progress – June 2020

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Appendix A4—Our rating definitions

Internal controls rating definitions

	Definition	Prioritisation of remedial action
Significant deficiency 	<p>A significant deficiency is a deficiency, or combination of deficiencies, in internal control that requires immediate remedial action.</p> <p>Also, we increase the rating from a deficiency to a significant deficiency based on:</p> <ul style="list-style-type: none"> the risk of material misstatement in the financial statements the risk to reputation the significance of non-compliance with policies and applicable laws and regulations the potential to cause financial loss including fraud, or where management has not taken appropriate timely action to resolve the deficiency. 	This requires immediate management action to resolve.
Deficiency 	<p>A deficiency arises when internal controls are ineffective or missing, and are unable to prevent, or detect and correct, misstatements in the financial statements. A deficiency may also result in non-compliance with policies and applicable laws and regulations and/or inappropriate use of public resources.</p>	We expect management action will be taken in a timely manner to resolve deficiencies.
Other matter 	<p>An other matter is expected to improve the efficiency and/or effectiveness of internal controls, but does not constitute a deficiency in internal controls. If an other matter is not resolved, we do not consider that it will result in a misstatement in the financial statements or non-compliance with legislative requirements.</p>	Our recommendation may be implemented at management's discretion.

Financial reporting issues rating definitions

	Potential effect on the financial statements	Prioritisation of remedial action
High 	<p>We assess that there is a high likelihood of this causing a material misstatement in one or more components (transactions, balances and disclosures) of the financial statements, or there is the potential for financial loss including fraud.</p>	This requires immediate management action to resolve.
Medium 	<p>We assess that there is a medium likelihood of this causing a material misstatement in one or more components of the financial statements.</p>	We expect management action will be taken in a timely manner.
Low 	<p>We assess that there is a low likelihood of this causing a material misstatement in one or more components of the financial statements.</p>	We recommend management action to resolve; however, a decision on whether any action is taken is at management's discretion.

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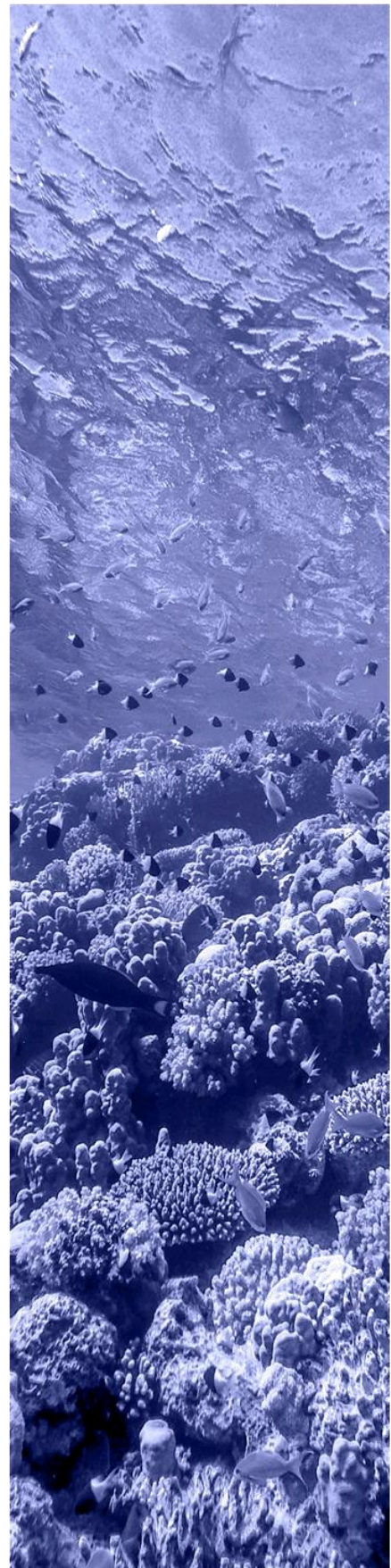
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14.4 DISASTER RECOVERY FUNDING ARRANGEMENTS - KOPPENS DEVELOPMENTS PTY LTD - 2019 EVENT CLAIM NUMBER 7 FOR APPROVAL

Author: Acting Executive Manager Finance and Human Services

Attachments:

- 1 Progress Claim 7 Summary
- 2 MoSC 2019 DRFA Events - Progress Claim 7
- 3 Progress Claim 7 (Contract 02_2019_10075) Invoice 00014560

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to seek Council approval of Invoice 00014560: Progress Claim 7: Restoration of Mornington Shire Road Assets issued by Koppens Developments Pty Ltd (Koppens) for works performed up to 20 October 2020 under Contract No. 02/2019/10075), as tabled.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Koppens was awarded the contract to carry out restoration of damage to Council's road network resulting from Tropical Cyclone Trevor in 2019. The contract is a schedule of rates contract consisting specific sites and damage assessed by the Queensland Reconstruction Authority (QRA) as eligible for reimbursement under the Disaster Recovery Funding Arrangement – Restoration of Essential Public Asset (REPA) guidelines.

Each progress claim is submitted to Council's appointed project managers for validation of work performed, ensuring that it is to agreed quality and contractual specifications prior to issuing to Council for payment.

This progress claim has been certified by Council's appointed project managers (see attached) as being in accordance with the works carried out and as per contract.


FINANCIAL & RESOURCE IMPLICATIONS

Via contractual arrangements through the QRA, Council is reimbursed for all approved progress payments to Koppens for works carried out in accordance with their contract of engagement.

RECOMMENDATION

That Council approves the DRFA progress claim number 7 from Koppens Developments Pty Ltd for the sum of \$526,450.62 GST exclusive as tabled.

CLAIM SUMMARY		KOPPEN	
		CONSTRUCTION	
Principal: Mornington Shire Council		Contract No.: 02/2019/10075	
Project: Restoration of Mornington Shire Road Assets		Purchase Order: N/A	
Superintendent: SBSM Investments Pty Ltd		Contractor's Claim No.: 7	
Contractor: Koppens Developments Pty Ltd		Invoice Number:	
		Works Completed to: 20-Oct-20	
<hr/>			
Value of Contract Works	\$ 4,607,322.82	Value of Works Completed to Date	\$ 2,840,392.32
Approved Variations	\$ -	Value of Variations Completed to Date	\$ -
<hr/>			
Total Contract Value	\$ 4,607,322.82		
<hr/>			
SUBTOTAL	\$ 4,607,322.82	TOTAL Due	\$ 2,840,392.32
		- less previous payments	\$ 2,313,941.70
<hr/>			
TOTAL CONTRACT VALUE	\$ 4,607,322.82	PAYMENT DUE (GST Excl)	\$ 526,450.61
Plus GST (10%)	\$ 460,732.28	Plus GST (10%)	\$ 52,645.06
TOTAL ACCEPTED PRICE (GST Incl)	\$ 5,068,055.10	PAYMENT DUE (GST Incl)	\$ 579,095.68
<hr/>			
Callum Koppen General Manager Koppens Developments (ABN 65 064 651 449) Suite 4/10 Grafton Street Cairns, QLD 4870			

PAYMENT CERTIFICATE			
Principal: Mornington Shire Council		Contract No.: 02/2019/10075	
Project: Restoration of Mornington Shire Road Assets		Purchase Order: N/A	
Superintendent: SBSM Investments Pty Ltd		Contractor's Claim No.: 7	
Contractor: Koppens Developments Pty Ltd		Invoice Number:	
		Works Completed to: 20-Oct-20	
<hr/>			
Value of Contract Works	\$ 4,607,322.82	Value of Works Completed to Date	\$ 2,840,392.32
Approved Variations	\$ -	Value of Variations Completed to Date	\$ -
<hr/>			
Total Contract Value	\$ 4,607,322.82		
<hr/>			
SUBTOTAL	\$ 4,607,322.82	TOTAL Due	\$ 2,840,392.32
		- less previous payments	\$ 2,313,941.70
<hr/>			
TOTAL CONTRACT VALUE	\$ 4,607,322.82	PAYMENT DUE (GST Excl)	\$ 526,450.61
Plus GST (10%)	\$ 460,732.28	Plus GST (10%)	\$ 52,645.06
TOTAL ACCEPTED PRICE (GST Incl)	\$ 5,068,055.10	PAYMENT DUE (GST Incl)	\$ 579,095.68

Koppens Developments Pty Ltd

Suite 4
10 Grafton Street
CAIRNS QLD 4870

ABN: 65 064 651 449

ACN: 064 651 449

Ph: 07 40 522 600
Fax: 07 40 522 650
Email: accounts@koppens.com.au



TAX INVOICE

<p>Mornington Shire Council Mornington Shire Council C/O - SBSM Investments Pty Ltd PO Box 8036 South Gladstone QLD 4680 Australia</p>	<p>Invoice #: 00014560 Date: 20/10/2020 Page: 1 Your Ref: 02/2019/10075 Terms: 14 Days from Invoice Date</p>
--	--

Details	Total (Excl-GST)
Progress Claim 7: Restoration of Mornington Shire Road Assets (Contract No. 02/2019/10075)	\$526,450.62

<p>Delivery Via: Delivery Date: Salesperson:</p>	<p>Delivery Address: Mornington Shire Council Mornington Shire Council C/O - SBSM Investments Pty Ltd PO Box 8036 South Gladstone</p>	<p>Subtotal: \$526,450.62 Freight (ex-GST): \$0.00 GST: \$52,645.06</p>	<p>Total (inc-GST): \$579,095.68 Paid to Date: \$0.00</p>
<p>Credit terms are strictly 14 days from date of invoice.</p>		<p>Balance Due: \$579,095.68</p>	

This claim is made under the Building & Construction Industry Payments Act 2004

How to pay



by credit card

To pay via MasterCard or VISA.
by INTERNET: myob.com.au/ezybillpay
by PHONE: 1300 855 558
Minimum payment \$10.00. Maximum payment \$5,000.
Quote Ref: 1024 6940 1456 02



Bill code: 716548
Ref: 1024 6940 1456 02

Contact your financial institution to make this payment from your bank account (excluding credit cards).
Minimum payment \$10.00.
The following biller name will appear on your bank statement - **MYOB PAY BUILDING**



by mail

Powered by **MYOB**

Detach this section and mail your cheque to...

Koppens Developments Pty Ltd
Suite 4
10 Grafton Street
CAIRNS QLD 4870

Direct Deposit (Preferred)

Commonwealth Bank of Australia
BSB: 064-804
Account #: 1315 0766
Name: Koppens Developments Pty Ltd

Invoice #: 00014560 Amount Due: \$579,095.68

14.5 CREDIT CARD POLICY

Author: Acting Executive Manager Finance and Human Services

Attachments: 1 Draft Credit Card Policy - Version 6

PURPOSE (EXECUTIVE SUMMARY)

This report provides an updated and reviewed credit card policy for Council's approval.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Council has a corporate credit facility of \$60,000. Whilst it is important to provide a convenient and efficient method of purchasing, it is equally important to ensure that all transactions adhere to acceptable internal control requirements and Council's statutory Procurement Policy.

The primary changes to this policy are card holder limits due to changes in the organisation chart and position responsibilities.

The changes to the previous policy have been highlighted for Council's ease of approval.

FINANCIAL & RESOURCE IMPLICATIONS

This policy limits the ability of cardholders / user from engaging in unauthorised transactions, not inline with Council existing policies.

RECOMMENDATION

That Council adopt the draft Credit Card Policy as its Credit Card Policy.



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL
Credit Card Policy

This an official copy of the **Credit Card Policy** of **Mornington Shire Council**, made in accordance with the provisions of *Local Government Act and Regulations, Public Records Act, Mornington Shire Council's Local Laws, Subordinate Local Laws and current Council Policies.*

Strategic policies are adopted by Council to influence the direction of an issue or assist in the delegated decision making of Council officers. Strategic policies should follow the jurisdiction provided to Council through its Corporate Plan; the **Credit Card Policy** is approved by the Mornington Shire Council for the operations and procedures of Council.

DOCUMENT VERSION CONTROL			
VERSION	DATE	RESOLUTION NO.	DETAILS
V1	30/07/2014	2014/100	Responsible Officer Executive Manager Financial Services Description Strategic Policy
V2	22/11/2016	2016/208	Responsible Officer Executive Manager Financial Services Description Strategic Policy
V3	16/01/2019	2019/13	Responsible Officer Executive Manager Finance and Human Services Description Strategic Policy
V4	21/08/2019	2019/148	Responsible Officer Executive Manager Finance and Human Services Description Strategic Policy
V5	22/1/2020	2020/36	Responsible Officer Executive Manager Finance and Human Services Description Strategic Policy
V6	18/11/2020	2020/xx	Responsible Officer Executive Manager Finance and Human Services Description Strategic Policy
		REVIEW	30/06/2021



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL **Credit Card Policy**

Policy Statement

Commencement

The Morningson Shire Council Credit Card Policy will take effect following the adoption of by Council.

1. Purpose

Morningson Shire Council is committed to implementing effective financial controls to minimise the costs and risks associated with purchasing activities.

The purpose of this policy is to set out a framework for the use of Credit Cards including appropriate use and reporting of expenditure.

2. Background

Council currently has a corporate credit facility of \$60,000. Whilst it is important to provide a convenient and efficient method of purchasing, it is equally important to ensure that all transactions adhere to acceptable internal control requirements and Councils statutory Procurement Policy.

3. Policy Statement

3.1 Allocation of Credit Cards

- a) Credit Cards will be issued to the holder of the positions identified in Appendix 1 – Allocation of Credit Cards, with the limits stated in Appendix 1.
- b) The Chief Executive Officer is authorised to approve the issue of additional Credit Cards to other Employees with a limit not exceeding \$5,000 (each card), provided that the combined limit of Additional Cardholders does not exceed \$60,000. Prior to issuing additional Credit Cards, the Executive Manager Finance and Human Services must review the current corporate credit facility limit and apply for an increase if required.

3.2 Return of Credit Cards

- a) Credit Cards must be returned to the Executive Manager Finance & Human Services as soon as they are no longer required.
- b) Where a Cardholder is leaving Council employment the Credit Card must be returned and the requirements of clause 3.5 d) (receipts, allocations and approvals) satisfied prior to their departure.

3.3 Authorised Transactions

- a) Use of Credit Cards is not a preferred purchasing method and is limited to purchasing of goods and services that cannot be purchased efficiently and cost effectively by other means. Except in an emergency, Credit Cards must not be used where Council purchase orders would be accepted and where use of a purchase order would not incur substantial additional internal or external costs or missed opportunity. Where a credit card is used in emergency situations a written record of the justification for use of the Credit Card must be retained in Council's document records system. The written record must be authorised by the Chief Executive Officer, or where the Chief Executive Officer is the Cardholder, by the Mayor.



**MORNINGTON
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MORNINGTON SHIRE COUNCIL
Credit Card Policy

- b) All private expenditure incurred on a Credit Card requires prewritten consent by the Chief Executive Officer, or where the Chief Executive Officer is the Cardholder, by the Mayor. Any private expenditure transactions must be repaid to Council no later than 14 days from the date of the Credit Card statement containing the transaction. If a Credit Card is inadvertently used for a private transaction a written explanation of the circumstances must be retained in Council's document records system. The written record must be authorised by the Chief Executive Officer, or where the Chief Executive Officer is the Cardholder, by the Mayor.
- c) The requirements of Council's Procurement Policy apply to purchases using Credit Cards. Multiple Credit Card transactions (at the same time or over extended periods) must not be used to avoid the need to obtain quotations that would otherwise be required under the Procurement Policy.
- d) Credit Cards may be used for transactions by EFTPOS, telephone or internet provided that a Valid Tax Receipt is obtained for each transaction.
- e) Credit Cards must not be used to obtain cash advances.

3.4 Card User Responsibilities

- a) Card Users are required to complete an Acceptance of Corporate Credit Card Policy form prior to using a Credit Card.
- b) Card Users are responsible for ensuring that Credit Card purchases do not exceed their delegated authority (refer Council's Delegations – Procurement Policy) unless prior approval has been obtained from an Employee with the required delegated authority.
- c) Card Users are required to obtain a Valid Tax Receipt (in addition to a credit card transaction receipt) for every Credit Card transaction.
- d) Card Users are required to complete Credit Card Transaction forms, obtain authorisation from their manager and forward a completed form with a Valid Tax Receipt for each transaction to the card holder within 7 days of the transaction date.

3.5 Cardholder Responsibilities

- a) Cardholders are responsible for complying with any terms and conditions advised to them by the card issuer when receiving the Credit Card, including notification of loss of the Credit Card.
- b) Cardholders are required to complete an Acceptance of Corporate Credit Card Policy form prior to initial issue, and at each re-issue, of a Credit Card.
- c) Cardholders must ensure that the limit on the Credit Card issued to them is not exceeded.
- d) Cardholders are responsible for obtaining a Valid Tax Receipt and Credit Card Transaction form for any transaction where the required documents have not been provided by the Card User.
- e) Cardholders are responsible for Credit Card transactions until a completed and authorised Credit Card Transaction form and Valid Tax Receipt have been provided in accordance with 3.4d).
- f) Cardholders are responsible for security of Credit Cards and for any costs arising from use of a Credit Card where reasonable steps have not been taken to prevent unauthorised use of the Credit Card.
- g) Executive Manager cardholders are authorised to allow other Employees, in which they have direct management over, to use the Credit Card issued to them, however the Cardholder remains responsible for ensuring compliance with this Policy.



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL
Credit Card Policy

h) The Chief Executive Officer and Mayor are authorised to allow Councillors to use the Credit Card issued to them, however the Cardholder remains responsible for ensuring compliance with this Policy.

4. Credit Card Reconciliations

a) The Finance Department is responsible for the collation and entry of monthly Credit Card statements into the financial system and for informing the Cardholder of any transactions for which Credit Card Transaction forms and/or Valid Tax Receipts have not been received.

b) Cardholders are required to reconcile and authorise the reconciliation of monthly credit card statements, certifying that all transactions for that month have been authorised in accordance with Council Policies and Budgets.



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL
Credit Card Policy

APPENDIX 1 –ALLOCATION OF CREDIT CARDS

This Policy authorises issue of Credit Cards to the holder of the positions and with the limits stated below:

POSITION	CREDIT LIMIT
Mayor	\$5,000
Chief Executive Officer	\$10,000
Executive Manager Finance & Human Services	\$5,000
Executive Manager Infrastructure & Technical Services	\$5,000
Housing Manager	\$5,000
Executive Manager Governance & Communications	\$5,000
Facilities Manager	\$5,000
Finance and Administration Manager	\$5,000
Human Resources Manager	\$5,000
Project Accountant	\$5,000
Systems Accountant	\$5,000

The Chief Executive Officer may approve issue of additional Credit Cards with a limit not exceeding \$5,000 each card provided that the combined limit of additional Cardholders does not exceed \$60,000, as authorised in clause 3.1b) of this Policy and total card limits remain within the overall facility limit.



**MORNINGTON
SHIRE COUNCIL**

MORNINGTON SHIRE COUNCIL
Credit Card Policy

APPENDIX 2 – ACCEPTANCE OF CREDIT CARD POLICY

ACCEPTANCE OF CREDIT CARD POLICY

Name:

Position:

Acceptance as a Cardholder / Card User (Circle Appropriate Delegate)

I have read and understood the Morningshon Shire Council Corporate Credit Card Policy, in force at the date below, and agree to abide by its requirements as a:

Cardholder / Card User (Circle Appropriate Delegate)

Signature:

Dated:

14.6 GENERAL SERVICE CHARGE CONCESSION REQUESTS

Author: Acting Executive Manager Finance and Human Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

Council has received requests for a concession on the general service charge for their organisation. These requests are tabled for Council consideration in line with the General Service Charge Concession Policy.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

In July last year Council introduced a general service charge to all non social housing properties across the community.

At the time of introducing the new charge, it was raised that a concession policy maybe required. Council has received some commentary from a few debtors that they will write to council seeking some form of concession.

The policy covers 3 main areas of concession.

- Financial hardship by an individual. Options can include waiving of charges, deferment of charges or allowing paying by instalments,
- Charging anomalies
- Public benefit, 3 levels of concessions

The main area for Council to consider is the level of concession it would provide under the public benefit criteria. It is recommended that three distinct categories of concession are created according to the revenue base that each organisation has available. This is suggested on the basis that the greater the variety of funding available to each organisation, particularly government funding the lower any concession should be granted. Council should be mindful of subsidising organisations that should be either run commercially or are government subsidised. The greater the variety of revenue sources, arguably the greater their ability to pay.

Council should also be mindful of how any organisations are funded before making any determination on a public benefit concession, thus the recommendation for audited financial statements to accompany any request for concession.

Whilst it is suggested the CEO would have delegated authority to make decisions in this area, the same as applies to community grants, it is felt initially any first time applications should come before Council so each concession can be discussed by the Council in order for the CEO and officers to gain the views of Council on the public benefit criteria.

Council has received requests for a concession from the following debtors:

- Mirndiyan Gununa Aboriginal Corporation - \$36,720
- Junkuri Laka Community Justice - \$ 18,360
- Mission Australia - \$9,360
- Australia Post Agent - \$3,000

FINANCIAL & RESOURCE IMPLICATIONS

The credit of general service charge will total \$ 67,440 represented as follows:

Mirndiyan Gununa Aboriginal Corporation - \$36,720

Junkuri Laka Community Justice - \$ 18,360

Mission Australia - \$9,360

Australia Post Agent - \$3,000

RECOMMENDATION

That Council delegate authority to the CEO to extend a concession of the general service charge to the community organisations listed in this report, in line with the General Service Charge Concession policy.

15 STAFF REPORTS - GOVERNANCE AND COMMUNICATIONS**15.1 GOVERNANCE AND COMMUNICATIONS NOVEMBER 2020 MONTHLY REPORT**

Author: Acting Executive Manager Corporate Governance and Communications

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

To provide Council with an update of the Governance and Communications Department.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

The Governance and Communications Directorate, consists of the following Departments:

- Governance
- Communications
- Service Delivery

I offer the following by way of update on activities undertaken during the past month and identifying upcoming matters for Council's information.

Governance:

As you may be aware, the Governance Coordinator resigned her position during October. With assistance from the Human Resources Manager, applications have been sought for a temporary Governance Coordinator for a period of up to three months to assist with the immediate demands within the Governance section. A recruitment process has also commenced to fill the position on a permanent basis and applications remain open at the time of this report being written.

As Council is aware, at its special meeting held on 11 November 2020, the Mornington Shire Council 2019-2020 Annual Report was adopted. This represented a significant body of work for the Governance section and was assisted by all Directorates of Council. This Annual Report has incorporated the statutory requirements under the Local Government Act 2009 and Local Government Regulation 2012 in meeting Council's reporting obligations. This document has now been uploaded to Council's website for public information.

It was anticipated that further reports and updates to policies affected by the legislative changes would be provided for Council's consideration at this meeting. However limited staff resources and other major projects outlined previously has not enabled this to occur. This will now become a priority moving forward for future meetings.

Communications:

The existing Council website has seen significant upload of information during the past month. Legislative compliance with the uploading of Council meeting agendas and minutes has occurred. There has been a number of older meeting agendas and minutes uploaded to the site also.

Work on the new Council website is waiting some clarification on hosting and other information technology issues. This is receiving priority with a view to completing the new website in the earliest possible timeframe.

FINANCIAL & RESOURCE IMPLICATIONS

Nil

RECOMMENDATION

That Council note and receive the Acting Executive Manager Governance and Communications November 2020 report.

16 STAFF REPORTS - INFRASTRUCTURE & TECHNICAL SERVICES**16.1 HOUSING REPORT****Author:** Housing Manager**Attachments:** Nil**PURPOSE (EXECUTIVE SUMMARY)**

The purpose of this report is to provide the Council with an update of the Housing program for the month of October 2020.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION**CURRENT QBUILD WORKS PROGRAMS UNDERWAY****2019/20 QBuild Do & Charge Program**

25 jobs out of a total of 1395 current jobs issued remain outstanding and are detailed below:

1. Plumbing	8
2. Electrical	1
3. Carpentry	13
4. Fencing Repairs	3

2020/21 QBuild Do & Charge Program

72 jobs out of a total of 311 current jobs issued remain outstanding and detailed below:

1. Plumbing –	57
2. Carpentry	8
3. Fencing	1
4. Electrical	2
5. Contractor Pest Control	4

QBuild Do & Charge Jobs Summary 2019/20 to 2020/21 at 12.11.2020:

Total open jobs on the QBuild Portal at 12.11.20	106
Less: Total jobs attributed to Tech Services (mow/tidy, trees)	34
Total number of jobs issued at 12.11.20	72

2019/20 QBuild Purchase Orders Program

QBuild had released a total of 137 jobs to date valued at \$6.5 million (GST-inclusive). 116 jobs valued at \$5.4 million have been completed and paid. A remainder 21 jobs valued at \$1.1 million are yet to be completed.

Below shows a summary of the 21 jobs at 8 properties valued at \$1.1 million that have yet to be completed followed by commentaries:

1x Flooring Upgrade (valued at \$5.3K) – works scheduled for when vinyl layers visit island next;

1x Roof Replacement Project (valued at \$57.7K) – scheduled to be completed in conjunction with roof replacement to D Block at MI State School;

MISS Security Fencing Project – works commenced Thursday 21/05/20

- All PCYC Oval works completed and billed
- All materials have arrived on the island
- Works on Lardil Street have been completed, all internal fencing works completed and billed.
- Works on Maarn Maarn Katha Street have been completed
- Internal fence between School and PCYC have been completed
- Save The Children portions has been completed
- School Residence fencing works and remain, expected completion is late November
- Initial contract value is \$2.4 million
- Total value of works completed and paid to date \$2.1 million
- Total value of works yet to complete is \$382K

3x Veranda Rectification jobs at 2 properties (valued at \$95.5K) – 90% of materials have arrived on island, the remaining is scheduled for delivery on the next barge; Res 9A & 9B scheduling in works with occupied tenants, Res 5 is 100% completed and billed;

10 listed jobs for 1x Full Refurbishment project (valued at \$205.9K) – majority of materials have arrived, works commenced, demolition completed, kitchen complete; internal painting completed, active termites located, works awaiting termite treatment on 10.11.20;

2 listed jobs for Wheelchair Access Ramps (valued at \$345.5K) – materials arrived for F Block and D Block, D Block 50% completed, F Block works to commence pending RFI response from client related to tree removal.

2020/21 QBuild Purchase Orders Program

QBuild has released a total of 41 jobs to date valued at \$3.5 million (GST-inclusive). 4 jobs valued at \$90K have been completed while the remainder 37 jobs valued at \$3.49 million is planned to be completed throughout the course of the financial year.

Below is a summary of the status of the current jobs:

3x Dismods (valued at \$166K) – 230B Dunlyu St materials on island, attempting to gain entry/unable to contact tenant, works to commence at 81 Lardil St after completion of 230B Dunlyu St, 43 Wardirrkkan St works is scheduled to commence with D Block Refurbishment to utilise ACM Contractors;

1x D Block Refurbishment (valued at \$474K) – to commence upon confirmation of the Housing Manager position;

2x Flooring Upgrades (valued at \$32K) – purchase order has been placed on the contractor and to be scheduled in conjunction with 202 Lardil St, currently liaising with contractor to schedule work;

10x Dept of Education Garages (valued at \$1.8 million) –purchase order to awarded contractor raised to H.C. Building company, currently establishing a program of works with the contractor, and sourcing materials for Res 10/500 Lardil Street which was retained by the department for apprentice training purposes;

Carport & Concrete 2020 Program (20x Carports valued at \$867K) – purchase order to be placed on N & J Building & Construction as per Council's tender process. Program of works to be supplied once contractor has received PO from MSC. Contractor scheduled arrival on island is 18.11.20.

STAFFING REPORT

The Housing Department is currently sourcing a Housing Manager and a Housing Supervisor to replace QBuild contracted employees Dale Harvey and Rohan Gibbs who will be moving back to QBuild headquarters. Completion date is 17/12/2020. The department is also sourcing a second Housing Supervisor/estimator.

FINANCIAL & RESOURCE IMPLICATIONS

1. QBuild PO Jobs				
	Jul20	Aug20	Sep20	Oct20
Total Revenue (\$)	\$333,099	\$436,081	\$110,300	\$445,997
Invoice Quantity	16 Invoices	13 Invoices	7 Invoices	7 Invoices
Average \$/invoice	\$20,818	\$33,544	\$15,757	\$63,714

Commentary: Revenue for the month reached the level consistent with QBuild Purchase Order Projects this month compared to the previous month.

2. QBuild D&C Jobs				
	Jul20	Aug20	Sep20	Oct20
Total Revenue (\$)	\$112,808	\$96,522	\$114,995	\$91,189
Invoice Quantity	66 Invoices	41 Invoices	62 Invoices	76 Invoices
Average \$/invoice	\$1,709	\$2,354	\$1,855	\$1,200

Commentary: The table above showed revenue figures remained relative to previous months. Much of the aged cards have been closed off. Some work has been affected due to COVID-19 and associated travel restriction, however a shift in direction has ensured and secured a constant work and revenue flow for Council.

4. MSC Private Works Jobs			
Oct20 Invoices	\$116,084	8 Invoices	Avg \$14,510
TOTAL	\$116,084		

Commentary: 8 Private Works jobs had been fully completed and billed for the month including the two Generator Shade structures at the Police Station (QPS) and State School (MISS).

RECOMMENDATION

That Council review and note this report.

16.2 EXECUTIVE MANAGER INFRASTRUCTURE AND TECHNICAL SERVICES REPORT

Author: Executive Manager, Infrastructure and Technical Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

To provide council with an update regarding monthly activities conducted by the Infrastructure and Technical Services Department.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION**WATER AND SEWERAGE**

Operational Works;

Daily water sampling is undertaken from several sample points, throughout the water reticulation network and part of the water quality monitoring program, the chlorine residual of the drinking water is checked against the Australian Drinking Water Guidelines ADWG.

Daily maintenance work is being carried out at the Water Treatment Plant and Reservoirs (Clearwater) to keep treatment process running efficiently.

Safety signs and identification stickers for the pipework have been installed at Clearwater and pump stations.

Weekly water main flushing has been conducted to help maintain chlorine residuals in the network and reduce any build-up of bio-film within the water mains.

Maintenance of Fire Hydrants and Valves around the community has been undertaken and the works completed so far has indicated that a full maintenance program for these assets should be developed to maintain the serviceability of the emergency fire protection points and the control valves within the network.

Daily cleaning of Sewer Treatment Plants "STP" inlet sewer grates located before the STP ponds and monitoring of the sewerage pump stations (A, B, and C) for their operational conditions has been undertaken.

RPZ valves are being installed at the STP's and Sewer Ponds to comply with regulatory requirements.

Table 1: Processed water going to community

Month End	Usage in KL	Month End	Usage in KL	Month End	Usage in KL	Month End	Usage in KL
Jan	24,624 KL	April	24,855 KL	July	30,535 KL	Oct	39,128 KL
Feb	24,112 KL	May	28,883 KL	Aug	32,701 KL	Nov	
March	25,368 KL	June	28,152 KL	Sept	37,175 KL	Dec	
Total	74,104 KL	Total	81,890 KL	Total	100,411 KL	Total	

Table 2: Monthly rainfall

Month End	Rainfall	Month End	Rainfall	Month End	Rainfall	Month End	Rainfall
Jan	-	April	38 mm	July	1mm	Oct	32 mm
Feb	-	May	8 mm	Aug	0	Nov	
March	6mm	June	0 mm	Sept	0	Dec	
Total	6mm	Total	46 mm	Total	1mm	Total	

Table 3: Dam capacity values (in %) taken on the last day of each month

Month End	Dam Capacity	Month End	Dam Capacity	Month End	Dam Capacity	Month End	Dam Capacity
Jan	75%	April	100%	July	87%	Oct	67%
Feb	101%	May	96%	Aug	82%	Nov	
March	100%	June	94%	Sept	70%	Dec	

PARKS AND GARDENS

Parks and Gardens ongoing maintenance works is being carried out throughout the community, with rubbish removal along the property's fence lines and within parks, general urban street cleaning being addressed with the available resources.

QBuild works, mowing and tidy jobs around the community, tree trimming on fence lines around school. Undertaking additional duties for funerals and grave duties.

Assisting with back freight operations when required.

CIVIL

Civil crew have assisted with the barge deliveries and back freight.

The removal of rubbish for the QBuild school fence project and the Tavern project.

Urban street clean ups and cemetery operations including grave prepping and clean-up of cemetery grounds.

Civil has also been involved with the preparation of the ceremony grounds for the community initiation program and have been assisting with the Landfill operations at the landfill facility and the removal of vehicles from various locations around the community has been undertaken.

LANDFILL

The landfill crew are continuing with rubbish collections three times a week.

Two days a week clear landfill/dump. Delays have occurred due to absenteeism. Signage at dump has been ordered and a plan has been scheduled for installation of signs. Sieving operations have started with the removal of rubbish contamination of 3x soil piles at landfill facility

FENCING

The fencing crew have carried out works on QBuild Do and Charge jobs as well as fence repairs in the community. New fencing has been carried out at the QBuild school project with the boundary fence installation also the sewer ponds fencing project will commence again when school project is completed.

BATCH PLANT

Continuing maintenance works has been done as well as rubbish removal. Batching crew have been doing some concrete pours on community projects including the school fence project and tavern project. Batching crew have also completed 2 x head wall installations at various locations and has started preparation for the carports and driveway works starting early next month.

AIRPORT

Airport operations have been primary focused around the operational requirements of the Regular Public Transport "RPT" (Regional Express Airlines) and medical based flights.

The Council had received notice that the Department of Home Affairs was undertaking a program of deregistering a number of rural or rural and remote aerodrome from the requirements of being a security controlled airport.

Mornington Island Airport was identified for deregulation based on the airport's current risk profile.

Our RPT operator Regional Express Airlines "REX" had a number of concerns with this deregulation based on its requirements under the RPT's operational conditions, which states that REX must operate within secured airport and aerodromes.

REX requested that Council voluntarily opt into the aviation security framework as an airport that does not meet the minimum threshold for mandatory inclusion.

By choosing to opt into Tier 3 of the Aviation Security Framework the Mornington Island Airport must meet all Tier 3 security requirements. The Airport currently meets all requirements with the exception of Australian Securities and Investments Commission "ASIC" and VIC cards for the air side operational staff and visitors.

The Airport is currently looking at becoming a local agent for the issue of ASIC cards on behalf of the Department of Home Affairs and The Department of Infrastructure, Transport, Regional Development and Communications.

WORKSHOP

Council's Workshop has undergone a significant process of improvement over the last three months with a major clean-up of the site and a movement to obtaining a set of operational processes and controls.

The Acting Workshop Manager and his Administration Officer have identified a need for a front of house type of approach to the operations and communications with the workshop to improve the scheduling and processing of works.

The previous just walk in attitude is one that is unsafe for both the staff and the public and must be controlled under Council's obligations to workplace health and safety and as an operational control on the site.

To address this, the public and staff will only have access to the workshop areas via the office or by prior arrangement. To achieve this, a temporary fence will be installed until a permanent dividing fence can be completed blocking the workshop's access by the general public.

The workshop has sourced chemical sea containers for the storage of dangerous goods & materials to reduce hazards and improve staff safety.

Private works are back on track with the front of house booking system implemented to ensure productivity, efficiency and most importantly customer communication

WAREHOUSE

The warehouse operations have continued to be managed to a high standard over the last month with the warehouse staff offering and rendering assistance to other sections of the department when required.

Warehouse will be assisting in the ordering and stocking of Council's light vehicle fleet's service part on behalf of the workshop and a expansion of some of the services and stock items available through the department is being considered.

MANAGEMENT

Staffing is still an issue cross the department with a number of key positions under recruitment.

The Workshop has been the hardest hit with attendance being low and the additional after hours unauthorised assesses on the site have led to delays in production, additional costs and disappointingly an inability to secure the private vehicles on the site, some of which were damaged.

This situation left the staff with the only option of returning some of the rolling/ drivable vehicles back to the owners removing them from the site and reducing the stresses on the staff.

Plant and equipment is an issue that is being address by the identification of the needs and requirements of the organisation and through looking for options and opportunities for the

department on what and how the resources and plant are managed both in the short and requirements and the long-term management of the Council's assets.

The department is looking at utilising an alternate light vehicle option for some of the Parks and Garden works, roads and interdepartmental duties to remove the reliance on the full utes.

Operational works and planning e.g. Queensland Reconstruction Authority "QRA" works is on hold with water resources low and weather starting to close in, management will be consulting with our consultants to make sure that the organisation is in a best position to identify any new works arising from new events and that the current works have been completed successfully.

The department as a whole will be moving into a proactive planning a preparation program for the upcoming storm season, with building inspection and yard/ grounds works being a priority.

Additional departmental reports have been provided separately.

RECOMMENDATION

That the Council notes and accepts the Infrastructure and Technical Services Department's report for the November 2020 Council meeting.

16.3 DISPOSAL OF MACHINERY - SURPLUS TO COUNCIL

Author: Executive Manager, Infrastructure and Technical Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

This report is in reference to Council's decision from its October 2020 Meeting, Resolution 20-10/16

That Council instruct the Acting Chief Executive Officer to dispose of the following Council owned plant and equipment items determined to be redundant or surplus to requirements.

- Cat 426C Backhoe #051
- Cat 428C Backhoe #053
- Cat 140G Grader #129
- Cat 140G Grader #132

Assorted Machines

- Massey Ferguson Tractor
- Toyota Forklift
- Dresser Dozer
- Skid Steer

Since the above decision, Council's staff have been investigating the requirements to be able to comply with this Resolution. This has involved the following actions, assessing the equipment as to what is required to turn some of the items into rolling stock for transport, inspections/assessment on the item's serviceability and value to the organisation.

As previously reported a number of the items are in poor condition but others with a bit of investment could be made serviceable again. It is for this reason that staff are requesting the following:

1. That the Council acknowledges that additional time will be required to fulfil Council's current Resolution;
2. The issues of serviceability and value for money on disposal may require an external industry expert and staff would like to request that time is allowed to obtain an industry based option on value and condition of the plant and;
3. That the industry expert will not be excluded from making a reasonable offer for the procurement of any of these items from Council.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Council in the lead up to its October meeting, discussed the situation where old and presently unused Council equipment was taking up valuable space within Council's Works compounds. An urgent report was to be provided for Council's consideration on items that should be retained and others that could be disposed of. Council considered this at its October meeting and decided on a number of items that could be disposed of.

Since Council's October meeting, Council staff have further assessed some of its plant located within the Council's workshop and yards. Staff have concerns while noting the condition of the

plant and assigning a value of the items, the report may not have given a true value and accurate picture of each of the items.

The (Acting) Workshop Manager questioned some of the assumptions made within the report and requested additional time to be able to undertake a assessment of the plant based on the organisation's needs.

The Workshop also has requested to be able to utilise their industry contacts to obtain a market based assessment of the disposal values and potential returns to Council.

The industry expert being proposed, operates as a machinery broker and would like to be able to make an offer on the plant without being disbarred or disadvantaged. This situation would be the same for any industry expert engaged to give Council a market assessment.

FINANCIAL & RESOURCE IMPLICATIONS

Disposal returns a loss for Council.

LEGAL IMPLICATIONS

Procurement and disposal procedures and compliance with Local government requirements.

RISK MANAGEMENT

Council is unable to sell the listed plant and the cost of repair is too high to return the plant to service.

RECOMMENDATION

1. That Council resolves to accept the staff's request of additional time in relation to this Resolution, for the purpose of allowing for informed decision, positive outcomes and a reasonable conclusion to Resolution 20-10/16.
2. Upon determining the revised equipment disposal list, Council seek advice from an appropriately qualified person for indicative market values of the equipment.

16.4 CEREMONIAL GROUNDS STRUCTURE

Author: Executive Manager, Infrastructure and Technical Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The Mayor with permission from the Acting Chief Executive Officer has approached Council staff for an assessment of a structure located on land utilised for the cultural purposes.

The structure in question has a number of issues that would have to be addressed to make it:

1. Safe to allow workers to replace the roofing.
2. Structurally sound to be able to stand a wind loading.
3. Fit for the intended purposes.

The current structure's conditional issues have been displayed within the background section of this report. It is acknowledged the structure is not owned by Council or on Council land. Council's assessment of the structure is that it is in very poor condition. On assessment, Council could not ensure a safe workspace for Council staff or contractor to repair this structure to a standard required to fulfil its obligations. It is believed the cost of repairs would be greater than the cost of replacing the structure in its entirety.

Council Officers are aware this is most likely not the answer expected from this request, though Council staff would be left in a difficult position if they did not consider all of the organisation's compliance and regulatory obligations when undertaking any works both internally and externally the responsibility is the same.

Given this advice, the following options are provided in consideration of this request:

1. The removal of the shade structure at the Ceremonial Grounds and replace it with a 7 x 7m Structure, with a concrete slab;
2. Investigation and selection of an existing suitable structure e.g. one of the underutilised foreshore structure that could be relocated and repurposed?
3. Seek funding under a grant for the a men's shed type program on the site and repurpose and utilise the structure constructed in relation to a year around program for additional purposes as required.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

As stated in the summary the Mayor has made a request for assistance on an existing structure to be utilised for cultural activities. The structure is not a Council owned or operated asset.

The structure has issues that would require major works to make the structure safe to work on and fit for purpose.


An inspection revealed the top plates of the wall's frames have sections that are rusted away and this is also the case for the studs and noggins. The roof rafters, battens and sheeting also require full replacement as displayed in the photos below.



Housing Department have offered the following opinion.

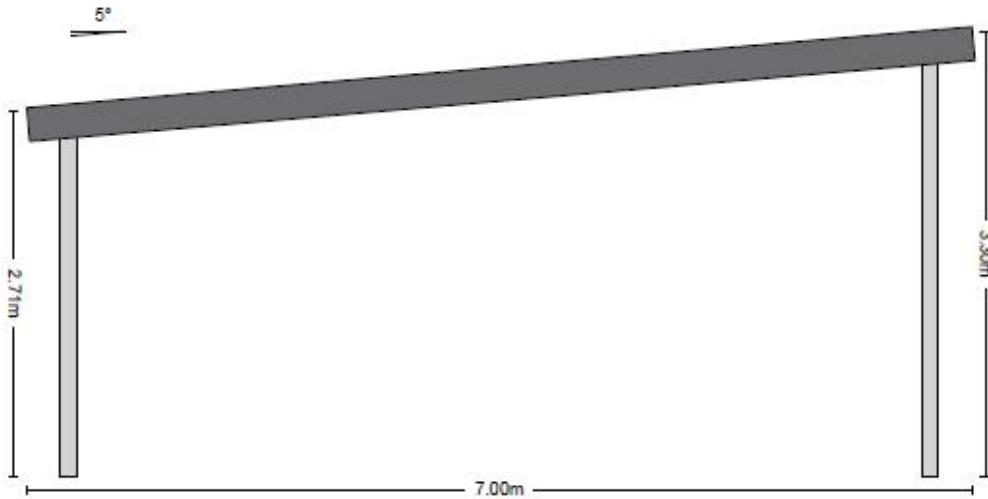
“The current structure is badly rusted and deteriorated. Housing believe the safest, quickest and most cost effective way to bring the structure up to speed is to remove the old structure and replace it with a new skillion roof shade structure as attached.”

YOUR SHED

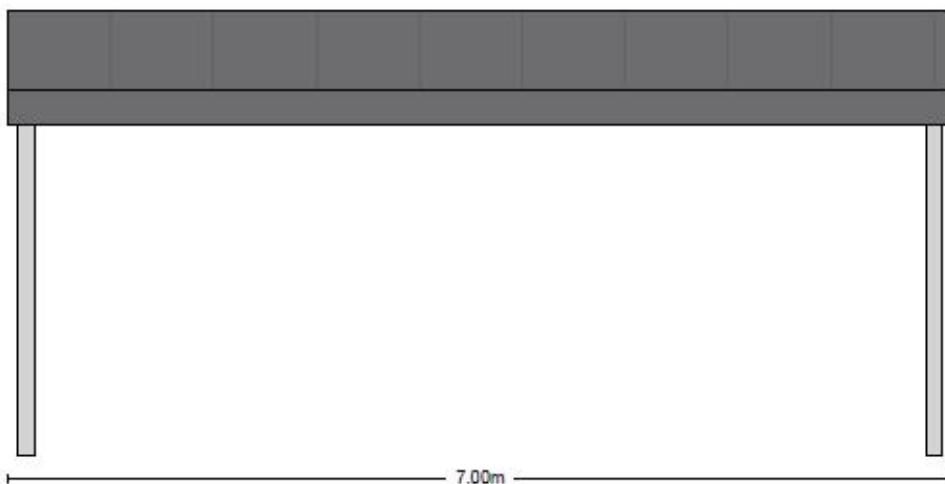


ROHAN GIBBS
QUOTE NO: 287976
DATE: 12/11/2020
VALID: 60 Days

NQ SHEDS AND PATIOS



Front View



Side View

Ceremonial Grounds Shad Structure Quote Breakdown.

Description	hours/ units	Cost	Total	MSC %	less GST	GST	Inc GST
Labour							
Carpenter & Apprentice Demo of old site.	10	197.00	1,970.00		1,790.91	179.09	1,970.00
C&A site set up.	2	197.00	394.00		358.18	35.82	394.00
C&A Excavation.	5	197.00	985.00		895.45	89.55	985.00
C&A Stand and concrete posts.	3	197.00	591.00		537.27	53.73	591.00
C&A slab set up.	5	197.00	985.00		895.45	89.55	985.00
2x Carp and a apprentice pour.	8	317.00	2,536.00		2,305.45	230.55	2,536.00
C&A purlins, roof and flashings.	17	197.00	3,349.00		3,044.55	304.45	3,349.00
Excavator hire.	5	250.00	1,250.00		1,136.36	113.64	1,250.00
JCB Hire Delivery.	1	250.00	250.00		227.27	22.73	250.00
Truck Hire Delivery.	1	270.00	270.00		245.45	24.55	270.00
Backhoe Demo.	1	270.00	270.00		245.45	24.55	270.00
Truck Hire Demo.	1	270.00	270.00		245.45	24.55	270.00
Total			5,659.00		11,927.27	1,192.73	13,120.00
Materials							
NQ Shed 7 x 7 Structure					9,066.36	906.64	9,973.00
Concrete 200x300 edge footing & 100mm slab	6	1,650.00	9,900.00	9,900.00	9,000.00	900.00	9,900.00
Concrete Post holes	0.4	1,650.00	660.00	660.00	600.00	60.00	660.00
Concrete Mesh	5	90.00	450.00	450.00	409.09	40.91	450.00
concrete sundries	1	60.00	60.00	60.00	54.55	5.45	60.00
					19,130.00	1,913.00	21,043.00
Total							
					31,057.27	3,105.73	\$ 34,163.00

FINANCIAL & RESOURCE IMPLICATIONS

Nil.

Council does not own the asset and nor does it have funds set aside for community grants or the like which could provide financial assistance for this type of matter (should there be a request on Council).

Though not obligated, Council may be able to provide some grants assistance / guidance to the organisation owning the structure about possible grant funding opportunities which arise from time to time to replace the structure.

LEGAL IMPLICATIONS

No known implications from Council perspective.

RISK MANAGEMENT

Reduction of Council liability, risks and regulatory responsibilities.

RECOMMENDATION

That Council notes and receives the information provided in this report.

17 STAFF REPORTS - HUMAN SERVICES**17.1 ACTING EXECUTIVE MANAGER FINANCE AND HUMAN SERVICES**

Author: Acting Executive Manager Finance and Human Services

Attachments:

- 1 Internal Audit - Risk Management Maturity Scope 2021**
- 2 Internal Audit - Financial Statement Maturity Scope 2021**
- 3 Internal Audit - Probity and Contract Management Scope 2021**

PURPOSE (EXECUTIVE SUMMARY)

This report provides Council with an overview of the programs and projects tracking within the Finance and Human Services executive manager portfolio as at 31 October 2020. The report is at a high level and is not intended to duplicate matters that Program Managers will cover in their normal quarterly reports.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION**Facilities Management Program**

- The Facilities Manager and Bakery Manager have continued to develop the bakery business plan to review the program and look at options for sustainability, including a retail area and improve employment opportunities to learn a rewarding trade. This plan will be presented to Council detailing the sustainability of the bakery and the details of the service contribution to the community.
- Currently facilities management have focused on improving the accommodation standards by developing routine maintenance programs, and improving furnishings.
- Due to the high demand for Motel accommodation, an emphasis will be placed on completing business cases and feasibility for provision of additional cabins, and access to funding through grant opportunities.
- Staff housing availability and options is extremely limited at present for vacancy and upcoming recruitment being undertaken.

Finance Program

Finance has further advanced the introduction of the following four corporate systems. This will enable a uniform platform for the management of Council risks, project management, electronic timesheets, and improved monitoring of workshop and housing work programs.

- *Enterprise Risk Management (ERM) System* - Risks are an integral part of normal everyday life that is unavoidable. This module allows Council to take control of informed risks, which is part of good business practice, and accordingly analyse, control and mitigate these risks.
- Project Management Control (PMC) module provides a framework for the planning, organising, execution and management of all projects from inception to completion. PMC will provide oversight across all projects in the organisation and reports can be generated across all projects and actions taken as necessary. The PMC has been implemented and is operational. Currently 2020/2021 budgeted projects and grant application concepts are being entered within the PMC module for review.
- Deputy will provide the Mornington Shire Council with all of the key elements required to manage scheduling, timesheet management and report on timesheet costing, while reducing the administrative and human resource effort to perform this process. This will enable electronic timesheets interfaced with Xero Accounting Information System. This system will enable for Award conditions to be established for ready reference as timesheets are entered and available leave will be visible to the Supervisor upon approval.

- WorkGuru will provide management and staff with all the key elements required for job estimation/budgeting, job management, tracking and asset management, whilst reducing the manual data input and manipulation from the current practice for the Workshop. It is planned to introduce this initially with training to the Workshop when the new Workshop Manager is engaged. Subsequently it will be introduced to Housing Operations.

Information Technology & Communications (ICT) Program

- The ICT Infrastructure Rectification Project is progressing and equipment has been ordered, and shipment is scheduled to be despatched 23rd November 2020. Installation is continuing to be planned to be prior the end of year December 2020. This will improve the capacity and stability of the network for and between Council buildings including Administration Office, Tavern (Base Wi-Fi), Housing, Council chambers, training room, tavern, barge shed, stores, fuel station / workshop, airport, airport shed, technical services, and the bakery.
 - Total revised project budget - \$187,000 (Original Capital Budget - \$136,000)
 - Total costs to date - \$ 85,198
 - Current Commitments - \$85,198
- The managed IT services and support has been outsourced and Council continues to work positively under this new arrangement. There is still on-site work which is requiring resourcing.
- The record management project which incorporates SharePoint and AvePoint will be scoped and the development of this electronic record management system will commence following end of financial year work is completed. Burial and records have started being digitised.

Sport, Recreation & Events Program

- With the easing of the Covid-19 restrictions, the gymnasium has been opened. The provision of sanitisers and cleaning materials has been provided in line with advised operational guidelines to be as Covid-19 safe as possible.
- The oval lights have been set to be on overnight. As a result of this, the oval is increasingly being used and it is pleasing to see many people enjoying playing sports into the evening.

Workplace Health and Safety (WHS)

- The plan has been completed: WHS, Fire Safety, Food Safety and Rehabilitation Return to Work management plans and documents have been completed.
- The next scheduled visit is 30/11/2020 to 10/12/2020, and ABW Compliance Consultants Pty Ltd will provide a presentation to Council in the December 2020 ordinary Council meeting.
- There will be a Workplace Health and Safety Queensland (WHSQ) Safety Management System (SMS) Audit / Site Inspection from 30/11/2020 to 02/12/2020. The purpose of this audit is to gauge the effectiveness of Council's Safety Management System.

Economic Development

- Met with Community, Youth and Economic Development Manager of Aboriginal Development Benefits Trust (ADBT) - 27th October 2020 and identified local business opportunities for Mornington Island.

Grants

Finance has worked with Peak Services towards submitting grant applications as follows:

- Regional Connectivity Program – Commonwealth Government – Department of Infrastructure, Transport, Regional Development and Communications
 - A grant application has been submitted, and for the best outcome, Council has prepared a regional submission that includes Mornington Island, Doomadgee, and one other Council. This will enable a very strong submission and optimise cost savings. This grant will enable a significant improvement to the local Telstra Network Infrastructure expanding capacity.
- 2019-20 Resilience and Risk Reduction funding - State Government – Queensland Reconstruction Authority (QRRRF)– Mornington Island Radio Communications Network:
 - Currently Mornington Island does not have a radio network, the mobile network is unreliable and there are only six satellite phones on the island. The project seeks to implement a high-quality radio system to fill this gap and provide twenty handsets/mobile units. Key outcomes are improved:
 - disaster coordination and emergency response times;
 - ability to communicate with places of refuge and areas susceptible to tidal surge and flooding during disasters;
 - safety for disaster response workers; and faster recovery for community.
 - Council was successful in receiving grant funding through the QRRRF, and this project will commence shortly.
 - Planning and procurement is underway to complete this project.
 - Total project budget - \$117,095 Current Commitments - \$9,426
- Local Roads and Community Infrastructure Program – Commonwealth Government – Department of Infrastructure, Transport, Regional Development and Communications – Covid-19 Community led recovery infrastructure projects:
 - Sports Oval Playground – picnic shelter, table, eating and filtered water bubbler, re-open public amenities. Total project cost - \$62,418.
 - Gununa post office grounds – picnic shelter, table, seating and filtered water bubbler. Total project cost - \$57,000.
 - Basketball court playground – picnic shelter, table, seating and filtered water bubbler. Total project cost - \$57,000.
 - Council has been approved to complete the above projects under this program.
 - Procurement of water bubblers including artwork and shade structures is in progress.
 - Total project budget - \$176,418 Current Commitments - \$21,376
- Local Roads and Community Infrastructure Program – Commonwealth Government – Department of Infrastructure, Transport, Regional Development and Communications – Covid-19 Community led recovery infrastructure projects (extension 01/01/2021 to 31/12/2021):
 - Bus shelters, bus pull-over areas and seating. This will improve the accessibility of community facilities and areas. Total project cost - \$83,278.
 - Total project budget - \$83,278 Project Status – Not Started

- Solar Concept Design Study
 - Council wishes to install solar power systems on a number of Council buildings to reduce energy costs. In consultation with Ergon Energy, Council has been advised that they can install up to 120kVA of solar power generation in total across all sites.
 - The following sites have been identified as having the potential for the installation of solar power systems. This study will identify the most suitable sites which in total would provide a power generation of no more than 110kVA, to fit comfortably within Ergon's requirements of 120kVA maximum.

Description	Address	Annual KWh
Workshop	Djinka Street	177,482
Recreation Hall	292 Mission Road	174,426
Clearwater	Birri Road	90,160
SP270889	Mukakiya Street	57,285
Dam	Birri Road	50,670
SP270889	Mechanics workshop	50,405
Motel – 2nd Point	Mission Road	40,570
Workshop & service station	285 Kaiadilt Street	37,195
Council stores	Kaiadilt Street	35,410
Station B Sewerage pump	Wardirrkkan Street	31,240
Lot 282 Cemetery Road	282 Cemetery Road	30,409
Library	290 Mission Road	23,351
SP237463	Airport, Lardil Street	21,878

- The study will :
 - Conduct a visual assessment of the condition of the switchboard and cabling system for solar installation.
 - Conduct a visual inspection of the roof cladding condition and hold down of cladding.
 - Conduct a visual inspection of the roof cladding support systems from inside the roof cavity (where safely accessible)
 - Undertake meter readings, in order to determine typical day/night consumption.
 - Calculate estimated capital and whole of life costs and determine potential cost savings and return on investment at each of the sites above.
 - Identify Ergon requirements for a solar power connection at each of the sites above.
- Total project budget - \$13,200 Current Commitments - \$13,200

General Matters – Internal Audit

The internal audit program has been developed with internal auditors Grant Thornton, and planning for internal audit program is as follows:

- Risk maturity – Week commencing 7 - 11 December 2020 (completed remotely)
The objectives of this engagement are to:
 - Assess Council's fraud controls using the QAO Fraud and corruption control self-assessment tool (2015).
 - Assess Council's Enterprise Risk Maturity using the QAO risk management maturity model.
 - Review and recommend any necessary updates to Council's Fraud and Corruption Prevention Policy to ensure it meets contemporary standards.
 - Review Compliance with applicable legislative and regulatory requirements (Local Government Act 2009 and Local Government Regulation 2012).

- Financial management maturity – 14-18 December 2020 (completed remotely)
The objectives of this engagement are to:
 - Assess Council's financial statement maturity using the QAO financial statement preparation maturity self assessment tool.
 - Review and recommend any necessary improvements to Council's financial reporting processes to ensure the Council continues to deliver timely financial statements and strives towards achieving green traffic lights for quality and year-end processes.

- Probity and Contract management maturity – 19-22 January 2021 (on-site)
The objectives of this engagement are to:
 - to assess the adequacy and effectiveness of the MSC's contract management processes to ensure:
 - An appropriate contracts management policy and procedures are in place and adhered to.
 - Financial delegations are established and adhered to.
 - a formal tender process is in place and is adequate to ensure appropriate contractors are engaged.
 - Formal agreements have been established with both parties prior to contractors commencing.
 - Contracts are adequately understood, disseminated and monitored to ensure both parties are meeting expectations / requirements (including meeting expectations with regard to agreed budgets and timeframes).
 - Appropriate engagement of contractors to ensure MSC is obtaining value for money and the contractor has the required skills and experience for project delivery.
 - Quality review of project outcomes and deliverables.

 - Total project budget - \$41,250 Current Commitments - \$41,250

FINANCIAL & RESOURCE IMPLICATIONS

As outlined within the report

RECOMMENDATION

That Council receives and notes the information in this report.



Mornington Shire Council

Internal Audit scope – Risk Management Maturity

November 2020



Internal
Audit



Objectives & scope



Objective

The objectives of this engagement are to:

- Assess Council's fraud controls using the QAO Fraud and corruption control self-assessment tool (2015).
- Assess Council's Enterprise Risk Maturity using the QAO risk management maturity model.
- Review and recommend any necessary updates to Council's Fraud and Corruption Prevention Policy to ensure it meets contemporary standards.
- Assess compliance with applicable legislative and regulatory requirements (Local Government Act 2009 and Local Government Regulation 2012).

Period covered

This review covers the period 1 July 2020 to time of the review.



Scope

The scope of the review is as follows (but not limited to):

- The 6 attributes of the QAO risk management maturity model, namely:
 - Leadership
 - People and accountability
 - Process integration
 - Response
 - Monitoring
 - Achieving outcomes and innovation
- The 16 attributes of the QAO fraud and corruption control self-assessment tool, namely:
 - Fraud control strategy
 - Senior management commitment
 - Ethical framework
 - Fraud awareness
 - Fraud risk assessment
 - Internal controls
 - Line manager responsibility
 - Responsibility structures
 - Internal audit



- Employment screening
- Third party due diligence
- Fraud detection program
- Fraud reporting system
- Recovery
- Investigations
- Insurance
- Compliance with applicable legislative and regulatory requirements (Local Government Act 2009 and Local Government Regulation 2012)

Initial document request

To ensure the review can be performed in the most efficient manner, below is an initial list of documents required, for the audit period mentioned above:

- Access to MSC's risk register
- Relevant policies and procedures

Please note: The list above is not exhaustive and additional documentation may be requested during the review.

Approach



High-level activities

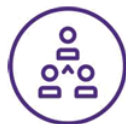
The review will be performed using the following approach in summary:

- Obtain detailed understanding of end to end process.
- Document key controls and verify the operation of the controls through walkthroughs and discussions with staff as necessary.
- Document a baseline assessment of risk management and fraud/corruption maturity.
- Develop recommendations for improvement.
- Consult with management about issues identified and recommended opportunities for improvement.
- Draft a report including baseline assessment of risk management and fraud/corruption maturity and issues identified and suggested action plans. Provide draft report to stakeholders for comment.



Deliverables

A final report will be provided detailing our assessment of risk management and fraud/corruption maturity including findings, business implications and recommendations. Management will be invited to provide management responses including agreed actions, responsibilities and timing.



Proposed team

- **Graham Coonan** – Partner
- **Edan Clark** – Senior Manager
- **Melissa McDonald** – Assistant Manager



Project timeline

The following is an indicative timeline for this review.

Stage	Date
Scope agreed	By November 2020
Commencement of fieldwork (remote)	7 December 2020
Exit meeting held to discuss observations outcomes of review	11 December 2020
Draft report provided to confirm factual accuracies and obtain management comments	No later than 31 January 2021
Report finalised	No later than February 2021

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Mornington Shire Council

**Internal Audit scope –
Financial Statement Maturity**

November 2020



Internal
Audit



Objectives & Scope



Objective

The objective of this engagement are to:

- Assess Council's financial statement maturity using the QAO financial statement preparation maturity self assessment tool.
- Review and recommend any necessary improvements to Council's financial reporting processes to ensure the Council continues to deliver timely financial statements and strives towards achieving green traffic lights for quality and year-end processes.



Scope

The scope of the review is as follows (but not limited to):

- The four components of the QAO financial statement preparation maturity self assessment tool, namely:
- Quality month end processes including reconciliations, reporting and internal quality controls.
- Early financial statement close processes including early close, stocktakes, asset valuation and audit committee involvement.
- Financial statement preparation processes including the use of technology, integration and data quality, staff skills, internal controls and tailoring of disclosures.
- Timely identification and resolution of financial reporting matters including identifying matters, performing an analysis and communication with the Audit Committee and external auditors



Period covered

This review cover the period 1 July 2020 to time of the review.

Initial document request

To ensure the review can be performed in the most efficient manner, below is an initial list of documents required, for the audit period mentioned above:

- Monthly financial reports presented to Council
- Relevant policies and procedures
- Month end reporting processes (if documented)

Please note: The list above is not exhaustive and additional documentation may be requested during the review.

Approach



High-level activities

The review will be performed using the following approach in summary:

- Obtain detailed understanding of end to end process.
- Document key controls and verify the operation of the controls through walkthroughs and discussions with staff as necessary.
- Document a baseline assessment of financial statement maturity.
- Develop recommendations for improvement.
- Consult with management about issues identified and recommended opportunities for improvement.
- Draft a report including baseline assessment of financial statement maturity and issues identified and suggested action plans. Provide draft report to stakeholders for comment.



Deliverables

A final report will be provided detailing our assessment of MSC’s financial statement maturity including findings, business implications and recommendations. Management will be invited to provide management responses including agreed actions, responsibilities and timing.



Proposed team

- **Graham Coonan** – Partner
- **Edan Clark** – Senior Manager
- **Melissa McDonald** – Assistant Manager



Project timeline

The following is an indicative timeline for this review.

Stage	Date
Scope agreed	By November 2020
Commencement of fieldwork (remote)	14 December 2020
Exit meeting held to discuss observations outcomes of review	18 December 2020
Draft report provided to confirm factual accuracies and obtain management comments	No later than 31 January 2021
Report finalised	No later than February 2020

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Mornington Shire Council

Internal Audit Scope – Probity and Contract Management

November 2020



Objectives & scope



Objective

The objective of this review is to assess the adequacy and effectiveness of the Mornington Shire Council's ("MSC") contract management processes to ensure:

- An appropriate contracts management policy and procedures are in place and adhered to.
- Financial delegations are established and adhered to.
- A formal tender process is in place and is adequate to ensure appropriate contractors are engaged.
- Formal agreements have been established with both parties prior to contractors commencing.
- Contracts are adequately understood, disseminated and monitored to ensure both parties are meeting expectations / requirements (including meeting expectations with regard to agreed budgets and timeframes).
- Appropriate engagement of contractors to ensure MSC is obtaining value for money and the contractor has the required skills and experience for project delivery.
- Quality review of project outcomes and deliverables.



Scope

The scope of the review is as follows (but not limited to):

- A review of relevant and applicable policies and procedures.
- Review of financial delegations.
- Review of processes for entering into contracts such as managed services, grants, leases and procurement of goods and services.
- Monitoring of contractors (including renewal and termination of contractors).
- Compliance with applicable legislative and regulatory requirements (i.e. Chapter 6 Local Government Regulation 2012) and Procurement Guidelines for QLD Government.
- Review of contract management mechanisms in place and contractual documentation.



Period covered

This review covers the period 1 July 2020 to time of the review.

Initial document request

To ensure the review can be performed in the most efficient manner, below is an initial list of documents required, for the audit period mentioned above:

- Register of contracts in place
- Relevant policies and procedures
- Financial delegations

Please note: The list above is not exhaustive and additional documentation may be requested during the review.

Approach



High-level activities

The review will be performed using the following approach in summary:

- Confirm the initial assessment of key risks and obtain detailed understanding of end to end process.
- Document key controls and agree with key stakeholders.
- Verify the operation of the controls through walkthroughs and discussions with staff as necessary.
- Develop recommendations for improvement.
- Consult with management about issues identified and recommended opportunities for improvement.
- Draft a report addressing issues identified and suggested action plans. Provide draft report to stakeholders for comment.



Deliverables

A final report detailing our findings, business implications and recommendations, management responses including agreed actions, responsibilities and timing will be delivered.



Proposed team

- **Graham Coonan** – Partner
- **Edan Clark** – Senior Manager
- **Melissa McDonald** – Assistant Manager
- **Aiden McConnel** – Senior Associate



Project timeline

The following is an indicative timeline for this review.

Stage	Date
Scope agreed	By November 2020
Commencement of fieldwork (on-site)	19 January 2021
Exit meeting held to discuss observations outcomes of review	29 January 2021
Draft report provided to confirm factual accuracies and obtain management comments	No later than 28 February 2021
Report finalised	No later than March 2021

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17.2 MORNINGTON ISLAND NEWSLETTER PUBLICATION

Author: Acting Executive Manager Finance and Human Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

This report is to update Council with the progress as to re-introducing a monthly newsletter publication for Mornington Island.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Mornington Shire Council historically had produced a newsletter for distribution to the Mornington Island community. It is proposed to re-introduce a monthly publication and an invitation has been extended to the community residents and service providers on the island to provide relevant material which may be of interest. The focus on the newsletter will be on important things happening in the community, culture, access to community services and the Council updates and information.

Suggestions as to the material we would welcome to place in the newsletter include:

- Upcoming events
- Local stories and news
- Condolences and notices
- Recent achievements
- Various notifications e.g. garage sales
- Photographs
- Latest fishing adventure or story 'on the one that got away'
- Public Notices for Service Providers
- Competitions e.g. name of newsletter (details in first edition), "Proud Yard" competition
- Introduction to council staff (i.e. small bio asking what they do, how long with Council, best part of the job)
- Articles from volunteer groups like SES, fire brigade with their objectives, need for volunteers.

Contributions and ideas will be greatly appreciated, and can be forwarded to the email address, newsletter@Mornington.qld.gov.au.

The newsletter is another medium available to engage with our community.

FINANCIAL & RESOURCE IMPLICATIONS

The production of the newsletter will be managed within resources available within current operating budgets.

RECOMMENDATION

That Council receives and notes the information in this report.

17.3 GUNUNA TOWNSHIP COMMUNITY BUS SERVICE

Author: Acting Executive Manager Finance and Human Services

Attachments: 1 Consultation Community Bus Service Flyer 16 November 2020

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to provide an update to the status of providing a Community Bus Service to the Gununa township on Mornington Island.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Council had historically provided a community bus service to the residents of Gununa township on Mornington Island. In recent public meetings, the re-instatement of this service has been requested by the community. Council has purchased a bus which is a fourteen seater, and also has wheelchair access.

The operation of this service will be guided by policy guidelines, and compliance with required statutory regulations. It is recommended that the driver position be contracted to minimise operational risk to Council, and a bus driver assistant be a Council employee.

Attached is a suggested bus schedule and bus routes. Council has received additional funding of \$83,278 under the Local Community Infrastructure Program which can be used for supplying bus shelters and seating.

The cost of the bus was \$38,182. Council has received generous contributions from the community businesses of \$18,181 towards the purchase of the bus. It is proposed that the service be provided free of charge for the community public service. Service providers have commenced requesting the use and service of the bus, and is expected that a fee will be quoted for these requested services.

The remaining actions to introduce the community bus service include:

- Develop traffic management plan including risk assessment
- Bus registration and insurance requirements
- Expression of interest – bus driver contractor
- Vacancy advertisement Bus Driver assistant
- Professional Bus Driver course for provision of public service
- Develop proposed bus route and timetable in conjunction with community consultation
- Roll out bus stop signage.
- Adopt updated fees and charges for provided bus service for commercial requests.

FINANCIAL & RESOURCE IMPLICATIONS

The provision of the community bus service is estimated to cost \$ 200,000 per annum.

RECOMMENDATION

That Council receives and notes the information in this report.

NEW INITIATIVE MORNINGTON COMMUNITY BUS SERVICE

COMMUNITY CONSULTATION

**MONDAY 16 November
10AM
@ the Festival Grounds**

Join us at the festival grounds for a community sausage sizzle & chat with your Council.

Come along and hear about the new Community Bus purchased by Council, and give us your ideas on how the bus service could be run.



FOR MORE INFORMATION GET IN TOUCH
+61 7 4745 7800
DEBORAH.WOOLFENDEN@MORNINGTON.QLD.GOV.AU

17.4 DONATION & SUPPLY TELEVISIONS - KUBA NATHA AGED PERSONS HOSTEL

Author: Acting Executive Manager Finance and Human Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to advise Council on the donation of televisions, set-top boxes and installation made to the residents of the Kuba Natha Aged Persons Hostel.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Council has provided a donation of six televisions and organised their installation in some of the rooms of the residents at Kuba Natha aged Persons Hostel. Recently it was identified six televisions which were surplus to the needs of Council could be donated to residents whom did not have a television in their private rooms. This enabled an improvement in the amenity of the hostel for these private rooms. Council had organised set-top boxes to be installed, and satellite linked for immediate use for the residents. Council appreciates the assistance provided by the staff of North and West Remote Health Limited to enable this project to progress and trust that this will bring enjoyment for the residents.

FINANCIAL & RESOURCE IMPLICATIONS

The cost of installation was \$2,500 (Excl-Gst), and the cost of Vast Satellite Boxes was \$1,861.86 (Excl-Gst). The community donation in total was \$ 4,361.86 (Excl-Gst).

RECOMMENDATION

That Council receives and notes the information in this report.

17.5 WORKPLACE HEALTH AND SAFETY RISK AUDIT AND COMPLIANCE REPORT - OCTOBER 2020

Author: Acting Executive Manager Finance and Human Services

Attachments: Nil

PURPOSE (EXECUTIVE SUMMARY)

The purpose of this report is to provide Council with an update on Workplace Health and Safety risks audit and compliance for the month of October 2020.

BACKGROUND & PREVIOUS COUNCIL CONSIDERATION

Mornington Shire Council is committed to providing a safe and healthy working environment for all workers, contractors and visitors to our workplace.

Council is also dedicated to achieving a high standard of health and safety performance and will strive to continuously improve the safety performance results in all of our operations through the implementation of a safety Management System aligned with the requirements of Occupational Health and Safety Management systems AS/NZS 4801 and ISO 45001.

Council will apply its best endeavour to comply with all relevant work health and safety legislation and related standards, codes of practice and industry guidelines. We establish clear objectives with measurable targets, and report on our performance against those targets at pre-determined intervals.

WHS documents under review:

- WHSQ Safety Management System (SMS) audit/site inspection(s)
- Reviewed current vehicle/equipment prestart checklist – recommend the current checklist be replaced with a simpler less complicated checklist for operators, an alternative has been sourced and an example provided for review to purchase.
- Pulse Risk Management Register - ongoing
- Risk assessments of all hazardous chemicals – ongoing
- Hazardous Chemicals and Safety Data Sheets register is completed and part of the Management plan, but ensuring SDS updating is an ongoing process

Hazard, incident, and risk reporting:*Hazard Reports – October*

- 4 Hazard reports received and added to the register and to be actioned

Incident reports received

- 2 Incident reports received for October
- 1 x vehicle damage
- 1 x barge operations near miss

Rehabilitation and Return to work:

- Nil claims for October
- 1 workers compensation claim ongoing

LTI Reports – October:

- Nil lost time to injuries

Safe Work Method Statements developed – October

- Nil requests

Objectives proposed for next attendance to Council

- Next visit scheduled **30/11/2020 – 10/12/2020**, focusing on the following tasks:

High Priority

- WHSQ Inspectors will be attending Council - Monday arrival 30/11/2020 – Departure Wednesday 2/12/2020.
- Liaise with WHSQ Inspectors during inspections, facilitate required meetings and assist with provision of documents and required evidence regarding audit.
- Discuss with CEO developing a waste management plan for the Council landfill as it considered high risk particularly environmentally
- Conduct WHS inspections of building projects underway
- Continue working towards Implementing online face to face WHS induction and training via Microsoft TEAMS

Priority

- Inspect the councils fire equipment to ensure Chubb Fire have serviced the equipment as per contract specifications (service to be conducted October/November)
- Conduct Fire safety training for new staff etc.
- Conduct Induction training for staff and contractors
- Conduct toolbox training sessions for technical services staff onsite
- Work from the technical services office to further develop and improve communications with technical services staff including onsite toolbox sessions
- Conduct site inspections and prestart meetings
- Continue the work on hazardous chemicals risk register and SDS updates
- Continue work on hazard inspections

Safety Management System (SMS) Audit (30/11/2020 to 02/12/2020)

- Workplace Health and Safety Queensland (WHSQ) are implementing a program of regional and remote council workplace comprehensive site inspections. The department is carrying out these proactive audits with Council Management and workers over the next twelve (12) months.
- The purpose of this SMS Audit is to gauge the effectiveness of Council's Safety Management Systems. This may be best achieved by Council management and workers assessing their individual SMS and then comparing the outcome(s) against Regulatory requirements. (e.g. site verifications).
- The process is in 2 parts. Part 1 is a desktop Audit performed by officers, management, line supervisors and workers of Council. Part 2 is a verification process performed by Office of Industrial Inspector(s).
- During the audit any identified WHS Legislative non-compliances may attract relevant Statutory Notices as per the Department's Management Enforcement Policy (CMEP). The accumulation of notices, if any, will be compared against the site verification components.

FINANCIAL & RESOURCE IMPLICATIONS

There are no financial and resource implications attached to this report or its recommendation.

RECOMMENDATION

That Council receives and notes the information in this report.

18 GENERAL BUSINESS**19 CONFIDENTIAL REPORTS****RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 275 of the Local Government Act 2009:

19.1 Procurement of a suitable second-hand Prime Mover for the purpose of heavy freight and plant transfer works

This report is CONFIDENTIAL in accordance with Section 254 J (3) (g) of the Local Government Regulation 2012, which provides for a local government to resolve that a meeting be closed to the public if its Councilor's consider it necessary to discuss (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;

19.2 Replacement of the Council's Construction Class Grader

This report is CONFIDENTIAL in accordance with Section 254 J (3) (g) of the Local Government Regulation 2012, which provides for a local government to resolve that a meeting be closed to the public if its Councilor's consider it necessary to discuss (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;

19.3 Gulf Lynx Dynamic Pty Ltd - Trading as Carpentaria Electrical

This report is CONFIDENTIAL in accordance with Section 254 J (3) (g) of the Local Government Regulation 2012, which provides for a local government to resolve that a meeting be closed to the public if its Councilor's consider it necessary to discuss (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;

20 NEXT MEETING

21 CLOSURE