



# FNQROC ANNUAL REPORT

2018/2019

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## Vision

- Sustainable Economic Growth and Development for Far North Queensland.

## Strategic Economic Goals

- Develop resilient transport infrastructure and connectivity;
- Provide reliable and affordable water and energy;
- Respect and manage our natural assets and environment;
- Develop equitable social infrastructure;
- Provide equitable communication network.

## Mission

- Advocate on behalf of, and foster cooperation and resource sharing between FNQROC members.

## Chair's Foreword

### Strategic Highlights

This financial year we were in full swing delivering on our Strategic Economic Priorities and Operational Plan. Some of our bigger projects, which provide the evidence for our advocacy, include:

- FNQ Regional Roads Investment Strategy;
- Mobile Communications Blackspot Audit;
- Regionally consistent Procurement and contract documentation;
- Development of a Wildlife Stewardship framework;
- Full internal review of the FNQROC Development Manual;

Kuranda Range Road has been identified as a critical piece of infrastructure impacting everyone in the region. Whilst Kuranda Range Road is a critical piece of infrastructure it is still only one piece of the puzzle and all the pieces are important and need support. [The FNQROC website](#) identifies all the pieces we need to drive sustainable economic growth and Development for Far North Queensland.

We also saw, for the first time three ROC's working collaboratively on a common issue to all of us; Belcarra Stage 2. I would like to thank North West Queensland ROC and North Queensland ROC for working so quickly with us and alongside us.

### Regional Procurement Highlights

The total combined savings and revenue raised for member councils through our regional procurement program was approximately \$1.4mil this financial year. This brings our total since we commenced in 2012/13 to in excess of \$11.3mil for member councils participating.

### Advocacy Efforts

We met 124 times with State and Federal Ministers, Shadow Ministers, Senators and local members. Did you know, in total we walked over 50km to attend these meetings with the majority walked in Canberra!



Figure 1 - Mayors meeting with Prime Minister (2019)

As a result of these meetings a number of projects in the region were funded, sometimes just because the conversation was had. Our bigger ticket items will take longer, however the issues are now on the table and the evidence has been provided to support investment in this region.



Figure 2 - Mayors meeting with Leader of the Opposition (2018)

FNQROC was also represented on 20 external boards and we lodged eight submissions related to a wide range of issues with an impact on councils in the region.

# Mayors in concerted cash push

NICK DALTON

THE Far North's mayors have told the nation's leaders in Canberra that they refused to be "passengers" on behalf of their residents.



Seven mayors and three chief executives are in Canberra as part of a Far North Queensland Regional of Councils (FNQROC) delegation to deliver a pre-election wish list.

FNQROC chairman Tom Gilmore said the delegation met Prime Minister Scott Morrison (above) and more than 20 elected members and nine policy advisers "to remind them of who we are, who we represent and advocate for the agreed priorities for the region that are important for growth," he said.

"With an election poised for May, this is the most effective way of engaging all our members in a short time frame to get our collective messages across to both sides of parliament," he said.

"As remote local government areas in Australia, we are determined to no longer simply be passengers in representing the people and we will continue robust dialogue with government and the opposition well into the future."

Their election priorities include the upgrade of the Kuranda Range road and water security.

Figure 3 - Cairns Post 14 Feb 2019



Figure 4 - Mayors meeting with Premier (2019)

It was an extremely busy year and I am proud of how all our councils have benefited and grown as a result of our delegations to Canberra and Brisbane.



Figure 5- Mayors meeting with State Opposition Leader and Shadow Ministers

I would particularly like to thank my Mayoral colleagues, without their support and commitment we would not be the organisation we are today.

I would also like to thank all member council staff involved in our Technical Committees, which provide advice to us and work with the FNQROC team to deliver regional projects.

Finally, the staff at FNQROC again have enabled the organisation to lift and grow further. There is no problem they are afraid to tackle.

**Cr Tom Gilmore**  
**CHAIR**



## Executive Officer

I am again honoured to continue as the Executive Officer of FNQROC as the Board continue to achieve new levels of collaborative advocacy. It has been exciting to invest in some strategic planning and auditing to support these efforts of the Board.

FNQROC has been around a few years and for some we are business as usual, I think we can tend to forget or not acknowledge the innovative work council staff collectively with FNQROC undertake. I know I see it as a normal day in the office but we do not just scratch the surface with our projects, we delve into them, identify all the issues of concern and then develop a solution, which is holistic and long term. If an issue were simple to fix it would not be on our desk! This work could not happen without the tenacity of FNQROC staff and council officers engaged and participating, a big thank you from me!

Our 2018/19 deliverables are highlighted in Table 1. It has been a busy year with some emerging issues (Belcarra Stage 2, negotiations on the RRIS and others) which have taken some time away from us; there are four projects, which have commenced and due for completion by the end of 2019.

There are three projects which have not commenced, namely the Annual FNQROC Forum (which is really important, but we didn't realise how much time our State and Federal delegations would take), the development of a Regional Video to showcase the region (it was identified that another organisation was going to deliver this and we didn't want to duplicate projects) and the Broadband Blackspot scope developed. All three of these will be progressed in the near future.

What we have achieved as a small team is still phenomenal. Regional consistent contract and procurement documentation and training across thirteen councils is extraordinary. This project sets the scene for future regional initiatives going forward.

The process reminded me of the Regional Development Manual which commenced in 2004.

Negotiating and defining the scope of our **Regional Roads Investment Strategy (RRIS)** was again a process, which required innovative thinking, patience and persistence. We are now eagerly awaiting the strategy to substantiate our advocacy efforts.

We always wince when we get one-sentence directions from the Board – the less words there are the more complex the problem and development of a solution, thus is born the **FNQROC Regional Animal Management and Wildlife Stewardship Framework**. This is a collection of complex issues all bundled into one. We have pulled it apart, chunked it down and are tackling bite-sized pieces. The enthusiasm from staff make it an exciting project to drive.

As always, I love getting out into the region for our Western Councils Forum to focus attention on specific areas. Carpentaria, Croydon and Etheridge council areas are some of my favourites. I continue to learn so much every time I go out there.



Figure 6 - Western Councils meeting in Croydon

Supporting the Board in their advocacy efforts has also required expertise we have not had to use before. The coordination of agenda items, the constant phone calls, the juggling of meetings, booking flights and accommodation, and organising events in Canberra and Brisbane is a serene process...NOT! We are however becoming well practiced and in a rhythm now.

Getting us all to Canberra and Brisbane is not the end of it. It is non-stop from the time we land until the time we have the last meeting and race to the airport.



Figure 7 - Cassowary, Cook and Tablelands Mayors on their return to Cairns

Not only that, everywhere we go we have to go as a group, things can get a little squishy!

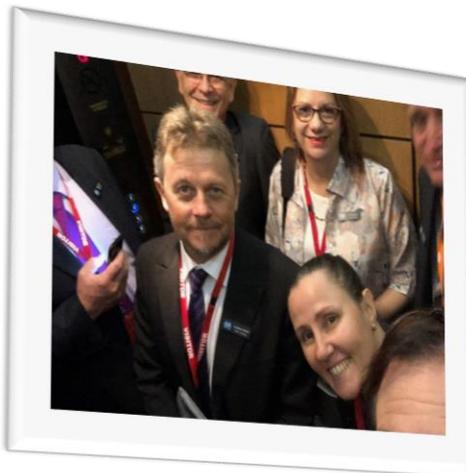


Figure 8 - Squishy in elevators



Figure 9 - Squishy in cars

Finally, some 2018/19 Regional Procurement quick facts:

- 876,000m<sup>2</sup> of bitumen sprayed over 83 days;
- 2.624 million litres of Sodium Hypochlorite;
- 983,805 litres of Liquid Alum
- 9,500 tonnes of ferrous scrap metal
- 150 tonnes of Used Lead Acid Batteries
- 33,100 tonnes of biosolids collected with 97% beneficially reused.

Overall, it has been an exciting year for FNQROC and I look forward to what the future will bring.

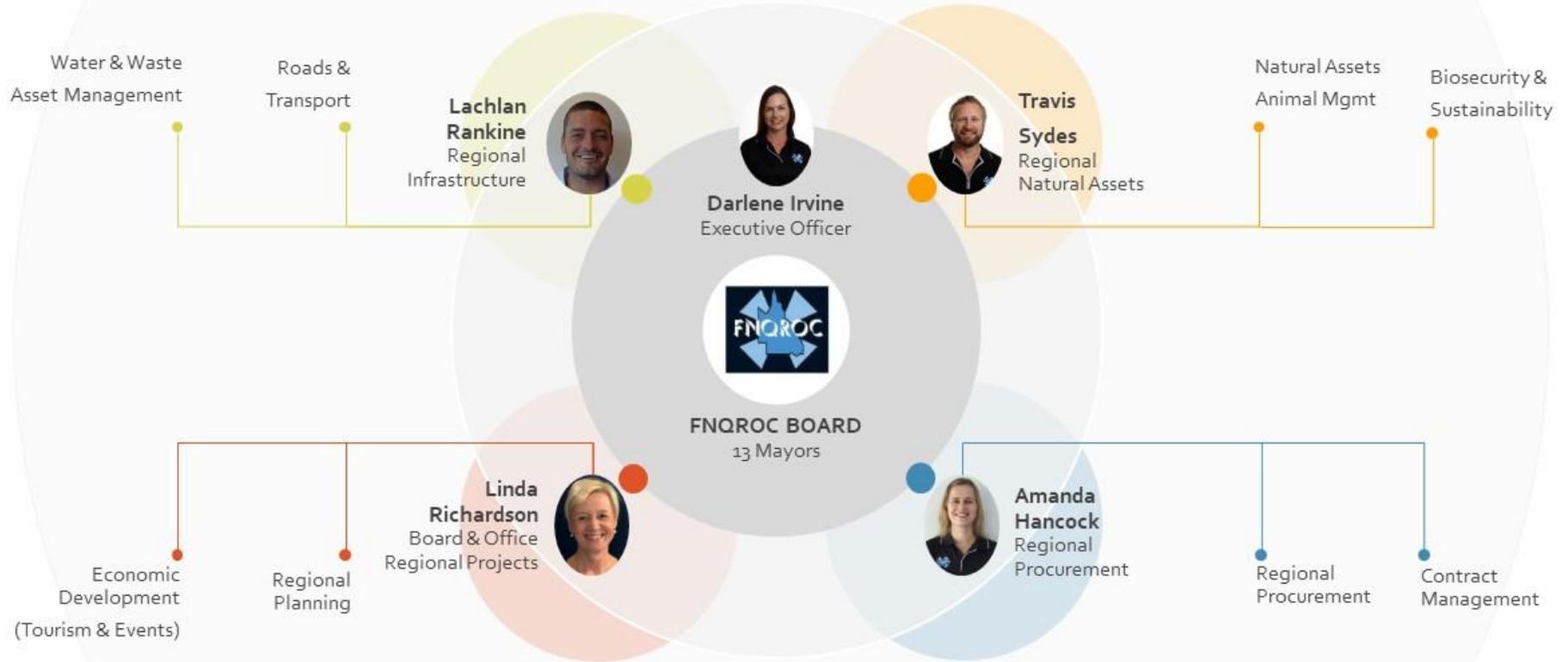
**Darlene Irvine**  
Executive Officer



Table 1 2018/2019 Operational Deliverables

Deliverables	Timeline	Achieved
1. FNQROC Mayoral delegations to State and Federal Governments	Annually, 2 x State, 2 x Federal	
2. Submit State and Federal budget submissions	Annually	
3. Continued Operations of FNQROC	Annually	
4. Submission on new and changing legislation affecting the region	As required	
5. Maintain currency of Strategic Opportunities document	Quarterly	
6. Development of regional video to showcase the region	December 2018	
7. Development of a Regional Road Investment Strategy	June 2019	
8. Define the scope of social infrastructure goal for FNQROC and collect baseline data	December 2018	
9. Mobile communication gaps identified	June 2019	
10. Broadband black spot scope developed	June 2019	
11. Full review of FNQROC development manual	Mid 2019	
12. Annual FNQROC Forum	Oct/Dec Annually	
13. Contract management of regional arrangements	Ongoing	
14. Western Council forums	Quarterly	
15. Continue existing technical committees	Ongoing	
16. Implementation of FNQROC Regional Animal Management & Wildlife Stewardship Policy	June 2019	
17. Develop FNQ Regional Weed Spread Prevention Network	2018 – 2021	
18. Implement the Tramp Ant Response Plan	December 2019	
19. Regionally consistent contract and procurement documentation	June 2019	

# FNQROC Organisation Chart - 2019



## **FNQROC Strategic Economic Priorities**

The thirteen Councils in Far North Queensland see an opportunity to capitalise on the Federal and State Governments focus on northern Australia and in particular northern Queensland. Our emphasis is on utilising existing assets, identifying our gaps and working collaboratively to support sustainable economic growth and development for Far North Queensland.

The full transcript of the **FNQROC 5 Strategic Goals** can be located on the [FNQROC website](#).

### **Transport**

History tells us that investment in transport infrastructure is a vital precursor to the economic growth and development of a region and the nation. Until this investment is made the FNQ region will fail to deliver on its vast potential. Resilient transport infrastructure to ensure connectivity across the region is essential; the current situation however is far from satisfactory and the state of the roads and ports is an inhibitor to further exploit the vast untapped potential that FNQ offers.

### **Water and Energy**

Reliable and affordable water and energy is also essential for the FNQ region if it is to have sustainable economic growth and development. COAG policies including Northern Australia White Paper, Regionalisation, Asian Market Access and Indigenous Advancement have identified the strategic importance of FNQ to economic and social development. FNQ has seasonal over and under water supply, bulk storage and control via new and enlarged dams is a key solution and offers the collateral benefits of hydroelectric power, tourism and lifestyle opportunities.

### **Environment**

Our region's world-renowned natural assets, natural resources and environment are key

factors in the economic success of the region. The region includes two World Heritage listed areas, the rainforests of the Wet Tropics and the reefs and waters of the Great Barrier Reef (GBR). To the west, we have the Gulf Rivers Strategic Environment areas.

The economic success of our natural assets is evidenced by the growth in our largest industry, tourism, which is valued at over \$3.1 billion dollars. This is in addition to the contributions from the region's growing global reputation in primary industries, education, health, marine and aviation.

By deploying a combination of strategies to protect natural assets the region will be able to prosper and grow.

### **Social Infrastructure**

There is universal agreement that strong, resilient and healthy individuals, families and community play a vital role in building the ongoing prosperity, wellbeing and economic development of a region. It has been demonstrated that long-term economic growth in the regions occurs through investment in human capital development.

### **Communication**

An equitable communication network for the region is essential if FNQ is to have sustainable growth and development. The size of FNQ means we are reliant on our communication networks whether this is mobile, broadband, fixed Wi-Fi or satellite. To be competitive in current marketplaces (national and international) and drive increased productivity and access to greater economic opportunities through a global marketplace our communication network is essential. FNQ has vast untapped potential for the development of an array of 'Agri Business', tropical expertise and tourism products which can be exported from the region. An equitable communication network will also support efficient and effective employment, government service delivery, education, health, workplace health & safety and social wellbeing.

# FNQROC Operational Advocacy

## State and Federal Delegations

We met 124 times with State and Federal Ministers, Shadow Ministers, Senators and local members:

### 24 – 27 July 2018 (State)

- 13 Ministers and Shadow Ministers (Introductory meetings)

### 18 – 20 September 2018 (Federal)

- 37 Ministers, Shadow Ministers and Senators. (Introductory meetings)

### 16 – 18 October 2018 (State)

- 19 Ministers and Shadow Ministers + Local members + workshop re electoral reform and future amendments and Regional Arts Services Network.

### 12 – 14 February 2019 (Federal)

- 25 Ministers, Shadow Ministers and Senators

### 14 – 15 May 2019 (State)

- 18 Ministers and Shadow Ministers + Local members

## In region Advocacy Meetings

### Ministers, Senators and Local MPs

- Senator Anthony Chisholm, Senator for Queensland
- Senator Pat Dodson, Chair of Joint Select Committee on Constitutional Recognition re ATSI
- Hon Warren Entsch MP, Member for Leichhardt
- Hon Craig Crawford MP, Minister for Fire & Emergency Services / Member for Barron River
- Mr. Michael Healy MP, Member for Cairns

### Shadow Ministers

- Hon Richard Marles MP, Shadow Minister for Defence

- Dr Christian Rowan MP, Shadow Minister for Communities, Disability Services, ATSI & Arts
- Mr. Michael Hart MP, Shadow Minister for Housing & Public Works, Energy & Digital
- Hon Linda Burnie MP, Shadow Minister for Human Services

## Submissions:

1. Senate Inquiry – Impacts of feral pigs, deer and goats
2. Kuranda Range Road (Federal and State)
3. Gilbert River Irrigation Project (Federal)
4. Safer Waterways Bill 2018 – Innovation, Tourism Development and Environment Committee – Submission and Parliamentary Committee hearing
5. End of Waste Code
6. 2018/19 Federal Budget
7. FNQ Regional Transport Plan
8. LG Electoral (Implementing Belcarra Stage 2) and Other Legislation Amendment Bill 2019

## External Boards and Working Groups

- LGAQ Policy Executive (Cr Manning)
- Inland Queensland Roads Action Plan (IQ-RAP) (Cr Gilmore)
- Reef Urban Storm Water Management Implementation Group (RUSMIG) (T Sydes)
- Wet Tropics Healthy Waterways Partnership (T Sydes)
- Weed Society Queensland Executive (President) (T Sydes)
- Panama TR4 Regional Working Group (T Sydes)

- Regional Managers' Coordination Network (D Irvine)
- Wet Tropics Healthy Waterways Technical Working Group (T Sydes)
- State Oversight Group – Land Protection Fund Co-investment model (T Sydes)
- Biosecurity Act Regulations Reference Group (LGAQ/BQ) (T Sydes)
- National Tropical Weeds Management Committee (T Sydes)
- Natural Resources and Environment Sub – Committee (T Sydes)
- LGAQ Roads & Transport Advisory Group (D Irvine)
- Local Authority Waste Management Advisory Council (LAWMAC) (L Rankine)
- GBR Wetlands Network (DES) – LG representative (T Sydes)
- Yellow Crazy Ant Reference Group (T Sydes)
- FNQ Trade and Investment Group (L Richardson)
- TTNQ Regional Tourism (L Richardson)
- Agricultural Supply Chain Study (D Irvine)
- Savannah Way Ltd (D Irvine)

## Presentations made to FNQROC Board and Technical Committees

- Cummings Economics re NDRRA
- CCRC re Art Deco Tourism
- WTMA re the DRAFT Wet Tropics Management Plan Update
- Arts Queensland re Regional Art Services Network (RASN)
- State Recovery Coordinator re QCA recovery x 2
- Telstra re Hackathon
- DITID re Adventure and Nature based Tourism in TNQ
- Queensland Integrity Commissioner and Independent Assessor
- Dept. Environment and Science re FNQ Waste Infrastructure Plan
- Dept. Environment and Science re Waste Levy
- QTC re Waste Implementation Plans
- DTMR re Draft FNQ Regional Transport Plan
- DRAFT State Recovery Plan for the Monsoon Trough Disaster
- Co-Chair of Qld Reconciliation Council

## Training

FNQROC arranged the following training:

- Contract & Procurement Documents
- Construction Workshops
- Water Symposium
- Heavy Vehicle Portal Workshop
- Economy ID Training
- Chain of Responsibility training

# Procurement Coordinator - Operational Report

## Program Introduction

The Procurement Coordinator role is now in its eighth year and funded by the contributions of member Councils made on the following basis:

Cairns, Cassowary, Cook, Douglas, Mareeba and Tablelands contribute \$25,000 annually; this amount being less than previously identified savings per Council.

The remaining Councils contribute 20% of savings made through their involvement in FNQROC procurement activities.

The FNQROC mandate for procurement is:

- Where there exists limited supply for a product and/or service, and/or
- Where member Councils are competing against each other for the same goods and/or services;
- Where products or services could be scheduled to provide an improved service delivery;
- Where member Councils would benefit from the sharing of knowledge and collaboration.

## 2018/19 Review

Collective procurement arrangements continue to represent the mainstay of the FNQROC procurement activity. These arrangements enable participating member Councils to achieve economies of scale on pricing and eliminate risk for individual Councils competing against one another for limited supplier resources. They often also involve a commitment from the supplier to ensure works are completed to agreed timeframes. Whilst there are a number of Councils involved in the collective procurement arrangements, each Council forms a Contract with the supplier. The

delivery of the contract is administered by FNQROC.

The FNQROC Contract Process Guide – Regional Procurement Contracts was recently adopted by the Board and can be accessed via the [FNQROC website/Procurement](#).

## Existing Arrangements

### Regional Bitumen Reseal

The sixth annual Bitumen Reseal Program was successfully delivered with six member councils participating. Whilst the overall program was smaller than in prior years, there was still over 876,000m<sup>2</sup> of road requiring just under 1.5 million litres of bitumen sprayed over 83 days.

All works were completed before the end of the financial year, despite a longer than average wet season. Councils involved in this arrangement also benefit from the appointment of a qualified and experienced Program Coordinator to oversee delivery of the program.

### Regional Water Chemicals – Supply & Delivery

The contracts for the supply and delivery of Sodium Hypochlorite and Liquid Alum, the most commonly used chemicals by both Water and Wastewater areas of councils, have been made under a collective procurement arrangement since 2012. Eleven member councils now participate in this arrangement, which not only continues to offer good value for money but also the added benefit of centralised contracts management provided by FNQROC.

### Collection & Disposal of Ferrous Metal & Used Lead Acid Batteries (ULABs)

This arrangement has been in place since 2015 involving eleven member councils. The intent of the arrangement is that ferrous metal and ULAB (predominantly car battery) stockpiles are managed at acceptable levels and Councils receive a fair and certain value for the materials. The contracts are based on a

supplier led collection schedule and pricing linked to metal markets. Over 9,500 tonnes of ferrous metal and 150 tonnes of ULABs was collected throughout the region during the year together with a further 105 tonnes of non-ferrous metal. Although not party to the arrangement, following negotiations with the contractor by FNQROC, Carpentaria Shire Council as an FNQROC member council, received a baler service in both Normanton and Karumba in November 2018. Sims Metal Management made the 1,500 kilometer round trip, with baler and excavator in tow, to bale and then arrange to transport nearly 600 tonnes of scrap metal back to Brisbane. This collection of scrap metal not only resulted in the long-awaited clean-up of both sites but also generated \$25,000 in additional revenue to Carpentaria Shire Council.

### **Removal and Beneficial Reuse of Biosolids**

Biosolids are treated sewerage sludge and the major by-product of the waste water treatment process. When treated and managed appropriately they can be beneficially used for a number of purposes. Many member Councils Waste Water treatment plants produce biosolids that currently meet the stabilisation criteria required for beneficial reuse. The collective arrangement focuses on streamlined pricing and on ensuring consistent contract terms are provided across the region in order to achieve efficiency benefits to both supplier and Councils alike. Seven member councils participate in this arrangement.

In late December 2018, the End of Waste Code replaced the existing beneficial reuse arrangements and legislative requirements when the existing approvals expired. There were a number of implications to councils as a result of the proposed Code, regarding storage, transportation and testing. The situation was further compounded by the fact that the Code was developed at the same time as the review of national standards on PFAS/PFOS. FNQROC made a submission to the Department of Environment & Science on

behalf of councils and the Department has recently issued proposed updates to the Code. Whilst the matter remains ongoing, FNQROC will continue to liaise with the contractor, member councils and the regulator to ensure councils interests are protected as much as possible in this space.

## **New Arrangements in 2018**

### **Regional Sewer Relining**

There has been an appetite in the region for some-time regarding the development of a Regional Sewer Relining arrangement. There are six councils interested in participating and a project committee has been formed. The first meeting has taken place and we are now in the process of undertaking supplier engagement and gathering data in order to understand what opportunities might be available.

Sewer relining involves not only the actual relining but also identifying and accessing manholes, liaising with property owners, arranging traffic control, managing flow-control and other appropriate by-pass methods together with viewing copious amounts of pre and post-works CCTV all of which makes for quite a complex and time-consuming process for both councils and suppliers. Sewer relining certainly appears to fit many of the criteria we use to establish if an arrangement might benefit from a regional approach and work will continue in the new financial year on the development of this arrangement.

### **Regional Contract & Procurement Documentation**

The development of regionally consistent contract and procurement documentation is the first of a series of procurement projects endorsed by the Board as part of the Strategic Operational Plan. The project is part funded by the State-wide Capability Development Fund following a funding application submitted by the Far North Queensland Regional Road and Transport Group (RRTG) and will deliver a comprehensive suite of contract and procurement documents to all FNQROC

councils. The suites have been developed by Mr. Gerard Meade of Helix Legal in conjunction with Cairns Regional Council and will ensure that Councils have easy access to a range of documents that balance protection with the need for commerciality and practicality. The documents are intended to be fair and reasonable, in simple plain English and easy to understand.

Introductory training sessions followed by more detailed workshops focusing on Construction contract management and procurement have been rolled out across the region, partially funded by the Queensland Water Alliance Bid Pool Funding.

The following suites are now available via the FNQROC website:

- Expression of Interest (EOI) – Request for Tender (RFT) (Response Schedules to follow)
- AS400 Construct Only
- AS4906 Design & Construct
- Pro Forma Notices - Construct & Design & Construct
- AS4906 Minor Works
- Pro Forma Notices – Minor Works

Each suite, with the exception of the EOI, include the following documents:

- Advert
- Request for Quote (RFQ) – Very Short
- RFT – Short & Long Form
- General Specification
- Specification Checklist
- Notice of successful & unsuccessful tender
- Document Change Register – to record contract amendments following post-tender negotiations
- Letter enclosing executed Contract
- Contract

All thirteen FNQROC member councils are participating in this arrangement and council officers are encouraged to make use of the documentation and to provide feedback on what works well or perhaps not so well. The project is intended to be one of continuous improvement so it is important that feedback is captured and actioned accordingly. In the meantime, work is continuing to finalise the various Goods & Services documents, Probity and Evaluation Documents and the full Implementation Guide.

## Regional Procurement Advisory Committee

The Regional Procurement Advisory Committee operate under the consistent objective of all FNQ Advisory Committees:

- Building & Maintaining Partnerships
- Sharing Information
- Identifying and/or facilitating training and skill development
- Identifying emerging and future issues and opportunities
- Advising FNQROC Board on policy and procedures
- Engaging external parties such as LGAQ, State & Federal Government, Suppliers, etc.

The Terms of Reference for the Procurement Advisory Committee were recently adopted by the Board and can be found on the [FNQROC website/Procurement](#).

# Strategic Infrastructure Coordinator - Operational Report

## Regional Road and Transport Group (RRTG)

### Membership

- Cairns Regional Council
- Cassowary Coast Regional Council
- Cook Shire Council
- Croydon Shire Council
- Douglas Shire Council
- Etheridge Shire Council
- Mareeba Shire Council
- Tablelands Regional Council
- Wujal Wujal Aboriginal Shire Council
- Yarrabah Aboriginal Shire Council
- Department of Transport and Main Roads (Far North Region)

### Positions

Table 2 - FNQ RRTG Executive

<b>RRTG Chair</b>	Cr Peter Scott (CSC)
<b>RRTG Deputy Chair</b>	Cr Tom Gilmore (MSC)
<b>Technical Committee Chair</b>	Ashley Greenwood (TRC)
<b>Technical Committee Deputy Chair</b>	Michael Ringer (CRC)
<b>Technical Coordinator</b>	Lachlan Rankine (FNQROC)
<b>RTAPT Representatives</b>	Arron Hieatt (LGAQ) Scott Britton (LGAQ) Jo Lencz (TMR)

### Summary

The 2018/19 State TIDS budget was \$5,791,150 (inclusive of the annual allocations to Wujal Wujal and Yarrabah). The co-contribution amount to this was Federal \$7,560,000 and Local government \$8,831,630. It is noted that an additional TMR grant of \$80,000 was also

awarded to Yarrabah for a series of minor projects. Throughout Q3, a number of projects identified savings, requiring redistribution, advancement and subsequent adjustment to some projects spread over two financial years to ensure expenditure.

Through thirty projects, the FNQ RRTG expended 100% of the 2018/19 TIDS program budget. The Technical Committee acknowledged a number of opportunities for process improvement to ensure expenditure, and through the RRTG meeting of the 12<sup>th</sup> August, implemented the following additional under expenditure minimization measures:

- Projects scheduled for construction commencement from March to June of the current financial year are to be rolled over to the next financial year.
- Providing the RRTG TC with the delegated authority to reallocate (from savings) up to 10% of a project cost for overruns provided the project scope is consistent with the project approved by the RRTG.

### Operational

Regular and planned meetings ensure FNQRRTG operations are a “business-as-usual” activity for members and not neglected.

- The FNQRRTG met three (3) times in 2018/19 in Cairns, with the remainder of the action items dealt with via flying minute, of which there were 3.
- The FNQ RRTG TC met five (5) times in 2018/19:
  - Cairns (3)
  - Tablelands (1)
  - Cassowary Coast (1)
- Ongoing support and development of the Far North Queensland Regional Road Investment Strategy, with expected completion within the 19/20 Financial Year.
- Commencement of Beef Roads Package of works. Completion of

\$1,320,000 Ootann Road Sealing Works (78.2 - 80.2km), Commencement of the remaining \$3,800,000 portion of works (86.6 - 91km) funded over the 18/19 & 19/20 FY.

- Completion Regional set of Contract and Procurement Documents, and delivery of a regional training program associated with these documents. Both programs received 50% funding.
- Numerous letters of support written for funding applications
- Worked with the National Heavy Vehicle Regulator regarding the implementation the National Access Permit Portal and the Chain of Responsibility Laws
- Reviewed the Capability Agreement & Action Plan (CAAP), which sets out the RRTG's activities and actions required in order to improve its capability under the four key Road Alliance functions plus operational effectiveness.

All reference documents, forms, policies, factsheets, etc. pertaining to the Alliance and FNQ RRTG are available on the FNQROC website via the following link: <http://www.fnqroc.qld.gov.au/regional-programs/fnq-regional-road-group>



Figure 10 Ootann Road - Photo Credit: Travis Sydes

## FNQRRTG LRRS Network

A number of roads were added to the LRRS network:

- Dixie Road – Strategic connection (Karumba to PDR)
- Strathmore Road – Access to significant regional agricultural development area
- Goondie Mill Road – Access to industrial precinct
- Clifford Road – Access to industrial precinct
- Ann Road – Access to industrial precinct

## Asset Management

### Program Introduction

Councils control and manage infrastructure assets that are largely unique to the public sector. These infrastructure assets include roads, bridges, footpaths, water reticulation and sewerage assets, which generally have very long useful lives and can only be used for providing local government services. In the region, our road assets total approximately \$4billion and our water assets approximately \$2billion. The costs associated with the maintenance, depreciation and replacement of these assets form a material part of Council's annual expenditure and long term financial forecasts. The principal document for the FNQ Regional Asset Management Group (RAMG) since 2007 has been the FNQ Regional Asset Management Strategy (Infrastructure Asset Management and Service Delivery). This document was last reviewed by the FNQROC Board in March 2010.

Objectives of the RAMG are to share knowledge and experience held within the region to enable councils to enhance their Asset Management capabilities which further assists councils with their:

- Asset management framework and processes
- Long Term Financial Sustainability
- Meeting regulatory requirements
- Key challenges, summarised as (but not limited to):
  - The financial pressure of increasing costs and increasing expectations balanced against the communities' capacity to pay
  - Identification of asset risk exposure to an acceptable level
  - External factors such as population change (positive and negative)
  - changes in asset utilization as a result of above

- Climatic events
- Increasing Asset Base; and
- Diminishing funding assistance

### Operational

The Regional Asset Management Group (RAMG) held three meetings during the 2018/19 financial year, within those meetings the have developed the following focus areas:

- Traditional Asset Management:
  - Existing Asset Depreciation / Utilisation/Renewal and/or disposal
  - Tracking and management of existing assets
- Future Assets:
  - More accurate planning of future road and community service infrastructure assets
- Development of a working forum to resolve issues, as a result of a number of councils adopting end-to-end asset management software.
- Submissions for funding for upskilling of Asset management staff within the region.
- Development of an open discussion forum to facilitate knowledge and idea sharing;
- Development of a regional revaluation calendar to provide better opportunities for joint procurement, resource planning and development of improved regional knowledge and approach to revaluations, also providing support for:
  - Third party audits / negotiations with consultants
  - Improved staff knowledge bases through training opportunities
  - Unit rate methodologies and benchmarking

- Regional benchmarking, networking and professional development
- Third party audits / negotiations with consultants
- Levels of Service, acceptable levels of risk and
- Maintaining the Useful life database.

## Waste Management

### Program Introduction

Far North Queensland faces a unique set of challenges in delivering cost effective and sustainable waste services. Considering the region's two World Heritage listed areas (Wet Tropics and the Great Barrier Reef) those challenges can vary significantly from one council to the next.

All councils in the region struggle with issues such as access to secondary markets, transport costs, and the increasing costs and difficulties in developing new waste infrastructure. This all impacts on council's ability to achieve strategic ambitions and deliver and operate viable networks of resource recovery facilities.

The Regional Waste Management Group (RWMG) comprising of members of FNQROC was first established in 2004 to undertake a regional Waste Management Strategy (excluding Cairns, Douglas and Mareeba). It was re-established in 2013 to consider opportunities in terms of regional waste management and resource recovery solutions. Members have worked together in a cooperative, coordinated and proactive manner, engaging with the State and other stakeholders concerning development of the waste industry in Far North Queensland.

Following the submissions made by the FNQROC to State Government, detailing concerns related to the methodology and manner in which the state proposed to implement the waste levy, 1 July 2019 saw the introduction of a waste levy, concurrent with a

ban on single use plastic bags. Earlier in the year on the 1<sup>st</sup> November 2018, the region also saw the implementation of the container refund scheme (CRS). The above were largely introduced without incident, however it is expected that the full impacts (such as levy/non-levy inter Local Government Area transfer of wastes) will present over a longer period, of which the RWMG continues to monitor.

On the principal level, in moving towards these goals, the RWMG seek to develop in:

- Reducing regional waste streams;
- Increasing regional recycling and reuse;
- Maintain existing and further develop Joint Procurement and Resource Sharing (JPRS) collaboration;
- Promote the region through regional advocacy and inter-government relations with State and Federal agencies with roles in waste and waste regulation;
- Provide a forum for members to be aware of new technology and techniques.

General meetings are held quarterly. Representatives from the Department of Environment and Heritage Protection regularly attend the regional meetings.

### Operational

- The Regional Waste Management Group (RWMG) held three meetings in 2018/19 with consultation with the Department of Environment and Science (DES).
- Undertook significant consultation with the Department of Environment and Science regarding the State Government Draft Far North Queensland Waste Infrastructure Plan. The report provides the foundations for State and National waste and assists the region in gaining relevant support from these levels of

government. The strategic objectives being:

1. Local Economic Development
  2. Planning for the 'right infrastructure at the right time'
  3. Protecting essential waste infrastructure,
  4. Coordinated regionally efficient waste systems
- The region provided in principle support of the draft plan, subject to review on completion of the report and consideration of the following:
    1. Defining short, medium and long term objectives within the plan
    2. Supporting Springmount Landfill as a regional (privately owned) disposal facility is of concern as it potentially puts the region in a vulnerable situation;
    3. The State government does not abdicate its responsibility to financially support these actions; particularly those requiring investigation and regional collaboration
  - Maintained open communication with the broader Local Authorities Waste Management Advisory (LAWMAC - nineteen North Queensland Local Government Councils) group.
  - Considered impacts and opportunities of the Container Refund Scheme
  - Considered the impacts of the Plastic Bag Ban
  - Acknowledged that there are two main issues facing the region in 10 years:
    - Infrastructure, and
    - Legislation

## Water Alliance

### Program Introduction

At the FNQROC Board meeting of the 7<sup>th</sup> August 2018, and subsequent to further negotiation requested by the board, FNQROC resolved to participate in QWRAP.

The advisory group managing this participation was the FNQ Regional Water Alliance.

The objectives of the FNQ Water Alliance are to:

- a. Share information about programs and projects in participating water businesses to ensure timely awareness of emerging issues and opportunities;
- b. Identify, create and pursue opportunities for cross local government (and other agencies and industry) alignment and coordination in service delivery;
- c. Enhance management and operational capacity and capability of water services;
- d. Promote and support professional development among staff within the region, and
- e. Provide advice to the FNQROC Board on policy and procedures for urban water services.

On the 11<sup>th</sup> June 2019, Discussions between the Executive Director (Policy Division) of the Department of Natural Resources, Mines and Energy (the QWRAP funding principal) and the FNQROC Executive Director agreed to augment the relationship in which the FNQ Regional Water Alliance interacts with QWRAP. Principally the abdication of \$30,000 of funding for the coordinator role. The FNQROC Board set clear priorities and directions for the FNQROC of which are noted above, with the above arrangements undertaken to retain the autonomy of the region. It is noted that the region will continue to have a Regional Water Alliance and continue to work on the above priorities and programs such as the existing biosolids contract, and the upcoming sewer relining contract. Through the regional Water Alliance group, the FNQROC Board will

continue to be informed of opportunities and those emergent issues which require action from the region.

Through the above, The FNQ Regional Water Alliance maintain an extremely constructive relationship with QWRAP, and it is noted that, external to the excised funding mentioned, all other opportunities, such as bid pool funding, participation in the state(chairs/co-ordinators) forums remain the same.

### **Operational:**

On an operational level, throughout the 2018/2019 year, the following operational activities occurred:

- a. Held three (3) water meetings, with an additional two (2) western council forums, discussing regional water issues.
- b. Hosted the FNQ Regional water quality alliance workshop and symposium (Received QWRAP Bid Pool Funding for the costs associated)
- c. The councils are considering a regional response to identified product deficiencies from a regional supplier.
- d. Councils have undertaken a regional Contract and Procurement Documentation Project. The result of undertaking this project regionally is a significant reduction of the costs to individual councils, providing better value for money. Additionally, the result of providing consistent documentation within the region provides significant efficiency improvement to both the industry, and the local government (in addition to the patent reduction in risk to the Local Government). See procurement report.
- e. Supported the ongoing joint procurement for water chemicals (see procurement report) servicing 11 councils;

- f. Supported the Regional tender for removal and beneficial reuse of Biosolids (see procurement report);



*Figure 11 - FNQ Water Symposium*

# Natural Asset Management and Sustainability Coordinator - Operational Report

## Program Overview

The natural asset management and sustainability role represents the interests of FNQROC Local Governments across operations related to the natural environment including biosecurity (pests and weeds); water quality and GBR; landscape repair and restoration; biodiversity conservation / planning and climate adaptation. The role of the coordinator is one of representation, advocacy, strategic planning, facilitation, and communication. Delivering partnerships and collaborations, which add value and creates efficiencies to Local Government operations in managing natural assets are key deliverables.

The Natural Asset Management Advisory Committee (NAMAC) guides the majority of the technical aspects of the role. The NAMAC consists of representatives from member Councils, Terrain NRM and QDAF and so reflects the memorandum of understanding entered into by the State Government (DAF), Natural Resource Management groups (RGC) and Local Government (LGAQ) at a regional level.

Beginning in 2019 the role is also facilitating the delivery of the FNQROC Animal Management Technical Committee (AMTC). The AMTC brings together local laws officers and managers from across the region with Queensland Health, Biosecurity Queensland Animal Health and Queensland Police Service to partner on regional issues and programs. The work of the committee supports councils in executing their responsibilities and services under the Animal Management (Dogs & Cats) Act 2008, Animal Care and Protection Act 2001, Biosecurity Act 20014 and the Local Government Act 2009. Alongside the NAMAC

the AMTC works to deliver the FNQROC Animal Management & Wildlife Stewardship Policy. The role also incorporates spatial planning program communications using GIS across the other technical portfolios of FNQROC.

## Natural Asset Management

The NAMAC meets quarterly basis. The primary legislative driver of the role is the Queensland *Biosecurity Act 2014*, but elements of the Queensland *Nature Conservation Act*, Commonwealth *Environmental Protection Biodiversity Conservation (EPBC) Act* and other also define the roles and responsibilities of councils the role supports. The NAMAC is one of Queensland's 12 regional subcommittees that develop priorities and guide the delivery of the Land Protection Fund Co-investment model (formerly referred to as precept payments). Our regional subcommittee is represented by FNQROC at the State Oversight Group (SOG). The primary role of the SOG is to assist in the development and determination of investment of the Land Protection Fund in biosecurity research statewide. Local governments contribute around \$2.2m annually into the fund, which compliments the states direct investment of around \$4m. Overall, the FNQROC subcommittee councils (excluding Croydon, Etheridge and Carpentaria, which lie in the NW grouping) contribute just over \$250,000 to the fund annually so it is of crucial importance that we collaborate to ensure councils and communities are receiving value for money via targeted and required R&D.

## Key Activities

### Land Protection Fund and National Environmental Science Program (NESP) research programs

FNQROC is partnering with state and national stakeholders to deliver a national research package seeking to significantly increase the management toolbox for Gamba grass across the tropical north of Australia. The project is led by CSIRO in partnership with Charles Darwin University, University of Western Australia, QPWS and Biosecurity Queensland.

The principal area of research is into the development of a new suite of herbicide control tools and application techniques to deliver more effective and selective management results. Many of the new technologies being developed will also be likely to have application across a broader range of problem high biomass grasses that councils and landholders are battling with including grader grass, thatch grass, mission grasses and giant rats-tail grasses.

The project is complimented by a smaller project funded the Land Protection Fund and hosted by Cook Shire Council. The project will also be working with CSIRO, Biosecurity Queensland and FNQROC to refine and develop management techniques for high biomass grasses in road corridors and public lands.

### **Navua Sedge Select Committee**

Under the direction of Board FNQROC has facilitated the delivery of the select committee process to closely investigate the impacts and future strategies for Local Governments in developing their response to the issue of Navua Sedge across the region. The select committee is comprised of elected representatives, managers and operational/coordination staff from across TRC, CCRC, HSC with policy and science support provided by Biosecurity Queensland. The committee was convened in the first half of 2019 and the final report from the process will be tabled to the FNQROC Board in the latter half of the year.



### **Animal Management & Wildlife Stewardship and Animal Management Technical Committee**

Following on from the adoption the AMWS policy framework the inaugural sitting of the Animal Management Technical Committee convened in 2019 and has begun the work of outlining key projects and partnerships which will assist in the delivery of the policy goals. The Natural Asset Management Advisory Committee is also focused in addressing the policy goals through the delivery of our regional natural assets strategy and individual council's biosecurity and natural asset plans. First steps for the AMTC are to map out the foundations of regional partnerships and collaboration through several MOU's which will articulate opportunities for resource sharing and collaboration across councils and partner agencies. The AMTC will be convening quarterly for three more meetings at which point an agreed position on the ongoing function of the Technical Committee will be presented to the Board for consideration.



### **Regional Natural Asset Strategy**

The FNQROC Board adopted the fully revised and future-focused regional natural assets strategy, Our Natural Assets- Regional Strategic Framework, in December 2018. During 2018/19, a primary focus has been the revision of our Regional Pest Management Strategy. The strategy has evolved to reflect the collaborative work of the NAMAC to become a Natural Asset Management focused framework, which considers the drivers of

biosecurity, community, economy and natural systems simultaneously.

## **Sustainability Overview**

### **Climate Adaptation**

During 2018/19 FNQ councils have continued working in the climate adaptation planning and responding space particularly in the state governments QCoast2100 program *Coastal Hazard Adaptation Strategies (CHAS)*

At a regional scale, we have incorporated the principle of climate ready as a foundation of our recently developed Natural Asset Management Strategic Framework where it will be essential criteria in the design of projects to ensure they are as future-proof as we can make them. FNQROC also participated in second stage development of Climate Change Adaptation Plan for the Wet Tropics WHA led by Wet Tropics Management Authority (WTMA).



### **GBR and Water Quality Improvement**

FNQROC and member councils continue to support the delivery of the Wet Tropics Healthy Waterways Partnership and report card. Councils are preparing for the first review of the invasive weeds indicator for the 2019/20 report card, which will provide a snapshot of the status of regional progress in weed management in our GBR watersheds.

On the back of the successful inclusion of the invasive weeds indicator FNQROC will be assisting councils and the partnership in development of an invasive weeds element in the upcoming review of the riparian vegetation condition indicator for the report card.

# Regional Project & Office Coordinator - Operational Report

## Economic Development (incl. Tourism & Cross Regional Events)

The FNQROC LG Economic Development Committee met four (4) times throughout the 2018/19 financial year with consistent representations from member Council's, Department of State Development, TIQ, Tourism Tropical North Queensland (TTNQ), Advance Cairns and RDA FNQ&TS.

The group has two Council officers on the LGAQ Economic Development Advisory Committee providing the opportunity for the group to be aware of and contribute to policy development through LGAQ.

The FNQROC Economic Development Committee discussions focus on the following key strategic deliverables as aligned to the [FNQROC Strategic Operational Plan \(2018\)](#):-

- Shared knowledge re Local, State and Federal government programs, grants, policy development and drivers impacting regional Economic Development;
- Collaborate sharing of current Economic Development projects across councils and stakeholders to build regional knowledge and networks
- Identifying collaborative opportunities for regional branding and sponsorship
- Identifying sleeper and future economic development issues and opportunities that may impact the region

- Identifying regional training, skill development and future presenters of interest

The structure of the annual meetings has been adapted as follows: -

Meeting #1	Regional data sourcing, analysis and usage via Economy .id training
Meetings #2 & 3	Networking and intel sharing in order to identify emerging opportunities / issues across the region, projects and events that can provide a collaborate cross regional impact and identify future presenters of special interest
Meeting #4	Collaborative strategic planning for the year ahead

Presentations were made to committee members by the following organisations: -

- **Economy .id** provided an overview on the regional economy and trends of FNQ, data sourcing and analysis. This training workshop resulted in the development of a *Dummies Guide to Economy .id* for future use and to assist incoming council officers (resource available online via [FNQROC Economic Development Portal](#))
- Professors Allan Dale and Hurriyet Babacan (JCU) provided an overview of the **Rural Economies Centre of Excellence (RECoE)** as funded by the Department of Agriculture. This project focuses on partnering with local governments in order to strengthen collaboration for regional results, supporting natural assets and building a strong research capacity that can be utilized to influence policy changes. This partnership has been designed to evolve to deliver training opportunities for council officers in 2019/20.

- **YEP** (Your Entrepreneur Project) provided an overview of the program and on opportunities to engage through entrepreneur events and business mentoring.
- North Queensland Land Council provided an overview of **Building the Indigenous Economy in North Queensland** working with opportunities linked to Native Title, Parks & Wildlife Co-management, Natural Assets and Prescribed Body Corporates.

The FNQROC Economic Development Coordinator also represents FNQROC at the **TTNQ Regional Tourism Marketing Meetings** in relation to tourism development and the cross promotion of regional events, as well as the **CRC Economic Development Priorities and Deliverables** meetings to share information relating to collaborative regional projects.

## Regional LG Planning

The **FNQROC LG Planning Committee** met twice during the 2018/19 financial year. Meetings were well attended, through representations from Council members, Department of Infrastructure, Local Government and Planning (DILGP) and the Local Government Association of Queensland (LGAQ).

The group has two Council officers on the LGAQ Planning and Development Advisory Committee providing the opportunity for the group to be aware of and contribute to policy development through LGAQ.

The primary purpose of the group is to provide a forum where the officers can discuss issues around planning legislation and state government policies, share information and resources amongst the group and ensure the timely awareness of emerging issues and opportunities.

The key focus of discussions at the meetings was the dissemination and sharing of information re: -

- Q100 Legislation
- Vegetation Management Act 1999
- Solar Code Guidelines
- Urban Storm Water Management
- Short Term Holiday Rental implications
- Waste-related DA Approvals

Discussions were held in relation to preparedness and appetite for a review of the FNQ Regional Plan, potentially to be undertaken in 2019/20.

The group expressed an interest in sourcing Professional Development Series in the area of Court Training (ie “Becoming an Expert Witness” based on a simple planning case from the Notice of Appeal stage, pre-session of complaints, expectation of expert witnesses, through to a ‘mock’ court session). This training opportunity will be explored further for delivery in 2019/20.

Presentations were made to Committee members by the following organisations:

- Wet Tropics on the Wet Tropics Management Plan Review
- Cassowary Coast Regional Council on the Art Deco Strategy and Development of Art Deco Tourism



**Audited Financial Statements 2018/19**

**FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS**  
**ABN 52 034 736 962**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 JUNE 2019**

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**STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 30 JUNE 2019**

	2019 \$	2018 \$
<b>CONTINUING OPERATIONS</b>		
<b>REVENUE</b>		
Annual administration contributions	459,747	458,163
Projects - Regional infrastructure projects	301,978	297,388
Regional procurement group	160,484	155,088
Short term projects	68,380	45,000
Miscellaneous revenue	0	815
Interest income	4,098	4,187
<b>TOTAL REVENUE</b>	<b>994,687</b>	<b>960,641</b>
<b>EXPENSES</b>		
Annual administration expenses	403,903	308,487
Projects - Regional natural assets management	136,070	127,884
Regional infrastructure projects	135,386	108,326
Regional planning/economic development	46,061	48,581
Regional procurement group	162,162	141,441
Regional asset group	514	91
Minor projects	110,329	69,869
<b>TOTAL EXPENSES</b>	<b>994,425</b>	<b>804,679</b>
<b>OPERATING PROFIT</b>	<b>262</b>	<b>155,962</b>
Profit before tax from continuing operations	262	155,962
Profit for the year from continuing operations	262	155,962
<b>PROFIT FOR THE YEAR</b>	<b>262</b>	<b>155,962</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>262</b>	<b>155,962</b>

The accompanying notes form part of this financial statement.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	1,474,886	1,423,940
Trade and other receivables	5	72,297	58,106
<b>TOTAL CURRENT ASSETS</b>		<u>1,547,183</u>	<u>1,482,046</u>
<b>TOTAL ASSETS</b>		<u>1,547,183</u>	<u>1,482,046</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	159,981	104,108
Provision for long service leave		7,999	7,514
<b>TOTAL CURRENT LIABILITIES</b>		<u>167,980</u>	<u>111,622</u>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	6	730	1,080
Provision for long service leave		87,161	78,294
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>87,891</u>	<u>79,374</u>
<b>TOTAL LIABILITIES</b>		<u>255,871</u>	<u>190,996</u>
<b>NET ASSETS</b>		<u>1,291,312</u>	<u>1,291,050</u>
<b>EQUITY</b>			
Retained surplus		1,291,312	1,291,050
<b>TOTAL EQUITY</b>		<u>1,291,312</u>	<u>1,291,050</u>

The accompanying notes form part of this financial statement.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

	Notes	2019 \$	2018 \$
Balance as at 1 July		1,291,050	1,135,088
Profit for the period		262	155,962
<b>BALANCE AS AT 30 JUNE</b>		<b><u>1,291,312</u></b>	<b><u>1,291,050</u></b>

The accompanying notes form part of this financial statement.

**STATEMENT OF CASH FLOWS  
AS AT 30 JUNE 2019**

	Notes	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,075,867	989,884
Payments to suppliers and employees		(1,029,019)	(890,941)
Interest received		4,098	4,187
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>7</b>	<b>50,946</b>	<b>103,130</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			
		<b>50,946</b>	<b>103,130</b>
Cash and cash equivalents at the beginning of the financial year		1,423,940	1,320,810
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<b>4</b>	<b>1,474,886</b>	<b>1,423,940</b>

The accompanying notes form part of this financial statement.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**1. REPORTING ENTITY CONCEPT**

Far North Queensland Regional Organisation of Councils (the Association) is an unincorporated body domiciled in Australia. The Association is primarily involved in facilitating and co-ordinating member council's development for the benefit of Far North Queensland communities and businesses.

Members of the Association for the 2019 financial year were as follows:

- Cairns Regional Council
- Cassowary Coast Regional Council
- Carpentaria Shire Council
- Cook Shire Council
- Croydon Shire Council
- Tablelands Regional Council
- Wujal Wujal Aboriginal Shire Council
- Hinchinbrook Shire Council
- Yarrabah Aboriginal Shire Council
- Etheridge Shire Council
- Hope Vale Aboriginal Shire Council
- Mareeba Shire Council
- Douglas Shire Council

Under the Association's charter, each member council shall nominate a representative to attend meetings of the Association. These representatives are referred to in this financial report as 'the Board'.

In the opinion of the Board, the Association is not a reporting entity. The financial statements of the Association have been drawn up as a special purpose financial report for distribution to the members, and for the purpose of fulfilling the requirements of the Queensland Audit Office and the Association's charter.

**2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The Directors' have prepared the financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on a general purpose financial report. The financial report is therefore a special purpose financial report that has been prepared in order to meet the requirements of members. These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**Basis of Preparation**

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

**New and amended standards adopted by the Association**

The Association has adopted all the amendments to Australian Accounting Standards issued by the Australian Accounting Standards Board, which are relevant to and effective for the Company's financial statements for the annual period beginning 1 July 2019. None of the amendments have had a significant impact on the Association.

**Use of estimates and judgements**

The preparation of financial statements in conformity with AASBs require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Board is not aware of any critical judgements having been made in applying accounting policies that might have significant effect on the amounts recognised in the financial statements, nor of any assumptions and estimation uncertainties that might have significant risk of resulting in a material adjustment within the next financial year.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**(1) Financial Instruments**

***Non-derivative financial instruments***

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition non-derivate financial instruments are measure at amortised cost.

A financial instrument is recognised if the Association becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Association's contractual rights to the cash flow from the financial assets expire or if the Association transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Association commits itself to purchase or sell the asset.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

Financial liabilities are derecognised if the Association's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits with a term of less than three months.

The Association holds no derivative financial instruments.

***Compound financial instruments***

The Association has not issued any compound financial instruments.

**(2) Leased assets**

Leases in terms of which the Association assumes substantially all the risk and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and the leased assets are not recognised on the Association's Statement of Financial Position.

**(3) Impairment**

***Financial assets***

A financial asset is assessed at each reporting period date to determine whether there is any objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of the asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in financial costs and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through income.

**(4) Salaries and wages**

The Association's employees are employed by the Cairns Regional Council, a member council. These services are on charged to the Association at cost. In addition, the Association makes allowance for any annual leave and long service leave accruing in respect of these officers. The Cairns Regional Council provides estimates of these liability amounts each month.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

**(5) Provisions**

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

**(6) Revenue**

*Services*

Revenue from services rendered is recognised in income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

**(7) Government grants**

*Grants received*

Grants in respect of operating expenses (operating or revenue grants) are accounted for depending on whether they are reciprocal or non-reciprocal.

*Non-reciprocal grants received*

Grants where the Association receives assets or services, or has liabilities extinguished without directly giving approximate equal value in exchange to the other party are considered a non-reciprocal transfer. Non-reciprocal transfers are brought to account as revenue in the year in which they are received.

*Reciprocal grants received*

Grants where the Association receives assets or services, or has liabilities extinguished and gives approximately equal value in exchange to the other party are considered a reciprocal transfer. Reciprocal transfers are initially brought to account as revenue in the year in which they are received. The transfers are only recognised as revenue once the performance obligations relating to the funds have been transferred.

**(8) Contributions**

Contributions of assets, including the right to receive cash or other forms of assets without directly giving approximately equal value to the other party or parties to the transfer, are recognised as revenue at fair value when the Association obtains control of the contributions or the right to receive the contribution. It is probable that the economic benefits comprising the contribution will flow to the Association and the amount of the contribution can be measured reliably.

**(9) Finance income**

Interest income is recognised as it accrues, using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(10) Income tax**

The Association is a not-for-profit organisation and the Board is of the opinion that, under Division 50 of the Income Tax Assessment Act 1997, it is exempt from income tax.

**(11) Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or part of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to the ATO is included as a current asset or current liability in the statement of financial position.

**(12) New standards and interpretations not yet adopted**

There are a number of standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2019 that have not been applied in preparing these financial statements. None of these is expected to have a significant impact on the financial statements.

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>4. CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		
Cash at bank	1,474,886	1,423,940
	<b>1,474,886</b>	<b>1,423,940</b>
<b>5. TRADE AND OTHER RECEIVABLES</b>		
Trade receivables	64,501	52,819
GST refunds	6,815	4,373
Accrued income	981	914
	<b>72,297</b>	<b>58,106</b>
<b>6. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Credit card liability	12,552	6,708
Trade creditors	447	49,889
Accrued expenses	7,808	3,300
Payroll Liabilities	83,694	0
Annual leave payable	55,480	44,211
	<b>159,981</b>	<b>104,108</b>
<b>Non-current</b>		
Annual leave payable	730	1,080
	<b>730</b>	<b>1,080</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**7. STATEMENT OF CASH FLOWS**

**Reconciliation of profit before tax  
to net cash flows from operating activities**

	<b>2019</b>	<b>2018</b>
	\$	\$
Profit / (Loss) before tax	262	155,962
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(14,191)	62,635
Increase/(decrease) in creditors and accrued expenses	55,523	(1,748)
Increase/(decrease) in provisions	9,352	11,551
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>50,946</b>	<b>103,130</b>

**8. EMPLOYEE BENEFITS**

The Association has no employees but it utilises the services of employees through the Cairns Regional Council, a member council. The Association reimburses Cairns Regional Council for all costs incurred for salary and wages expenses relating to these employees. Furthermore, the Association makes allowances for any annual leave and long service leave accruing in respect of these employees.

**Included in Statement of Financial Position**

**Current**

Annual leave payable	55,480	44,211
Provision for long service leave	7,999	7,514
	<b>63,479</b>	<b>51,725</b>

**Non-current**

Annual leave payable	730	1,080
Provision for long service leave	87,161	78,294
	<b>87,891</b>	<b>79,374</b>

**Included in Statement of Comprehensive Income**

Salaries and wages expenses	622,698	535,445
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## BOARD CERTIFICATE OF FAR NORTH QUEENSLAND REGIONAL ORGANISATION OF COUNCILS

We, the Board, certify that in our opinion:

- (a) the Association is not a reporting entity;
- (b) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (c) the financial statements and notes, as set out on pages 3 to 12 present fairly the Association's financial position as at 30 June 2019 and its performance for the year ended on that date, in accordance with the basis of accounting described in Note 2 to the financial statements.

\_\_\_\_\_  
Councillor T Gilmore (Chairperson)

\_\_\_\_\_  
D Irvine (Secretary and Executive Officer)

Dated :

## A Snapshot of the Mayoral Delegation Visits:



Figure 12 – Hon Mark Bailey



Figure 13 – Mr. Steve Minnikin (Shadow Minister)



Figure 14 - Hon Stirling Hinchliffe



Figure 15 - Qld Senators



Figure 16 - Hon Anthony Albanese



Figure 17 - Mr Andrew Powell (Shadow Minister)



Figure 18 - Hon Kate Jones



Figure 19 Senator the Hon Matt Canavan



Figure 20 - Hon Michael McCormack



Figure 21 - Hon Leanne Enoch

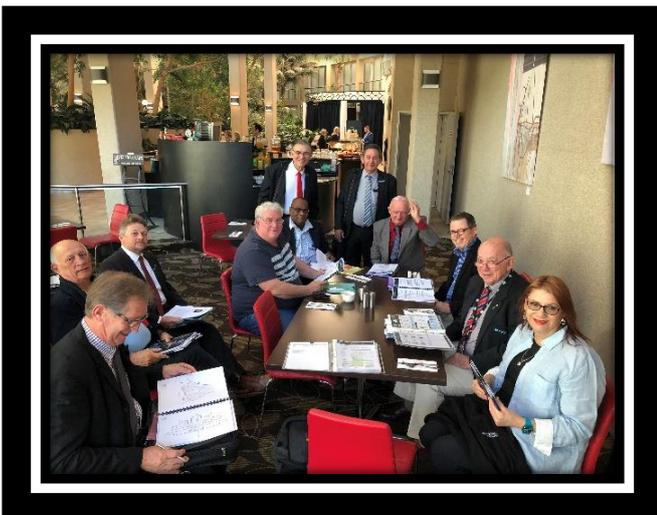


Figure 22 - 6 P's done each morning



Figure 23 - Mr Tim Calder  
Qld Trade and Investment Commissioner - ASEAN

# FNQROC Team Contact Information



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## Acronyms Defined

AASB	Australian Accounting Standards Board
BQ	Biosecurity Queensland
CAAP	Capability Agreement and Action Plan
CEO's	Chief Executive Officer (member Councils)
CPI	Consumer Price Index
CRC	Cairns Regional Council
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DAFF	Department of Agriculture, Fisheries and Forestry
DDG	Deputy Director General
DEHP	Dept. Environment and Heritage Protection
DEWS	Dept. Energy and Water Supply
ED	Executive Director
EMQ	Emergency Management Queensland
EMS	Emergency Management Strategy
FNQROC	Far North Queensland Regional Organisation of Councils
FNQ RRTG	Far North Queensland Regional Road and Transport Group
FNQ RRTG TC	Far North Queensland Regional Road and Transport Group Technical Committee
FNQWA	Far North Queensland Water Alliance
GIS	Geographic Information System
LAWMAC	Local Authority Waste Management Advisory Committee
LGAQ	Local Government Association of Queensland
LRRS	Local Roads of Regional Significance
MOU	Memorandum of Understanding
MP	Member of Parliament
NAMAC	Natural Asset Management Advisory Committee
NCCARF	National Climate Change Adaptation Research Facility
NDRRA	Natural Disaster Relief and Recovery Arrangements
NESP	National Environmental Science Program
NGO	Non-Government Organisation
NRM	Natural Resource Management
PMAC	Pest Management Advisory Committee
QAO	Qld Audit Office

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QPWS	Qld Parks and Wildlife Service
QTRIP	Qld Transport and Roads Investment Program
RAMG	Regional Asset Management Group
RAV	Restricted Access Vehicle
RDA FNQ&TS	Regional Development Australia Far North Queensland and Torres
RWMG	Regional Waste Management Group
SCDF	State-wide Capability Development Fund
TIDS	Transport Infrastructure Development Scheme
TMR	Transport and Main Roads
TNQ	Tropic North Queensland
TTNQ	Tourism Tropical North Queensland
ULAB	Used Lead Acid Batteries
WTMA	Wet Tropics Management Authority