



**BOARD MEETING
OF
FNQ Regional Organisation of Councils (FNQROC)
No. 153**

**10.30 am – 2.00pm
Thursday 7 April 2022**

If you are unable to join in person, please join the meeting from your computer, tablet or smartphone using the link below.

**FNQROC 153RD BOARD MEETING
Thu, Apr 7, 2022 10.30 AM - 2:00 PM (AEST)**

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1. WELCOME & ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

2. APOLOGIES

A list of apologies will be tabled at the meeting.

3. PRESENTATIONS

3.1 Ingrid Fomiatti Minnesma, Acting Executive Director, Northern Region, Water Resource Management, Department of Regional Development, Manufacturing and Water (DRDMW)

Timing: 10.35am – 10.55am

Ms Fomiatti Minnesma to provide a water briefing.

20 minutes

3.2 Julie Brook, Resilience Projects, Queensland Reconstruction Authority (QRA)

Timing: 10.55am – 11.15am

Ms Brook will provide a briefing on the Wet Tropics and Hinterland Resilience Strategy.

20 minutes

QRA is seeking the FNQROC Board to:

1. **Move** that Wet Tropics Regional Resilience Strategy is adopted.
2. **Move** that the Hinterland to Gulf Regional Resilience Strategy is adopted.
3. **Note** the Cape York and Torres Strait Regional Resilience Strategy in draft format, which will be adopted by TCICA and TSIRC in the near future.

3.3 Bryce McDonald, LNP Candidate for Kennedy

Timing: 11.15am – 11.25am

Mr McDonald will provide an introduction and briefing.

20 minutes

3.4 Robert Ferguson, Lead Public Health and Waste, LGAQ

Timing: 11.25am – 11.35 am

Mr Ferguson will provide an overview of LGAQ recent activities per the briefing note circulated prior to meeting. (Appendix 1)

10 minutes

4. CONFIRMATION OF PREVIOUS MINUTES

4.1 The Draft Minutes of the 152nd FNQ Regional Organisation of Councils (FNQROC) Board meeting of 2 December 2021.

Recommendation: That the FNQROC Board

1. **Move** that the minutes of the 152nd FNQROC Board meeting held on 3 February 2022 to be confirmed and adopted.

Pages 1 – 10

5. BUSINESS ARISING FROM PREVIOUS MEETING

5.1 Action items from 3 February 2022 FNQROC Board Meeting.

Minute Number	Action	Responsible Person(s)	Status
2973 (1)	D. Irvine to seek further information on the Housing Board in south eastern corner.	D. Irvine	Complete
2973 (2)	FNQROC (Away) Board Meeting to be held in Georgetown and Hope Vale. D. Irvine will make further contact with Cr Hughes and Cr Woibo and Cr Scott offline to arrange an agreeable and suitable date.	D. Irvine	On-going

Further discussion 2973 (2)

Holding FNQROC (Away) Board Meeting at Cobbold Gorge, Etheridge Shire on Thursday 6 October 2022.

6. ADVOCACY

- 6.1 Advocacy update from FNQROC Council members.
- 6.2 State Mayoral Delegation to Brisbane – 24 to 26 May 2022 – ***Proposed advocacy brief to be sent separately.***
- 6.3 Housing – Housing.id costing/overview.
- 6.4 Water (QWRAP) – Managing our Water Assets into the Future – Discussion Topic No.30.

Pages 11 – 22

Verbal

7. STRATEGIC OPERATIONAL PLAN

- 7.1 FNQROC Regional Strategic Waste Management and Materials Recovery (WMMR) Advisory Group – Update by Cr Toppin.

Verbal

8. DISCUSSION TOPICS

Nil

9. INCOMING / OUTGOING CORRESPONDENCE

9.1 Incoming

Nil

9.2 Outgoing

**Letter Hon Dr Steven Miles MP – Regional Coordination Committee Meeting
Pages 23 - 24**

10. FNQROC POLICY REVIEW

Nil

11. FNQROC REPORTS AND MOU'S

- **FNQROC Operational Plan and Budget 2022-2026 – (B80)
Pages 25 – 29**

Recommendation: That the FNQROC Board adopt and accept the FNQROC Operational Plan and Budget 2022-2026.

12. FINANCIAL STATEMENT

12.1 Profit & Loss Statement: Current FY to 24 March 2022

12.2 Balance Sheet: Current FY to 24 March 2022

Pages 30 - 33

Recommendation: That the FNQROC Board adopt the Profit and Loss and balance Sheet Reports for the period 1 July 2021 to 25 March 2022.

13. MEETINGS ATTENDED BY FNQROC EXECUTIVE OFFICER

Page 34

14. LGAQ POLICY EXECUTIVE DISCUSSION – CR PETER SCOTT

Verbal

15. MINUTES OF FNQROC ADVISORY COMMITTEES

15.1 Natural Asset Management Advisory Committee No.49 – 15 February 2022

Summary

- **The wetland/riparian rehabilitation guidelines** and web resource provide a platform for a whole of system planning approach to understanding values of wetlands, services they provide and beneficiaries of those services and management interventions.
- **Pesticides** - The timelines and processes for the retirement of 1080 from the QGOV stockpile. Essential for LG's to look to transfer stocks that will be unused prior to December 2022 in order to avoid disposal costs.
- **Aquatic weed species** were considered for regulation.
- **Disaster management - natural assets code of practice** comments back to FNQROC by mid-April.
- **Plague Pest Contingency Fund** – nominations sought for North Region representative on Plague Locust Oversight group.
- **Minutes on FNQROC website** – [link](#)
- **Next Meeting** – Thursday 19 May 2022

15.2 FNQROC Water Alliance – 18 February 2022

Summary

- **Qldwater update** – Exposure standards; changes to H2S and chlorine limits at national level. Advocacy push underway.
- **Regional Workforce Plan** – Plan tabled at Jobs Qld Board in December 2021.
- **Regional Procurement** – Fire hydrant servicing and maintenance, water, main air scouring and flushing maintenance and sewer main fogging maintenance are no longer regional procurement projects of interest. Individual Councils to action.
- **Biosolids** – Councils facing significant price increases. Implications and review of previous contract were reviewed by the tender subcommittee. Outcome of tender process expected by mid-2022.
- **Minutes on FNQROC website** – [link](#)
- **Next Meeting** – Friday 13 May 2022

15.3 Animal Management Technical Committee No.10 – 3 March 2022

Summary

- **SPER** – less than 60 day lodgement period proposed.
- **Dangerous dog identification requirements** LGAQ Animal Act regulation review progressing.
- **Climate Resilient Alliance Project** – draft action planned reviewed. Plan designed to be used to develop Business Continuity Plans.

- **FNQROC regional programs work plan** – development of a strategy with strategic outcomes.
- **Minutes on FNQROC website** – [link](#)
- **Next Meeting** – Wednesday 11 May 2022

15.4 RRTG Technical Committee No.120 – 25 March 2022

- **Minutes** – *will be available on the FNQROC website once finalised*
- **Next Meeting** – to be advised.

16. CONFIDENTIAL MEETING MINUTES

16.1 WMMR Tender Briefing Session – 28 February 2022

- **Minutes** – *available upon request (not on website)*

16.2 FNQROC Regional Removal and Beneficial Reuse of Biosolids – 22 February 2022

- **Minutes** – *available upon request (not on website)*

16.3 FNQROC Regional Supply and Delivery of Sodium Hypochlorite & Liquid Alum – 23 February 2022

- **Minutes** - *available upon request (not on website)*

16.4 FNQROC Regional Procurement Advisory Committee – 18 March 2022

- **Minutes** - *available upon request (not on website)*

16.5 FNQROC Regional Sewer Relining & Manhole & Condition Assessments - Meeting No.5 – 05 April 2022

- **Minutes** - *available upon request (not on website)*

16.6 FNQROC 2021/22 Sewer & Manhole Condition Assessments - Meeting No.3 – 05 April 2022

- **Minutes** - *available upon request (not on website)*

17. GENERAL BUSINESS

17.1 FNQROC - Celebrating 30 years.

17.2 Any general business.

Verbal

18. NEXT MEETING

Date & Time **Thursday, 2 June 2022, 10.30am – 1.30pm**

Venue Cairns, Civic Reception Centre, Cairns Regional Council (CRC)

19. APPENDICES

Appendix 1 – LGAQ Executive Summary *(to be provided prior to meeting)*

FNQROC Board Meeting Dates for 2022

Date	Venue
Thursday 03 February 2022 @ 10.30am	Virtual (via 'Go To' Meeting)
Thursday 07 April 2022 @ 10.30am	CAIRNS
Thursday 02 June 2022 @ 10.30am	CAIRNS
Thursday 04 August 2022 @ 10.30am	(Possible away meeting - TBC)
Thursday 06 October 2022 @ 8.30am	COBBOLD GORGE, Etheridge Shire
Thursday 01 December 2022 @ 10.30am	CAIRNS

Minutes of the 152nd Board Meeting

Meeting No	152
Meeting Name	FNQROC Board Meeting
Date	3 February 2022
1000	10.00am – 12 noon
Venue	Virtual (via 'Go To' Meeting)

REPRESENTATIVES

CHAIR	Cr Bob Manning, Mayor	Cairns Regional Council
	Cr Mark Nolan, Mayor	Cassowary Coast Regional Council
	Cr Peter Scott, Mayor	Cook Shire Council
	Cr Michael Kerr, Mayor	Douglas Shire Council
	Cr Barry Hughes, Mayor	Etheridge Shire Council
	Cr Ramon Jayo	Hinchinbrook Shire Council
DEPUTY CHAIR	Cr Jason Woibo, Mayor	Hope Vale Aboriginal Shire Council
	Cr Angela Toppin, Mayor	Mareeba Shire Council
	Cr Rod Marti, Mayor	Tablelands Regional Council
	Cr Bradley Creek, Mayor	Wujal Wujal Aboriginal Shire Council
	Cr Ross Andrews, Mayor	Yarrabah Aboriginal Shire Council

CEO'S

Ms Mica Martin, CEO	Cairns Regional Council
Mr Andrew Graffen, CEO	Cassowary Coast Regional Council
Ms Linda Cardew, CEO	Cook Shire Council
Ms Juanita Warner	Douglas Shire Council
Mr Ken Timms, CEO	Etheridge Shire Council
Mr Steve Linnane, CEO	Hope Vale Aboriginal Shire Council
Mr Peter Franks, CEO	Mareeba Shire Council
Mr Steve Wilton, CEO	Wujal Wujal Aboriginal Shire Council

OBSERVERS

Cr Mary Brown, Deputy Mayor	Hinchinbrook Shire Council
Mr Robert Ferguson	LGAQ
Mr Cory Heathwood	LGAQ
Mr Anthony Ottoway	QTC

INVITED GUESTS

Ann Leahy, MP	Member for Warrego, Shadow Minister for Local Government, Disaster Recovery and Volunteers
Fiona Simpson, MP	Member for Maroochydore, Shadow Minister for Integrity in Government, State Development, Infrastructure and Planning and Olympic and Paralympic Infrastructure and Jobs
Sonja Johnson, CEO	Regional Development Australia, Tropical North (RDATN)

FNQROC STAFF

Ms Darlene Irvine	Executive Officer
Mr Travis Sydes	Natural Asset Management & Sustainability
Ms Michelle O'Loughlin	Climate Resilient Alliance Coordinator
Ms Wendy Hughes	Regional Strategic Infrastructure Coordinator
Ms Amanda Hancock	Procurement Coordinator
Ms Paula Power	Executive Support Officer

APOLOGIES

Mr Gary Rinehart, CEO	Tablelands Regional Council
Cr Trevor Pickering	Croydon Shire Council
Mr Bill Kerwin, CEO	Croydon Shire Council
Mr Kelvin Tytherleigh	Hinchinbrook Shire Council
Mr Leon Yeatman	Yarrabah Aboriginal Shire Council

2960 WELCOME & ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

The meeting commenced at 10.33am.

The Deputy Chair welcomed everyone to the meeting (both in person and virtually) and acknowledged the Traditional Owners of the land on which we met today and paid respects to Elders past, present and emerging.

Cr Kerr thanked Ann Leahy MP, Member for Warrego, Shadow Minister for Local Government, Disaster Recovery and Volunteers and Fiona Simpson MP, Member for Maroochydore, Shadow Minister for Integrity in Government, State Development, Infrastructure and Planning and Olympic and Paralympic Infrastructure and Jobs for making the time to attend the 152nd FNQROC Board meeting.

Fiona Simpson spoke about the commission of inquiry into the CCC and looked forward to the public hearings in Cairns sometime this year.

It was noted that State Parliament will sit at the end of February.

Both Ms Simpson and Ms Leahy were interested to hear about the request to review the FNQROC Regional Plan and Housing strategy and will speak to the FNQROC Chair and members of the board offline.

Ms Simpson left the meeting and Ms Leahy stayed on as an invited observer to the meeting.

3.1 Sonja Johnson – Chief Executive Officer, Regional Development Australia Tropical North (RDATN).

Ms Johnson provided a briefing on Regional Economic Planning they are required to do for the Federal Government.

Target Outcomes

- Directional Regional development Strategy
- 'Regional Package' for investment
- Economic approach to the region
- They are wanting to develop a strategy in conjunction with the Queensland Government and other stakeholders that can provide the appropriate data to help inform the FNQ Regional Plan (including Cape York and Gulf)
- They are hoping for three tiers of government ownership

Further discussions will continue with the Executive Officer and the FNQROC Board.

3.2 Robert Ferguson and Cory Heathwood, LGAQ

Mr Ferguson introduced the new Head of Advocacy Mr Cory Heathwood. Mr Ferguson and Mr Heathwood provided an overview of LGAQ recent activities and highlighted key areas.

Key areas

- Mr Heathwood hoping to visit Far North Queensland in the near future to listen to issues in the area and looks forward to meeting members at the ROC Assembly on 18 March 2022 in Townsville.
- Welcomed the enquiry into the CCC.
- Infrastructure housing – lodged a submission on behalf of councils.
- Federal Budget – Tuesday 29 March 2022.
- Federal election looking like mid-May 2022.
- Local Government advocacy plan and survey. Housing a key priority for FNQROC. LGAQ progressing with Housing Advocacy Plan. Seeking endorsement from the LGAQ Executive 11 February 2022 for release of the plan.
- Conducting local housing needs survey January 2022 and keen to understand the state of play across Queensland. Important they get a coordinated response from all of Queensland. Encouraged councils to spend some time responding to the survey which closes on 17 February 2022.
- Lots of activity happening in Waste Management. Minister committed to Regional Waste Management Plans. Infrastructure will be flagged in those plans and have dollars associated with them. Minister announced recycling and jobs fund \$1b over several years.
- Working with the ongoing Covid Challenges and the implications on the workforce.

The Chair asked for feedback/comments from the floor:

Nil

CONFIRMATION OF PREVIOUS MINUTES

The draft minutes of the 151st FNQ Regional Organisation of Councils (FNQROC) Board meeting of 2 December 2021.

MOVED: Cr Bob manning

SECOND: Cr Rod Marti

That the FNQROC Board move that the minutes of the 151st Board Meeting held on 2 December 2021 be confirmed and adopted.

CARRIED

2961 BUSINESS ARISING FROM PREVIOUS MINUTES

6.1 Action items from Thursday 2 December 2021 FNQROC Board Meeting.

Minute Number	Action	Responsible Person(s)	Status
2924c Updated	An updated housing scope to be provided to the next FNQROC meeting in February	D Irvine	In progress. D. Irvine provided an update.
2941	LGAQ Submission to be forwarded to FNQROC Board – includes the 15 recommendations.	R. Ferguson LGAQ	Complete

D. Irvine provided an update on the FNQROC Housing Scope No. 2924c

- Very complex issue which has moving parts resulting in immediate concerns and drivers versus long term strategy.
- Our region is not alone – every region in Queensland is being affected.
- The immediate concerns (whilst still long term) has been as a result of:
 - 400,000 Australian residents ordinarily living overseas suddenly returning to Australia as a result of COVID
 - The normal trends of people moving from the region to the cities (for a number of reasons) not occurring, resulting in no housing stock for those coming to the region
 - People wanting in to invest in the region to escape COVID, and
 - Those would ordinarily move here.

Any study or strategy to mitigate this portion would only be crystal balling as no one can really say with confidence what will happen when the State and International borders open up.

- Our Federal Government advocacy resulted in the issue being placed squarely at the feet of the State Government. Federal Government advised they could potentially support councils with funding for infrastructure supporting affordable/social housing.
- There is a federal Government inquiry into housing affordability and supply in Australia which:
 - Examines the impact of current taxes, charges and regulatory settings at a Federal, State and LG level on housing supply;
 - Is identifying the factors that promote or impede responsive housing supply at the Federal, State and LG level; and

- Examine the effectiveness of initiatives to improve housing supply in other jurisdictions and their appropriateness in an Australian Context.
- In terms of indigenous housing – Federal Government funding is on the table and requires the rollout of local housing plans. Housing and public works have also written to councils asking them to put together a housing investment plan which is causing some confusion as this is not linked to local housing plans. There is also the added issue that many of the communities need to put in subdivision/trunk infrastructure in place before new housing can be built **(This should be the short-term advocacy ask)**
- The State Government has a number of initiatives they will throw back at councils:
 - Help to home
 - Quickstarts Qld
 - Housing Investment fund
- The Western Councils housing solutions study outlines the issues associated with rural and remote council areas which are different to our coastal areas which are different to our indigenous communities.
- We know the numbers requiring housing and this is managed by a number of different organisations.
- All this information led to perhaps a toolkit for councils.
- Regional Institute of Australia is analyzing regional housing market trends with a discussion paper proposing a wide range of solutions and a tool kit for councils.
- Housing affordability and social housing is an issue and should be clearly addressed in a statutory regional plan **(this links to our advocacy efforts for a renewed Statutory Regional Plan)**
- Some of the issues not covered requiring potential further investigation:
 - Bank deposit requirements based on post codes
 - Holiday rentals which could be residential rentals (impact analysis)

It is recommended that before we invest in a study we should:

1. Await the outcome of the Federal Government inquiry into housing affordability and supply
2. Await the Regional Institute of Australia toolkit for councils
3. Continue advocacy for a renewed statutory regional plan
4. Consider doing a smaller study to understand:
 - a. Bank deposit requirements based on post codes, and
 - b. The number of holiday rentals which could be residential rentals and what levers can be pulled and the impact of transitioning these to residential.

For further discussion at the April board meeting.

FLYING MINUTES

To enable RDA TN to commence conversations with the State Government on working collaboratively to develop a regional economic plan to feed into a statutory regional plan they need our 'in principle' support. The below flying minute is for consideration.

Recommendation: That;

FNQROC supports 'in principle' the concept of developing the (RDA TN) commonwealth regional plan in alignment with a new Statutory Regional Plan subject to:

- a) The Statutory Regional Plan and associated land use policies and action plans being developed at the same time by the State Government with ongoing and active consultation with councils.***
- b) The timelines for completion of the commonwealth portion of the plan are extended to reflect the time needed to adequately consult with councils and stakeholders to ensure it is a plan to drive economic growth not a plan to tick a box.***
- c) Further details of the proposal because of discussions with the State Government.***
- d) Ongoing active consultation with FNQROC.***

PASSED

Focus to remain on getting it right for the region rather than meeting a timeline.

2962 ADVOCACY

7.1 Advocacy update from FNQROC Council members.

- FNQROC have been in the media recently advocating for the Kuranda Range Road. Technical documents from Department of Transport and Main Roads to be released to FNQROC in coming days. Unable to provide a detailed response until the document has been analysed in full. Cr Kerr has written a letter to the Cairns Post highlighting our advocacy issues and the need to have the Statutory FNQ Regional Plan reviewed.

7.2 State Mayoral Delegation to Brisbane – date to be confirmed, no state delegation in February.

- Due to Covid the State delegation will not go ahead in February 2022. April onwards is a possibility and will be discussed in further detail at the 7 April 2022 Board meeting.

2963 STRATEGIC OPERATIONAL PLAN

8.1 Cr Toppin provided the Regional Strategic Waste Management and Materials Recovery (WMMR) Advisory Group update.

- To ensure a fair and transparent tender process is followed, and to maximise the opportunity for local consultants to submit, we will be pursuing an 'open market' approach for this project. When the tender is released, we will also contact the consultants that pitched for the CoMSEQ plan to make sure they know the opportunity. While this approach requires a longer tendering process, as per Advisory Group discussions the sub-committee felt this was critical to the success of the project.

- To accommodate the open tender, the subcommittee has developed a revised procurement timeline - this is attached for your information. The new timeline has implications for planned meeting and reporting dates (more on this below).
- To accommodate the procurement timeline, the subcommittee has recommended that we postpone the Advisory Group meeting currently scheduled for 31 March (more below).
- To ensure all potential consultants receive the same level of information about the project, an online tender briefing session is being planned for Monday 28 February. A date claimer will be issued when the tender documents are finalised.

The key dates to note at this stage are as follows:

- **Tuesday 15 February 2022**– tender opens. Vendorpanel will be the platform used to manage the tender.
- **Friday 20 May 2022** – rescheduled Advisory Group meeting to assess sub-committee recommendation on preferred consultant. This meeting will replace the existing date of 31 March and is timed to allow for an Advisory Group recommendation to be prepared for the Board meeting on 2 June.
- **Thursday 2 June 2022** – recommendation presented to the FNQROC Board on preferred consultant.

The intention is to onboard the successful consultant for project commencement in July 2022, with the final report to be completed by December 2022. This keeps us on track with our initial timeline for delivery while also maintaining a high level of probity.

Proposing to hold an 'onboarding' meeting with the successful consultant on Monday 18 July 2022. Additional meetings will then be scheduled by the consultant as per their stakeholder engagement plan, which is a key deliverable for the project.

Cr Toppin advised that Ms Wendy Hughes was to leave us at the end of the month to take up a role with Cairns Regional Council. Cr Toppin and Cr Kerr thanked Wendy for all her hard work during her time with FNQROC.

2964 DISCUSSION TOPICS

Nil

2965 CORRESPONDENCE

Nil

2966 FNQROC POLICY REVIEW

Nil

2967 FNQROC REPORTS AND MOU'S

Nil

2968 FINANCIAL STATEMENTS

Profit and Loss and Balance Sheet

MOVED: Cr Bob Manning

SECOND: Cr Peter Scott

That the profit and Loss and Balance Sheet Reports for the period FY 2021 to 25 January 2022 be adopted and accepted.

CARRIED

2969 ATTENDANCE & MINUTES OF MEETING

2970 Meetings Attended by Executive Officer

2971 LGAQ POLICY EXECUTIVE DISCUSSION – CR PETER SCOTT

If any issues please raise with Cr Peter Scott to take to LGAQ Policy Executive.

Cr Kerr - Funding for youth groups getting harder, more work needs to be done in this area.

Cr Scott – Encouraged Council's to complete the LGAQ Housing Survey.

2972 MINUTES OF TECHNICAL COMMITTEE MEETINGS

- **Natural Asset Management Advisory Committee No. 48 – 18 November 2021**

Noted.

- **Animal Management Technical Committee No.9 – 10 December 2021**

Noted.

- **WMMR Tender Evaluation Sub-committee – 19 January 2022**

Noted.

- **FNQROC Regional Flood Warning Infrastructure Network – Contract Meeting No. 2 - 01 February 2022**

Noted.

- **FNQROC Sewer Relining Meeting 2021/2022 – Contract Meeting No.4 – 02 February 2022**

Noted.

- **FNQROC Sewer & Manhole Condition Assessments – Meeting No. 2 – 02 February 2022**

Noted.

2973 GENERAL BUSINESS

19.1 Covid Issues

Cr Andrews – Regional housing plans. Emergence of a Housing Board in south eastern corner.

Action 2973 (1): D. Irvine to seek further information on the Housing Board in south eastern corner.

19.2 FNQROC Board Away meeting to be held

There have been no FNQROC Board meetings in Georgetown, Wujal Wujal or Hope Vale over the past few years.

Georgetown would be able to accommodate a FNQROC Board Meeting but not in tourist season due to shortage of accommodation.

Wujal Wujal unable to accommodate as issue with venue large enough and accommodation.

Cr Scott said a bus could be provided from Cooktown to Hope Vale to accommodate a meeting there. Again, would need to be arranged out of Tourism seasons due to availability of accommodation. S. Linnane said Hope Vale would be happy to host a meeting if the board would like to consider.

The FNQROC Board agreed that there will be one held in Georgetown and one in Hope Vale pending an agreeable date.

Action 2973 (2): D. Irvine will make further contact with Cr Hughes Cr Woibo and Cr Scott offline to arrange an agreeable and suitable date.

2974 NEXT MEETING

The Chair advised that the next meeting is scheduled for **Thursday 7 April 2022 at Civic Reception Room, Cairns Regional Council.**

The Chair thanked members for their contribution. There being no further business the Chair declared the meeting closed at 11.52am.

.....
Cr Michael Kerr, FNQROC Chair

AGREED ACTION ITEMS

Thursday 3 February 2022

Minute Number	Action	Responsible Person(s)	Status
2973 (1)	D. Irvine to seek further information on the Housing Board in south eastern corner.	D. Irvine	
2973 (2)	FNQROC (Away) Board Meeting to be held in Georgetown and Hope Vale. D. Irvine will make further contact with Cr Hughes and Cr Woibo and Cr Scott offline to arrange an agreeable and suitable date.	D. Irvine	

FNQROC Board Meeting Dates for 2022

Date	Venue
Thursday 03 February 2022 @ 10.30am	Virtual (via 'Go To' Meeting)
Thursday 07 April 2022 @ 10.00am	CAIRNS
Thursday 02 June 2022 @ 10.00am	TBC
Thursday 04 August 2022 @ 10.00am	TBC
Thursday 06 October 2022 @ 10.00am	TBC
Thursday 01 December 2022 @ 10.00am	TBC

Discussion Topic No. 30 – Managing our Water Assets into the Future

Background

In 2009, the State Government removed the Water and Sewerage Program which funded 40% of future water and sewer projects (on the proviso that councils had Strategic and Tactical Asset Management Plans in place – SAMPs and TAMPs) at the time of this loss in planned funding, the region had \$326 million in planned infrastructure upgrades which resulted in a funding loss of \$131million to the region. (For interest sake I've put these projects in appendix A)

The National Water Initiative was agreed in 2004 by the COAG. There were six commitments:

- Prepare comprehensive water plans
- Achieve sustainable water use in over-allocated or stressed water systems
- Introduce registers of water rights and standards for water accounting
- Expand trade in water rights
- Improve pricing for water storage and delivery; and
- Better manage urban water demands.

There is a national review every 2 years. Since at least 2011 there have been numerous reviews calling for sweeping changes to the Queensland and NSW local government water sectors¹:

- **2011 – Infrastructure Australia:** recommending sweeping changes to the Qld and NSW local government water sectors including the potential for privatisation.
- **2011 – National Water Commission:** the review was limited to smaller service providers but also recommended reform of Qld regional local government services.
- **2011 – Productivity Commission:** called for restructuring the Qld regional sector: *"There is a strong case for undertaking aggregation of smaller water and wastewater utilities in regional areas of New South Wales and Queensland. The precise approach – including identification of affected councils and the preferred grouping of councils – should be assessed and determined by relevant State Governments, in consultation with Local Governments and affected communities"*.
- **2013 – National Infrastructure Plan:** called for *"regional delivery models, formal infrastructure agreements between bodies, and consolidation of local governments, especially in New South Wales and Queensland"*. It also suggested that *"most of Australia's water assets are publicly owned including \$50billion to \$60billion of water infrastructure suitable to be transferred to the private sector"*.
- **2014 – National Water Commission:** released a follow-on review reiterating that *"urban water reform needs to be accelerated"*.
- **2015 – AWA Water Journal:** included a series of opinion pieces on water reform calling for institutional change and in some cases, privatisation.
- **2015 – Harper Review:** investigated financial sustainability of the sector and concluded that *"Governments should focus on strengthening economic regulation in urban water and creating incentives for increased private participation in the sector through improved pricing practices"*.

¹ [Summary sourced from Qld Water regional alliance program](#)

- **2016 – Infrastructure Australia Plan:** recommended that *“State and Territory governments should undertake an independent audit of the performance, financial viability and capacity constraints of local councils to identify areas of highest risk. In New South Wales and Queensland, these audits should inform pathways to more sustainable models”* and that *“Governments should define a pathway to transfer state-owned metropolitan water utility businesses to private ownership to deliver more cost-effective, customer-responsive services”*.
- **2018 – Productivity Commission:** recommended that *“The Governments of New South Wales and Queensland should consider the merits of aggregation of regional water utilities, case by case [...] where the expected benefits of horizontal aggregation do not outweigh the costs, governments should consider the case for establishing regional alliances”*.
- **2020 – National Water Reform Committee:** reaffirmed the need for reform to *“improve delivery of services and operation of utilities in regional areas”*.
- **2021 – Productivity Commission:** argued for a balanced approach to regional water reform: *“A renewed National Water Initiative should contain agreed principles for governance of regional and remote water services where local governments retain ownership of utilities”*.

Reasoning for the federal push is the number of utilities and the ability to gain efficiencies. As a national summary:

- Western Australia has Water Corporation
- South Australia has SA Water
- Tasmania has TasWater (was three utilities, now 1)
- Victoria has 18 water utilities,
- New South Wales has ~90 utilities; and
- Queensland – 72 water utilities

It is believed the State Government is not looking outside SEQ at this stage to undertake a similar process. The assumed reasoning behind this is:

- a. It will be too difficult given the size of the State and the potential costs involved
- b. It would take a critical event/s to trigger a State response which based on history could be swift and without empathy.

At this stage it is unknown the types of pressure the Federal Government is placing on the State to reform the number of water utilities.

What has FNQROC done since the cancellation of WASP?

In 2013/14 FNQROC agreed to participate in a pilot review of our water assets under the Queensland Water Regional Alliance Program (QWRAP). The decision in the main was made to ensure we had a preferred direction and structure for our water and waste assets should the State focus on water reform.

Within the financial constraints at the time, AEC undertook the assessment. There were a number of recommendations to the Board (report attached as appendix B).

In considering the recommendation to be put forward to the board, the technical committee considered both Service Provider and Corporate Entity models. In discussing the service provider model the scope of service provision would need to be enough to either attract a service provider to the region or create a service provider entity. It is thought that if we went down this direction, unless Councils created and owned the entity there was a risk that we would become market takers in the future. The potential impact on existing employment and costs

to Council also needed to be explored further. In effect, we would need to do a business case which would not be dissimilar to a business case for the AEC Group Ltd recommendation for a Corporate Entity Model.

Shared services also were discussed but this was identified as an alternative if the Board did not want to go down the recommended path. The Technical Committee did not see benefit in setting up a formalised shared services program if the Board wished to consider a Local Government owned Corporate Entity or Service Provision as there would be a Council/s left with additional staff engaged to deliver these services. There also would potentially be additional costs to resource FNQROC to support this direction to realise the benefits. However, some immediate opportunities were discussed, and Cairns Regional Council is preparing a list of services it could offer other Councils for their consideration i.e. SCADA.

It was also thought that the status quo was not a proactive model given the three (3) federal reports recommending otherwise.

For a number of reasons, the Board decided against the technical committee recommendation at the time.

Current Situation

As at November 2021, over \$350million in significant water infrastructure upgrades were required in the region.

The State Government is solely responsible for urban water supplies with the Federal government involved in those related to agriculture.

Through Building our Regions, \$70million per year is available for regional councils (outside SEQ) to improve their water supply and sewerage systems. This is a competitive grant process. Arguably every region in Queensland will be similar to our region in terms of need.

Below is a summary of the significant upgrades required:

Summary of Planned Regional Water Infrastructure Upgrades - Significant Projects

current as at 16 November 2021

Project Type	Projected/Planned Investment	Additional Notes
Cairns Regional Council		
Cairns - Hypochlorite Site Works	\$ 829,923	
STP Pumping Station/Plant Upgrades	\$ 910,078	
Babinda STP Upgrade	\$ 200,000	
CWSS1 - Draper Road WTP	\$ 215,000,000	
Cassowary Coast Regional Council		
Cardwell - Meunga Intake Reservoir Upgrade	\$ 4,000,000	
Tully - Hyatt Street Reservoir Upgrade	\$ 4,000,000	
Tully - New Clarifier for STP	\$ 2,200,000	
Cook Shire Council		
Cooktown - Water Main Renewal	\$ 460,000	<i>PLUS estimate \$4M (\$400K p.a.) required over next 10 years.</i>
Coen Water Main Renewal	\$ 150,000	
Cooktown - STP Upgrade	\$ 195,000	
Laura - Pump Replacement	\$ 30,000	
Annan - WTP Shed	\$ 60,000	

Croydon Shire Council		
NIL	\$ -	<i>Nil projects planned</i>
Douglas Shire Council		
Alternate Intake Drumsara Mossman River	\$ 5,500,000	
Cooya Reservoir Upgrades	\$ 1,300,000	
New Bulk Water Storage - 1.3GL	\$ 30,000,000	
Whyanbeel Network Water Main Renewal	\$ 4,700,000	
Etheridge Shire Council		
Georgetown - Raw Water Tank	\$ 195,000	
Charleston Dam Connection to Forsayth and Georgetown	\$ 150,000	
Forsayth - Upgrades to WTP	\$ 75,000	
Hinchinbrook Shire Council		
TBC		
Hope Vale Aboriginal Shire Council		
WTP Filter Upgrade	\$ 650,000	
Mareeba Shire Council		
Kowa St WTP Filtration Upgrade	\$ 7,603,830	
New pressure booster pump station	\$ 3,391,245	
Tablelands Regional Council		
Ravenshoe S1 - Reservoir, Pump Stations, Intakes, Trunk Pipelines	\$ 2,855,000	
Ravenshoe S2 - WTP, Pump Station, Trunk Pipelines	\$ 9,123,000	
Atherton - Borefield, Trunk Pipelines, Pump Station, Intake	\$ 18,912,000	
Johnstone River - WTP, Trunk Pipelines, Pump Station	\$ 894,000	
High Country - Reservoir, Pump Station, Chlorinator	\$ 400,000	
Millaa Millaa - WTP, Trunk Pipelines	\$ 400,000	
Mt Garnet - Borefield, Trunk Pipeline, Pump Station	\$ 1,840,000	
Walkamin - Bore, Trunk Pipeline, Chlorinator	\$ 725,000	
Yungaburra - Reservoir, WTP, Pump Station, Trunk Pipeline	\$ 1,581,000	
Atherton STP Upgrade	\$ 26,900,000	
Yungaburra STP Upgrades	\$ 5,098,000	
Wujal Wujal Aboriginal Shire Council		
TBC		
Yarrabah Aboriginal Shire Council		
Sewage and Reticulation Treatment Plant	\$ 8,000,000	
TOTAL SIGNIFICANT NETWORK INVESTMENTS	\$ 350,328,076	

The question is.... What can we do as a region to differentiate ourselves and endear us to the State and Federal governments in relation to urban water supplies?

Proposal for discussion:

1. Do you think a reconsideration of the technical committees recommendation *“to progress the development of a detailed business case for a Local Government owned entity which will examine but not be limited to, the viability and impacts on individual Councils through each of the stages”* is:
 - a. Something we should be considering.
 - b. Something we should be advocating for State funding to do. (estimated cost ~\$500,000 - \$600,000)
2. Going through this process could provide funding leverage with the State and Federal Governments as we are delivering on a need/desire which continually raises its head every time there is a review.

Appendix A – Known Capital Works Projects as at 14 October 2009:

Major known Capital Works projects (updated 14 October 2009)	Council	Total project cost	Funding or Subsidy lost 2009/10	Funding / Subsidy lost 2010/11	Funding / Subsidy lost 2011/12	Funding / Subsidy lost to future years
3 water reservoirs Southern catchments (project had been partially approved prior to announcement)	Cairns RC	\$2,250,000	\$900,000			
Bramston Beach/Miriwinni/Babinda regional sewer scheme project	Cairns RC	\$21,700,000	\$8,680,000			
Mossman wastewater treatment plant upgrade	Cairns RC	\$17,400,000	\$447,593	\$5,680,000	\$807,207	\$25,200
Sewer for Wonga Beach, Newell Beach, Cooya Beach and reuse scheme	Cairns RC	\$25,900,000				\$10,360,000
Southern Sewer Catchment upgrades	Cairns RC	\$13,700,000	\$4,228,261			\$1,251,739
Cairns new water supply (3 stages)	Cairns RC	\$106,500,000	\$40,000	\$4,600,000	\$12,200,000	\$25,760,000
Recycled water projects	Cairns RC	\$11,190,000	\$345,000	\$4,000,000	\$1,000,000	\$250,000
Annual Capital Works Program (minor sewer and water upgrades - excluding cleaner seas) from 20010/11 – 2013/14	Cairns RC	\$40,000,000	\$6,000,000	\$5,000,000	\$5,000,000	
Yungaburra Sewerage Pump Station LE	TRC	\$700,000	\$280,000			
Yungaburra Sewerage Rising Main Upgrade - TC to TB	TRC	\$160,000		\$64,000		
Mareeba WWTP Upgrade	TRC	\$28,000,000	\$6,000,000	\$5,000,000		
Ravenshoe Ground Water Infiltration	TRC	\$50,000		\$20,000		
JRE Water Treatment Plant	TRC	\$65,400	\$26,200			
Mareeba WTP Auto Upgrade	TRC	\$100,000	\$40,000			
Mareeba Telemetry Project	TRC	\$236,500	\$94,600			

Kuranda Telemetry Project - Water & Sewer	TRC	\$200,000		\$80,000		
Atherton Telemetry Project - Water & Sewer	TRC	\$145,000		\$58,000		
Yungaburra Telemetry Project	TRC	\$65,400	\$26,200			
Yungaburra Reservoir	TRC	\$1,091,300			\$436,600	
Malanda Bore Project	TRC	\$335,000		\$134,000		
Malanda Auto Chlorination	TRC	\$22,000	\$8,800			
Yungaburra Auto Chlorination	TRC	\$22,000	\$8,800			
Innisfail North Water Treatment Plant Upgrading	Cassowary Coast	\$15,881,000	\$635,240	\$5,717,160		
Innisfail Sewerage Treatment Plant Upgrading	Cassowary Coast	\$33,409,000	\$1,336,600	\$12,027,240		
Innisfail Clear Water Delivery Main	Cassowary Coast	\$7,334,000	\$293,360	\$2,640,240		
FNQ TOTALS		\$326,456,600	\$29,390,654	\$45,020,640	\$19,443,807	\$37,646,939



Appendix B – FNQROC Board Report B53



QLD WATER REGIONAL ALLIANCE PROGRAM (QWRAP)

Darlene Irvine: #4255593

Recommendation:

That FNQROC:

1. Note the conclusion of the first stage of QWRAP investigations, including the delivery of the Report *Investigating Potential Collaborative Mechanisms for FNQ Urban Water Services* by AEC Consultants which, in summary form, recommends:
 - a) That in the long term, a Corporate Entity Model be adopted as the most appropriate governance model for the FNQ region;
 - b) Councils ensure quality Statewide Water Information Management (SWIM) data is provided to ensure a reliable regional information base; and
 - c) Councils proceed with reviewing and / or updating their Asset Management Plans (AMPs) irrespective of current regulatory changes being progressed by State Government.
2. 'In principle' supports progression to the second stage of QWRAP which involves the development of a detailed business case for a Local Government owned entity which will examine but not be limited to, the viability and impacts on individual Councils. Prior to agreeing to proceed any further on this matter, member Councils are to consider their involvement and report back to FNQROC by 11 August 2014.
3. Prepare necessary correspondence to LGAQ and Qldwater advising of FNQROC's recommendation.

Introduction:

Reviews on the national urban water industry were released independently in 2011 by Infrastructure Australia, the National Water Commission and the Productivity Commission, and all questioned the institutional arrangements for regional Queensland (and NSW) and recommended wide-spread integration. One key rationale was to achieve economies of scope and scale. Such economies and other benefits promoted by these national reviews have been questioned by many in the industry as not taking into account factors such as distance, capacity and historical development of the Queensland industry. These factors needed to be assessed prior to any potential top-down decisions on water reform.

FNQROC agreed to participate in a pilot review of our water assets under the Queensland Water Regional Alliance Program (QWRAP). This decision in the main was made to ensure we had a preferred direction and structure for our water and waste assets should the State focus on water reform.

Due to financial constraints AEC Group Ltd was selected as the consultancy firm to undertake a review for the FNQROC region. It was understood this review would not give us all the answers but it would guide us towards an area to focus our attentions for a more detailed analysis should the FNQROC Board wish to progress the program further.

AEC Group Ltd recommends:

- d) That in the long term, a Corporate Entity Model is the appropriate governance model.
- e) Councils ensure quality Statewide Water Information Management (SWIM) data is provided,
- f) Update of Asset Management Plans (AMP's)

They have provided a transition plan which is not detailed but recommended in the interim that FNQROC should continue to promote and lead programs for the region. In particular, an expansion of the current ROC program to include additional support for standardisation via the use of templates, joint programs of work across the region such as asset management plans.

Comments:

In considering the recommendation to be put forward to the board the technical committee considered both Service Provider and Corporate Entity model. In discussing the service provider model the scope of service provision would need to be enough to either attract a service provider to the region or create a service provider entity. It is thought that if we went down this direction, unless Councils created and owned the entity there was a risk that we would become market takers in the future. The potential impact on existing employment and costs to Council also needed to be explored further. In effect, we would need to do a business case which would not be dissimilar to a business case for the AEC Group Ltd recommendation for a Corporate Entity Model.

Shared services also were discussed but this was identified as an alternative if the Board did not want to go down the recommended path. The Technical Committee did not see benefit in setting up a formalised shared services program if the Board wished to consider a Local Government owned Corporate Entity or Service Provision as there would be a Council/s left with additional staff engaged to deliver these services. There also would potentially be additional costs to resource FNQROC to support this direction to realise the benefits. However, some immediate opportunities were discussed and Cairns Regional Council is preparing a list of services it could offer other Councils for their consideration i.e. SCADA.

It was also thought that the status quo was not a proactive model given the three (3) federal reports recommending otherwise.

It is believed it is inevitable that a corporate model would be forced on us in the future and it would be in our best interest to have a detailed business case showing the cost benefit and impact on Councils (at a Council level) so we have a detailed assessment to substantiate our future for our communities urban water and waste supplies.

The recommendation from the Technical Committee is for the development of a detailed business case for a Local Government owned Corporate entity. The Business Case is to include but not be limited to:

- Transition plan which includes regional service delivery entity
- Impact on Councils individually (cash flow, balance sheets, staff, inefficiencies to corporate support, community etc.)
- A proposed and justified board structure
- Corporation structure

- Fair Council Share option

It is recognised this list does not cover all the issues we need to incorporate within the tender for the development of a detailed business case. It is recommended as part of this process that a consultant be engaged to develop the brief for the tender.

Considerations:

FNQROC Strategic Plan:

The QWRAP project forms part of FNQROC's Infrastructure review.

Statutory:

Councils are required to meet the Water Supply (Safety and Reliability) Act and the Environmental Protection Act. There are a significant number of guidelines and policies impacting water and sewerage services under these Acts which create additional responsibilities for Councils as service providers.

Financial and Risk:

It is estimated the preferred recommendation will require a budget of \$400,000.

This business case for a Corporate Entity will be for a region which has over \$2 billion in water and sewerage assets and annual operational costs and revenue of:

	Operating Costs	Operating Revenue
Water	\$43 million	\$87 million
Sewerage	\$46 million	\$89 million
TOTAL	\$89 million	\$176 million

It is proposed that Councils participating in this project will contribute based on population which is in line with past FNQROC project funding splits.

There should also be opportunities to seek funding from the State Government.

Costs have been estimated without Hinchinbrook as they did not participate in the initial review however they would be welcome to participate. The estimated cost to Hinchinbrook would be \$19,295. It is recognised that it may be beneficial for Wujal Wujal and Yarrabah Aboriginal Shire Councils to participate and they may be able to access State funding for their share should they wish to participate (the project is not contingent on their involvement). The estimated cost to Councils would be as follows:

Cairns Regional Council	\$248,162
Cassowary Coast Regional Council	\$ 47,042
Cook Shire Council	\$ 7,266
Douglas Shire Council	\$ 22,992
Mareeba Shire Council	\$ 34,144
Tablelands Regional Council	\$ 40,392
Croydon Shire Council	\$ 533
Wujal Wujal Aboriginal Shire Council	\$ 477
Yarrabah Aboriginal Shire Council	\$ 4,241

Sustainability:

Investigating ways in which we can improve the cost and efficiency of the provision of quality water to our communities will have a positive impact on the environment, Council's finances and resourcing requirements.

Consultation:

QWRAP Technical Committee meeting:

- 26 November 2013 (presentation from AEC on the final draft stage 3)
- 24 January 2014 (to develop recommendations going forward for the FNQROC Board)

Options:

1. Endorse the recommendation, or
2. Amend the recommendation, or
3. Cancel participation within the pilot project.

Conclusion:

The current State Government has committed to creating a 30 year strategy for the urban water industry which considers the benefits of reform across the State. Further, the 2011 reviews of the national urban water industry which were released independently by Infrastructure Australia, the National Water Commission and the Productivity Commission, all questioned the institutional arrangements for regional Queensland (and NSW) and recommended wide-spread integration. It is not unforeseeable that the current or alternative State Government will continue to look at the feasibility of delivering essential community services, and whilst it is not envisaged they will act this term it cannot be discounted that they will not act early after the next State election.

Progressing with the Technical Committee recommendations will:

- a. support Councils' current operations and continual improvement.
- b. show a commitment from the region that we are proactive in our endeavours to reduce the cost of essential infrastructure and mitigate risks associated to our sewerage and water supplies while protecting our interests.

Attachments

#4259652 Investigating Potential Collaborative mechanisms for FNQ Urban Water Services
– January 2014

DARLENE IRVINE
Executive Officer

Our Ref: DM6923067

4 March 2022

Hon Dr Steven Miles MP
Deputy Premier and Minister for State Development, Infrastructure, Local Government and Planning
PO Box 15009
CITY EAST QLD 4002

Via email: DeputyPremier@ministerial.qld.gov.au
danielle.cohen@ministerial.qld.gov.au

Dear Minister

Regional Coordination Committee Meeting

As you are aware, FNQROC are seeking a review of the FNQ Regional Plan and wrote to you on 16 June 2021 requesting a review. The last correspondence received from your office was 23 July 2021 where you indicated the department would consider the review of the FNQ Regional Plan, in conjunction with local governments in the region progressing with the new planning scheme, however, to date we have had no further advice. We understand that the current regional plan is guiding State strategies and plans i.e. Tablelands Water Assessment, North Queensland Freight Strategy and most recently the Cairns to Northern Tablelands Access Study.

As part of the implementation actions in the current plan was the establishment of a Regional Coordination Committee (RCC), later renamed Regional Planning Committee (RPC) to progress the plan. The last meeting of this committee was 26th July 2011.

Given the significant time that has lapsed since the last meeting, we would like to request that this committee reconvenes to review the progress of the plan and consider the medium to long term actions in the plan, in particular ***“Reviewing the preferred pattern of development for FNQ and designation and investigation of potential future growth areas”***.

We look forward to this committee reforming to strategically guide this region’s economic growth.

Should you require further information or wish to discuss, please don’t hesitate to contact myself on 0447 019 647 or Darlene Irvine, FNQROC Executive Officer d.irvine@fnqroc.qld.gov.au or mobile 0403 808 680.

Yours sincerely



Cr Michael Kerr
Chair

Copy to:

Brett Nancarrow, Director North Region, Planning and Development


Via email: brett.nancarrow@dsdilgp.qld.gov.au

Joanne Manson, Manager Planning and Development Services North

Via email: joanne.manson@dsdilgp.qld.gov.au

FNQROC Member Mayors

Local State Members

	FNQROC MEETING 12 APRIL 2021	B80
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FNQROC BUDGET FOR 2021 – 2022

Darlene Irvine: #6618262

Recommendation:

That the FNQROC Board adopts:

1. FNQROC Operational Budget with:

a. Member Council base contribution for the 2021/2022 financial year being:

- i. Cairns Regional Council - \$118,700**
- ii. Carpentaria Shire Council - \$23,124**
- iii. Cassowary Coast Regional Council - \$86,925**
- iv. Cook Shire Council - \$51,853**
- v. Croydon Shire Council - \$20,763**
- vi. Douglas Shire Council - \$62,520**
- vii. Etheridge Shire Council - \$21,486**
- viii. Hinchinbrook Shire Council - \$35,487**
- ix. Hope Vale Aboriginal Shire Council - \$21,873**
- x. Mareeba Shire Council - \$76,884**
- xi. Tablelands Regional Council - \$81,117**
- xii. Wujal Wujal Aboriginal Shire Council - \$20,788**
- xiii. Yarrabah Aboriginal Shire Council - \$24,347**

b. Regional Road and Transport contribution remaining at 2.75% of council funding received, and

c. Croydon Shire Council, Etheridge Shire Council, Hinchinbrook Shire Council, Hope Vale Aboriginal Shire Council, Wujal Wujal Aboriginal Shire Council and Yarrabah Aboriginal Shire Council contribute 20% of any direct savings realised through their involvement in regional procurement activities (capped at \$25,000), and

d. Councils outside the FNQROC boundary contribute 30% of direct savings realised through their involvement in FNQROC procurement activities.

INTRODUCTION:

As per the FNQROC Operational Guidelines, a budget and operational plan needs to be presented to members for consideration by March of each year. This year it was held off due to delays in the Board not being able to meet in full due to COVID restrictions. It is noted our strategic planning sessions have not yet been completed and the operational plan may alter, this will be managed within the approved budget which is recommended to stay the same at the 2020/21 financial year.

Operational Plan

The FNQROC Board adopted the FNQROC Strategic Operational Plan 12 February 2018. This is a long term plan setting the direction of the organisation.

As a summary of the operational plan key deliverables for 2021/22 include:

Deliverables	Timeline
1. FNQROC Mayoral delegations to State and Federal Governments	Annually, 1 x State, 1 x Federal
2. Submit State and Federal budget submissions	Annually
3. Promotion, collaboration and advocacy of the FNQ Regional Roads Investment Strategy	Ongoing
4. Promotion, collaboration and advocacy of the Long Term economic benefits of Dams Study	Ongoing
5. Promotion, collaboration and advocacy of the Mobile Blackspots audit	Ongoing
6. Continued Operations of FNQROC	Annually
7. Submission on new and changing legislation affecting the region	As required
8. Maintain currency of Strategic projects requiring advocacy	Ongoing
9. Work with State government regarding priorities for urban and bulk water supplies	Ongoing
10. Continue working with the new FNQROC board on advocacy priorities and efforts	Ongoing
11. Contract management of regional arrangements	Ongoing
12. Western Council forums	2-3 times per year
13. Continue facilitating existing technical committees	Ongoing
14. Implementation of FNQROC Regional Animal Management & Wildlife Stewardship Policy	Ongoing
15. Develop FNQ Regional Weed Spread Prevention Network a. Recommendations to the Board b. Revised Disaster Management Code of Practice	2018 – 2021 December 2021
16. Training on FNQROCs regionally consistent contract and procurement documentation and specification writing	December 2021
17. Coordination of the FNQ RRTG	Ongoing
18. Investigate opportunity for regional supplier registration and prequalification	June 2022
19. Undertaken tenders for regional projects such as Bitumen reseal etc	August 2020

20. Implement Flood Warning infrastructure (QRA project)	June 2022
21. Progress Navua Sedge Select Committee Recommendations for LG	Ongoing
22. Progress the Regional Natural Assets Strategy and Stewardship Accord	Ongoing
23. Development of a Regional Strategic Waste Framework	Dec 2021

2021/22 Budget

There are a number of factors which need a recommendation from the Board to finalise the 2021-22 Budget. These factors need to be considered collectively and include:

1. Member Council base contribution for 2021-2022,
2. Local Roads of Regional Significance (LRRS) contribution, and
3. Procurement Contributions.

1. Member council base contribution for 2021/22

Member council's base rate calculation is not proposed to change from 2020/21.

The 2020/21 methodology is:

- a) flat rate at \$20,360
- b) the population rate remain at \$1.40 per person
- c) cap at \$93,700

2. LRRS contribution

It is recommended the Regional Road and Transport Group contribution to remain at 2.75% of funding received.

3. Councils Procurement contributions

It is recommended that current contributions remain unchanged. The current contribution is \$25,000 for Cairns, Cassowary, Cook, Douglas, Mareeba and Tablelands Councils. The remaining member Councils to contribute 20% of direct savings with non-member Councils contributing 30% of savings.

OPTIONS:

- a. Approve the recommendation
- b. Amend the recommendation
- c. Request a review of options presented within the report.

CONSIDERATIONS:

Statutory:

Under the *Local Government Act 2009* Council has jurisdiction to ensure good government in its area.

Under the FNQROC Operational Guidelines (Section 4 “Resources”) it is required that a Budget be presented to the FNQROC Board by March for approval.

Not included in the below budget is the approved (12 February 2018) Regional Road Investment Strategy and (18th December 2019) Dam Study to be taken from FNQROC reserves.

Financial:

The budget for 2021 – 2022 is estimated as follows:

Expenses	2020/21
Salaries (5 FTE)	\$674,000
Reseal Program Supervisor (RPEQ)	\$60,000
Western Councils travel expenses	\$4,000
FNQROC Delegation expenses	\$60,000
FNQROC Emergent delegations	\$10,000
Vehicle leases and expenses	\$30,000
Stationery and office (including audit costs, Bank fees & Internet)	\$20,000
Mobile phones	\$4,000
Software Licences & Subscriptions (includes i.d)	\$20,000
Travel and accommodation	\$23,000
External meetings & Training	\$10,000
Board and Advisory Committee Meeting expenses	\$12,000
Chair Honorarium	\$6,000
FNQROC Forum Day	\$10,000
Contingencies	\$2,650
Total expenses	\$945,650

Recommended Council contributions:

Council Contribution	2021/2022	Flat Procurement fee	TOTAL 2021/2022 contribution excl. RRTG 2.75%
Cairns	\$93,700	\$25,000	\$118,700
Carpentaria	\$23,124		\$23,124
Cassowary	\$61,925	\$25,000	\$86,925
Cook	\$26,583	\$25,000	\$51,583
Croydon	\$20,763		\$20,763
Douglas	\$37,520	\$25,000	\$62,520
Etheridge	\$21,486		\$21,486
Hinchinbrook	\$35,487		\$35,487
Hope Vale	\$21,873		\$21,873
Tablelands	\$56,117	\$25,000	\$81,117
Mareeba	\$51,884	\$25,000	\$76,884
Wujal Wujal	\$20,788		\$20,788
Yarrabah	\$24,347		\$24,347

\$495,597	\$150,000	\$645,597
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Plus additional funding	2020/2021
Road Alliance Funding	\$142,886
RRTG contribution 2.75%	\$157,167
Council contribution	\$645,597
TOTAL FNQROC Funding	\$945,650

Additional project funding is likely for implementation of the Operational Plan however this the state of these are still in discussion and FNQROC will endeavour to ascertain additional project funding where it meets our strategic direction.

CONCLUSION:

No CPI increase has been included in this budget and the operational plan remains significant. As always, FNQROC will remain agile within our plan to respond to those emerging issues which member councils deem a priority.

Darlene Irvine

FNQROC Executive Officer

Balance Sheet

Far North Queensland Regional Organisation of Councils 30241 As at 24 March 2022

24 MAR 2022

Assets

Bank

Cheque Account	1,649,123.61
Total Bank	1,649,123.61

Current Assets

Accounts Receivable New	100,484.78
Total Current Assets	100,484.78

Total Assets	1,749,608.39
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Liabilities

Current Liabilities

Accrued Expenses	6,000.00
ANZ Credit Card:FNQROC	6,306.87
GST	(3,055.94)
Payroll Liabilities:AL Payable Current	45,879.02
Payroll Liabilities:LSL Payable Current	16,133.00
Payroll Liabilities:LSL Payable Non-Current	100,434.00
Rounding	(0.14)
Total Current Liabilities	171,696.81

Total Liabilities	171,696.81
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Net Assets	1,577,911.58
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Equity

Current Year Earnings	291,462.90
Opening Bal Equity	293,928.07
Retained Earnings	992,520.61
Total Equity	1,577,911.58

Profit and Loss

Far North Queensland Regional Organisation of Councils 30241 For the period 1 July 2021 to 24 March 2022

1 JUL 2021-24 MAR
2022

Trading Income

FNQROC

FNQROC: Annual Contribution	472,743.00
Total FNQROC	472,743.00

Regional Roads & Transport

RRTG: Annual 2.75% contribution	179,257.74
RRTG: Funding/Subsidies	142,866.00
Total Regional Roads & Transport	322,123.74

Regional Urban Water

Water: Short Term Projects: QWrap Funding	0.01
Total Regional Urban Water	0.01

Regional Procurement Group

Regional Procurement: Regional Bitumen Reseal Project	11,379.01
Regional Procurement: Annual Procurement Contribution	150,000.00
Regional Procurement: Regional Scrap Metal Project 20% savings	24,855.58
Total Regional Procurement Group	186,234.59

QWRAP Short Term Project - Sewer Relining	108,382.50
Total Trading Income	1,089,483.84

Gross Profit	1,089,483.84
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Other Income

Interest Income	545.41
High Biomass Project	4,000.00
Total Other Income	4,545.41

Operating Expenses

Bank Service Charges	461.00
Interest Expense:Finance Charge	143.78

FNQROC

FNQROC: Subscription/membership	15,594.91
FNQROC: External Meeting Expenses: Registration Fees	(1,560.73)
FNQROC: External Meeting Expenses: Travel, Accom & Meals	2,587.88
FNQROC: Internal Meeting Expenses: Miscellaneous	1,406.09
FNQROC: Internal Meeting Expenses: Catering	2,239.80
FNQROC: Miscellaneous expenses	6,000.00
FNQROC Expenses: Miscellaneous: Staff Christmas Party	401.82
FNQROC: Mobile Phone Expenses	735.32
FNQROC: Salaries	110,974.35
FNQROC: Stationery & Office Expenses	4,938.82
FNQROC: Stationery & Office Expenses:Website	1,033.25

1 JUL 2021-24 MAR
2022

FNQROC: Arranged Training expenses	272.73
FNQROC: Vehicle Expenses	12,141.96
FNQROC: Mayoral delegations - accommodation, meals, travel expenses	8,876.97
Total FNQROC	165,643.17
Infrastructure	
Infrastructure: Salaries	69,427.38
Infrastructure: Mobile Phone Expenses	413.60
Total Infrastructure	69,840.98
Regional Roads & Transport	
RRTG: External Meetings: Travel, Accom & Meals	3,251.24
RRTG: Internal Meeting Expenses: Catering	574.55
RRTG: Training	607.44
Regional Road Investment Strategy	49,820.85
Total Regional Roads & Transport	54,254.08
Regional Urban Water	
Water: Internal Meeting Expenses: Catering	608.59
Water: Short Term Project: DWQMP Audit	94,420.00
Total Regional Urban Water	95,028.59
Regional Waste & Recycling	
Waste: Internal Meeting Expenses: Catering	690.90
Total Regional Waste & Recycling	690.90
Regional Asset Management	
Asset Management: External Meetings Expenses: Registration	1,500.00
Asset: External Meetings: Travel, Accom & Meals	4.91
Total Regional Asset Management	1,504.91
Regional Natural Asset Management	
Nat Asset: Vehicle Expense	6,283.45
Nat Asset: Environmental Report & Maps	272.73
Nat Asset: External Meetings: Registration Fees	127.27
Nat Asset: External Meetings: Travel, Accom & Meals	330.91
Nat Asset: Internal Meeting Expenses: Catering	519.85
Nat Asset: Miscellaneous	550.00
Nat Asset: Mobile Phone Expenses	413.60
Nat Asset: Salaries	73,978.60
Nat Asset: Stationery & Office Expenses	1,401.88
Nat Asset: Subscription/membership fees	1,500.00
Total Regional Natural Asset Management	85,378.29
Regional Planning and Economic Development	
Reg Planner/economic development: Mobile Phone Expenses	413.60
Reg Planner/economic development: Salaries	54,464.74
Reg Planner/economic development: External Meetings Expenses: Registration	86.36
Total Regional Planning and Economic Development	54,964.70

Regional Procurement	
Regional Procurement: Bitumen Reseal Project	4,800.00
Regional Procurement: Bitumen Reseal Project:Project Coordinator Fees	33,600.00
Regional Procurement: External Meeting Expenses: Travel, Accom & Meals	6.28
Regional Procurement:Internal Meeting Expenses: Catering	109.05
Regional Procurement: Mobile Phone Expenses	413.60
Regional Procurement: Salaries	72,581.12
Regional Procurement: Stationery & Office Expenses	513.64
Regional Procurement: Training	4,018.56
Total Regional Procurement	116,042.25
Waste: Internal Meeting Expenses: Miscellaneous	47.70
FNQROC: Reimburse for FNQROC Dinner & Accom	(1,081.12)
FNQROC Local Planning Tools	19,000.00
Climate Resilient Councils Program	56,642.08
NAMAC	130.95
RRTG4.7 Small Project - Aerodrome	(30,500.00)
Regional Flood Warning Infrastructure: Program Coordinator	40,800.00
Miscellaneous	54.09
Regional Procurement: Sewer Relining - Consultant Fees	63,520.00
FNQROC Short Term Project - Cairns Smart Greet Capital	10,000.00
Total Operating Expenses	802,566.35
Net Profit	291,462.90

**Meetings attended by: Darlene Irvine, FNQROC Executive Office
For the period: 4 February 2022 to 25 March 2022**

DATE	MEETING DETAILS
10 February 2022	Regional Managers Network Coordination Meeting (RCMN)
10 February 2022	Roc session for LGAQ Federal Election Campaign and Strategy Update
16 February 2022	North Queensland Regional Freight Plan Stakeholder Workshop
16 February 2022	Bob Katter MP
18 February 2022	FNQ CEO Forum
22 February 2022	Sarah Palmer, Department of Premier and Cabinet
24 February 2022	Cairns Economic Priorities & Deliverables - CRC
25 February 2022	Regional Data hub consultation – Paul Cranch, LGAQ
14 March 2022	Mareeba Regional Water Assessments (Tablelands) Service Needs Economic Development Workshop
11 March 2022	Department of Transport and Main Roads – Kuranda Range Road
17-18 March 2022	ROC Assembly - Townsville
24 March 2022	Jonathan Pavetto, AEC