

# MINUTES

## BANANA SHIRE COUNCIL ORDINARY MEETING

Meeting Date: Wednesday 22 April 2020  
Venue: Council Chambers, 62 Valentine Plains Road, Biloela  
Time: 9.00 am

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### 1.0 Opening of Meeting

"Council recognises that this meeting is held on the Land of the Gaangalu Nation and that the Banana Shire also includes land of the Iman People, Wulli Wulli People, Wadja People, Wakka Wakka People and Darumbal People."

### 2.0 Attendance including Apologies & Leave of Absence

### 3.0 National Anthem & Prayer

### 4.0 Confirmation of Minutes

- 4.0.1 Ordinary Meeting held 18 March 2020
- 4.0.2 Post-Election Meeting held 15 April 2020

### 5.0 Mayor's Report / Minute

### 6.0 Business Outstanding

- 6.0.1 Business Arising from Previous Meetings & Matters Lying on the Table

### 7.0 Declaration of Interest on Matters on the Agenda

### 8.0 Corporate & Community Services

#### 8.1 Corporate Services

- 8.1.1 Financial Report P/E 31/03/20
- 8.1.2 Resolutions Actions Report
- 8.1.3 Major Capital Projects – Monthly Actual Expenditure as at 31/03/20
- 8.1.4 2019/2020 Operational Plans – 3<sup>rd</sup> Quarter Review
- 8.1.5 Minutes of Audit Committee Meeting held 24 March 2020

#### 8.2 Community

- 8.2.1 Sole Supplier – Bolinda Publishing
- 8.2.2 COVID-19 Recovery Plan

## **9.0 Infrastructure Services**

### **9.1 Infrastructure Services**

#### **9.1.1 Infrastructure Monthly Report**

#### **9.1.2 Resolutions Actions Report**

#### **9.1.3 Major Capital Projects – Monthly Actual Expenditure as at 31/03/20**

#### **9.1.4 2019/2020 Operational Plans – 3<sup>rd</sup> Quarter Review**

## **10.0 Council Services**

### **10.1 Council Services**

#### **10.1.1 Resolutions Actions Report**

#### **10.1.2 Major Capital Projects – Monthly Actual Expenditure as at 31/03/20**

#### **10.1.3 2019/2020 Operational Plans – 3<sup>rd</sup> Quarter Review**

### **10.2 Environmental Services**

#### **10.2.1 Taroom Landfill Closure and Operational Status**

## **11.0 Executive Services**

### **11.1 Executive Services**

#### **11.1.1 Resolutions Actions Report**

#### **11.1.2 Funding Projects – Monthly Actual Expenditure as at 31/03/20**

#### **11.1.3 2019/2020 Operational Plans – 3<sup>rd</sup> Quarter Review**

#### **11.1.4 Administrative Action Complaints Management Report for P/E 31/03/20**

#### **11.1.5 Register of Contact with a Lobbyist – as at 31 March 2020**

#### **11.1.6 Local Government Association of Queensland – Election of LGAQ Policy Executive District Representatives 2020-2024**

## **12.0 Close of Meeting**

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## 1.0 Opening of Meeting

The meeting commenced at 9.08am

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## 2.0 Attendance including Apologies & Leave of Absence

Councillors – Mayor Nev Ferrier and Crs Semple, Leo, Boyce, Casey, Pender & Ramsey  
Officers – Chief Executive Officer, Director Corporate & Community Services, Director Council Services

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## 3.0 National Anthem & Prayer

Following the National Anthem, Cr Ramsey led Council in Prayer

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## 4.0 Confirmation of Minutes

**Minute No:** OM004647

### **Resolution:**

*That the minutes of the Ordinary Meeting held on 18 March 2020 be taken as read and confirmed.*

*Moved: Cr Boyce*

*Seconded: Cr Semple*

*Carried*

*That the minutes of the Post-Election Meeting held on 15 April 2020 be taken as read and confirmed.*

*Moved: Cr Boyce*

*Seconded: Cr Semple*

*Carried*

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## 5.0 Mayor's Report / Minute

Mayor reported on the following –

- COVID-19 in relation to the Shire
- Request from the Office of Northern Australia to Regional Development Australia – Central & Western Queensland for shovel ready community infrastructure projects; discussion held.

Reverend Andrew Purcell from the Presbyterian Church attended the meeting and led Council in prayer.

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## 6.0 Business Outstanding

It was noted there is no business arising from previous meetings or matters lying on the table

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## 7.0 Declaration of Interest on Matters on the Agenda

It was noted there are no declaration of interest on matters on the agenda

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### 8.1.1 FINANCIAL REPORT– PERIOD ENDING 31 MARCH 2020

**Date:** 14 April 2020  
**Author:** Peter Rudder, Acting Manager- Finance  
**File ID:** 2306  
**Letter ID:**  
**Attachment:** Statement of Comprehensive Income - Actual v Budget to 31 March 2020; Statement of Financial Position – Actual v Budget to 31 March 2020; Statement of Cash Flows - Actual v Budget to 31 March 2020; Statement of Changes in Equity to 31 March 2020; Account Balances, Cash Position and Rates Report to 15 April 2020.  
**Minute No:** OM004648

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#### **Resolution:**

***That Council receive the Financial Report as tabled for the period ending 31 March 2020 and the Analysis of Cash report as at 15 April 2020.***

***Moved: Cr Leo***

***Seconded: Cr Pender***

***Carried***

***That Council authorise the CEO to bring forward capital purchases from 2020/21 financial year where there is a clear benefit for local business.***

***Moved: Cr Casey***

***Seconded: Cr Boyce***

***Carried***

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This report is a legislative requirement.

#### **Report**

##### **1. Introduction**

The purpose of the Financial Report is to give Management and Council an overview of the organisation's financial performance for the period ending 31 March 2020.

It is presented in a format which compares the year to date to the 2019/2020 budget. The year to date budget is 75% of the amended budget. The financial analysis contained in this report compares; either year to date expenditure with an equivalent budget to date expenditure or, in the case of rates, year to date expenditure with an appropriate cash flow position.

As a result of the unprecedented situation with COVID-19, there could be a significant impact on the Council's operating result and the cash balances. Council officers are currently compiling the information on forecast cash balances which will be provided to Council in the next 2-3 weeks.

##### **2. Report**

Comprehensive Income Statement:

Council recorded an operating surplus of \$5.09 million at the end of March 2020. At the same time last year, the Council had an operating surplus of \$4.23 million. The difference is approximately \$800,000 related to timing issues of rates discount being applied.

The main points to consider from this month's report are:

- At the end of February, net rates are 2.53% above the budgeted cash flow position. This will adjust as the discounts are automatically applied as residents pay their rates.
- The other main areas of revenue are below the year-to-date cash flow position:
  - Operating grants – down by 15.52%. 50% of Council's 2020-21 financial assistance grants are expected to be received in June 2020; although as the Federal Budget has been delayed until October 2020 the normal prepayment may not occur.
  - Interest revenue – down by 24.85%. Economic conditions are driving this result, and recent Reserve Bank movements will only increase this difference.
  - Contract and recoverable works – down by 7.17%. This appears to be largely a timing difference between doing the work and being paid.
- Total operating expenditure is generally on track at 1.08% above the year to date budget position.

#### Capital Expenditure:

Capital expenditure – see separate report.

### **Conclusion**

At the time of preparing the report, there are a number of uncertainties exist to advice Council making 'reasonable assumptions' on the Council's financial position. Current cash balance is at \$26 million, which could be considered sufficient to meet the Council's current fiscal obligations. However, there are some areas of concerns that Council needs to note including;

- Rates potentially not received and or on time- resulting in loss of interest income and reduction in cash
- Doubtful in receiving the Federal Financial Assistance grants in advance
- The increased cost of supplies
- Council's ability to undertake the works as planned (despite best efforts from staff)

The impacts of COVID-19 are global with flow-on effects on the Council's own fiscal resources. Officers are working to prepare a financial plan to manage the unprecedented situation.

## 8.1.2 ACTION REPORT ON PREVIOUS COUNCIL RESOLUTIONS – CORPORATE & COMMUNITY SERVICES

**Date:** 15 April 2020  
**Author:** Venkata Peteti – Director Corporate & Community Services  
**File No:**  
**Letter No:**  
**Attachment:** Resolutions Action Report  
**Minute No:** OM004649

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### **Resolution:**

*That the Resolutions Action Report for Corporate & Community Services as presented be noted and received.*

*Moved: Cr Leo*

*Seconded: Cr Ramsey*

*Carried*

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### **Report**

This report is to advise Council of the outstanding matters currently being dealt with by the organisation.

### **Considerations**

1. **Corporate Plan**  
N/A
2. **Policy and Legal Implications**  
Policy and legal implications will be addressed through each matter.
3. **Financial and Resource Implications**  
Budget impacts will be addressed in resolving each matter.
4. **Risk Assessment**  
N/A

### 8.1.3 MAJOR CAPITAL PROJECTS – MONTHLY ACTUAL EXPENDITURE – CORPORATE & COMMUNITY SERVICES

**Date:** 15 April 2020  
**Author:** Venkata Peteti - Director Corporate & Community Services  
**File No:**  
**Letter No:**  
**Attachment:** Capital Expenditure Report  
**Minute No:** OM004650

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#### **Resolution:**

*That Council note and receive the Major Capital Expenditure Report as at 31 March 2020 for Corporate & Community Services.*

*Moved: Cr Leo*

*Seconded: Cr Pender*

*Carried*

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#### **Report**

Providing a report on Council's Major Capital Expenditure as at 31 March 2020 for Corporate & Community Services.

Refer attachment.

#### 8.1.4 2019/20 CORPORATE & COMMUNITY SERVICES OPERATIONAL PLAN ASSESSMENT AS AT 31/03/2020

**Date:** 16 April 2020  
**Author:** Venkat Peteti - Director Corporate & Community Services  
**File No:**  
**Letter No:**  
**Attachment:** 2019/20 Operational Plan – 3<sup>rd</sup> Quarter Review  
**Minute No:** OM004651

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#### **Resolution:**

*That Council receive Corporate & Community Services' third quarter assessment of the 2019/20 Operational Plan.*

*Moved: Cr Leo*

*Seconded: Cr Boyce*

*Carried*

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#### **Report**

Corporate & Community Services third quarter assessment of 2019/20 Operational Plan is attached.



### 8.1.5 MINUTES OF AUDIT COMMITTEE MEETING HELD 24 MARCH 2020

**Date:** 14 April 2020  
**Author:** Venkata Peteti, Director Corporate & Community Services  
**File No:**  
**Letter No:**  
**Attachment:** 1544934 Minutes of Audit Committee Meeting held 24 March 2020  
**Minute No:** OM004652

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#### **Resolution:**

- 1. That the minutes of the Audit Committee meeting held on 24 March 2020 be received.**
- 2. That the following policies which are attached to and form part of these minutes be adopted:-**
  - **2020/21 Debt Policy**
  - **2020/21 Investment Policy**
  - **2020/21 Procurement Policy**
  - **2020/21 Revenue Policy**
  - **Related Parties Disclosure Policy**

**Moved: Cr Boyce**

**Seconded: Cr Semple**

**Carried**

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#### **Report**

The minutes of the Audit Committee meeting held on 24 March 2020 are to be presented to Council. Refer to Document Number 1544934 for the minutes of the Audit Committee meeting.

#### **Considerations**

- 1. Corporate Plan**

This matter has direct reference to Corporate Plan Strategy 1.1 (a), (k) and (l).
- 2. Policy and Legal Implications**

The internal audit function is required under the *Local Government Act 2009* and *Local Government Regulation 2012*.
- 3. Financial and Resource Implications**

N/A
- 4. Risk Assessment**

No apparent risks.

## 8.2.1 SOLE SUPPLIER – BOLINDA PUBLISHING - BORROWBOX

**Date:** 8 April 2020  
**Author:** Ruth Thompson – Senior Library & Information Services Advisor  
**File ID:**  
**Letter ID:**  
**Attachment:** Library Proposal from Bolinda Publishing and Exception to Quotation Form  
**Minute No:** OM004653

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### **Resolution:**

*In accordance with Section 235 of the Local Government Regulation 2012, Council hereby resolves that it is satisfied that there is only one (1) supplier who is reasonably available with respect to the supply of the digital resource, BorrowBox, eBooks and eAudiobooks, that provider being Bolinda Publishing and ratifies the CEO's decision to engage Bolinda Publishing on a sole supplier basis.*

**Moved: Cr Boyce**

**Seconded: Cr Ramsey**

**Carried**

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### **Report**

As a result of the Prime Minister's Libraries closure directive, Banana Shire Council has been working on alternatives to extend Library Services to the community.

BorrowBox is an application widely used in Queensland Libraries and has presented a very heavily discounted start-up proposal for Banana Shire Libraries to access their digital eBooks and eAudiobooks to support Banana Shire Council's efforts to extend library services. The offer was –

- resources to the value of \$29,000 for only \$5,500
- to waive the implementation fee of approximately \$22,500
- to waive the Solution and Services Fee of \$4600 p.a. until the 2021/22 financial year

The contract is for three years; Banana Shire Council (Libraries) can choose content and the amount spent on future digital resources.

It has been established that the BorrowBox can only be purchased from the sole supplier, Bolinda Publishing.

In order to validate a sole supplier list, under the *Local Government Regulations 2012 – Section 235* (a) & (b):

*A local government may enter into a medium-sized contractual arrangement or large-sized contractual arrangement without first inviting written quotes or tenders if –*

*(a) the local government resolves it is satisfied that there is only 1 supplier who is reasonably available; or*

*(b) the local government resolved that, because of the specialised or confidential nature of the services that are sought, it would be impractical or disadvantageous for the local government to invite quotes or tenders.*

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### **Financial implications**

The funding for the digital resources will be covered through a Public Libraries Grant, which Council has already secured and is unspent. The overall cost of purchase is around \$8,000 for all the E-resources through Bolinda.

### **Future Considerations**

As part of service, delivery officers will evaluate the services through the digital resources and validate the extent digital resources could be used in the future.

### **Community Considerations**

Quick action from Banana Shire Council required to support the community when the library was closed and the CEO after considering all risks approved the decision to engage Bolinda Publishing for the procurement of Digital resource, BorrowBox, eBooks and eAudiobooks, with a condition to ratify the decision by the Council as soon as practical.

## 8.2.2 COVID-19 RECOVERY PLAN

**Date:** 14 April 2020  
**Author:** Jaz Dodd – Community Recovery Project Manager  
**File ID:**  
**Letter ID:**  
**Attachment:** Recovery Plan – Version 1 dated 30 March 2020  
**Minute No:** OM004654

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### **Resolution:**

***That Council receive and note the COVID-19 Recovery Plan.***

***Moved: Cr Pender***

***Seconded: Cr Boyce***

***Carried***

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### **Report**

Council has launched a Community Recovery Taskforce in response to the COVID-19 pandemic. This Taskforce has been established to assist our Shire in recovering from the economic and community hardships that COVID-19 has caused.

The Taskforce has created a Recovery Plan for economic and community recovery. Version 1 of the Recovery Plan is dated 30 March 2020 and is attached to this report. The Recovery Plan is a live document that will be altered and updated from time to time.

The Recovery Plan was endorsed by the Local Disaster Management Group on 9 April 2020.

The recovery plan on the page has the purpose of the plan, the principles that are adhered to in the development of the plan, the time table of activities identified for recovery with further details on the planning phase.

The recovery plan will be presented to the Disaster Management Economic and Community Recovery Committees for their inputs regularly. Councillors are requested to provide feedback on this plan directly to Venkata Peteti, the Local Recovery Coordinator.

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### **General Business – Corporate & Community Services**

**Cr Leo** asked if 3<sup>rd</sup> quarter budget amendments will be discussed at the April Workshop and was advised yes.

**Cr Semple** asked about the capacity to purchase additional fuel while the price is low. CEO advised the majority of fuel is purchased through the bowser at the local service station (successful tenderer), all Council vehicles have a fuel card assigned. Mayor asked that a review be undertaken with respect to Council having its own bulk fuel storage and bowser/s.

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Director Infrastructure Services attended the meeting at 10.15am

## 9.0 Infrastructure Services

### 9.1.1 MONTHLY COUNCIL REPORT – INFRASTRUCTURE SERVICES

**Date:** 8 April 2020  
**Author:** Chris Whitaker – Director Infrastructure Services  
**File ID:**  
**Letter ID:**  
**Attachment:**  
**Minute No:** OM004655

#### **Resolution:**

*That Council receive the April 2020 Infrastructure Services Monthly Report as presented.*

*Moved: Cr Semple*

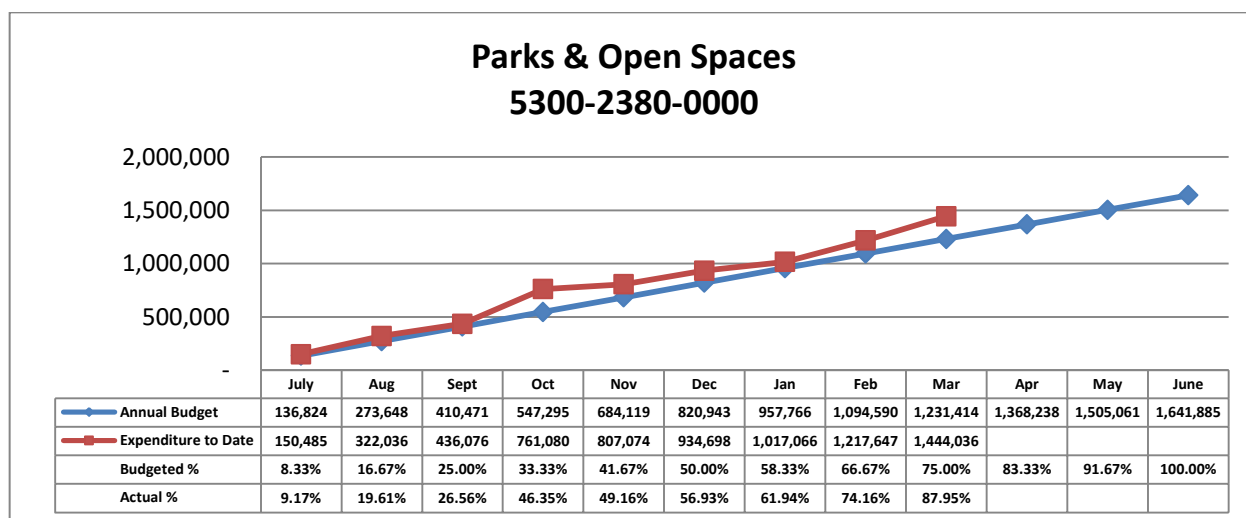
*Seconded: Cr Ramsey*

*Carried*

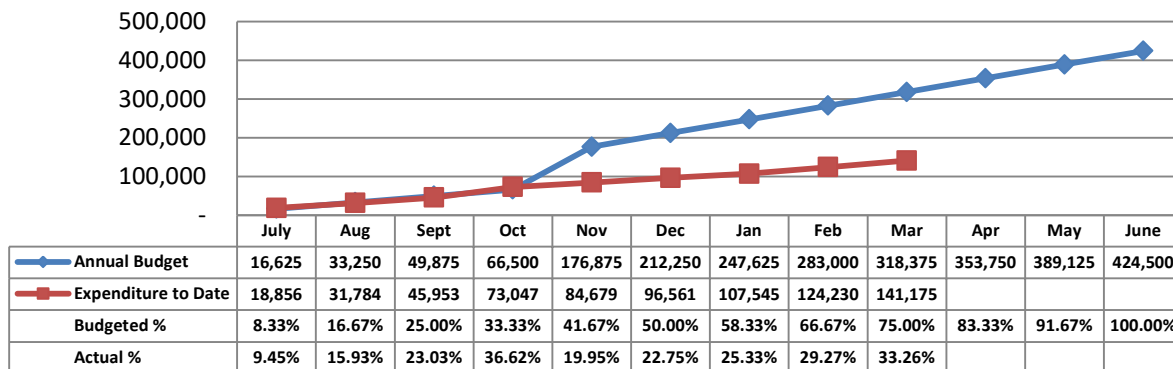
#### **Report**

This month's Council report by Infrastructure Services details the following actual expenditure:

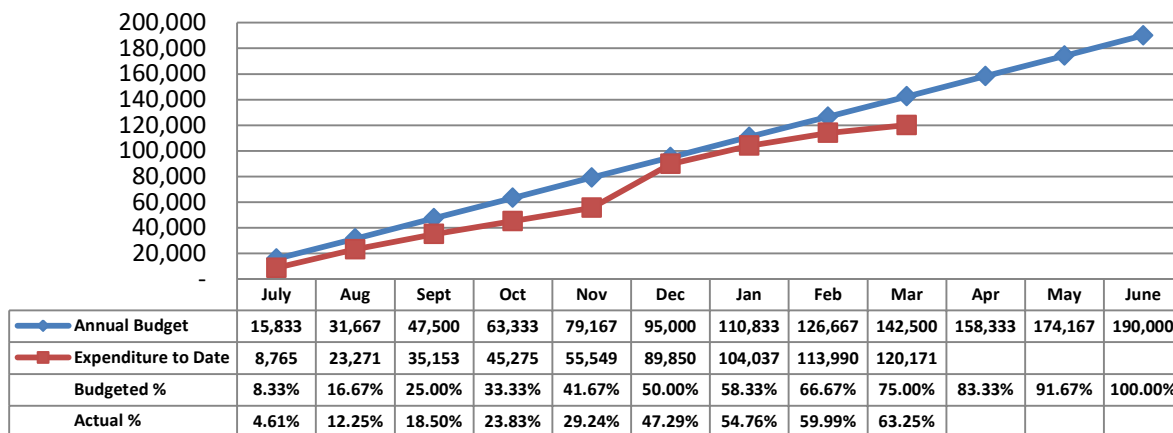
- Parks & Open Spaces
- Public Toilets
- Street Cleaning
- Street Lighting
- Bikeways and Footpaths Maintenance
- Roads Bridges and Drainage Maintenance
- RMPC



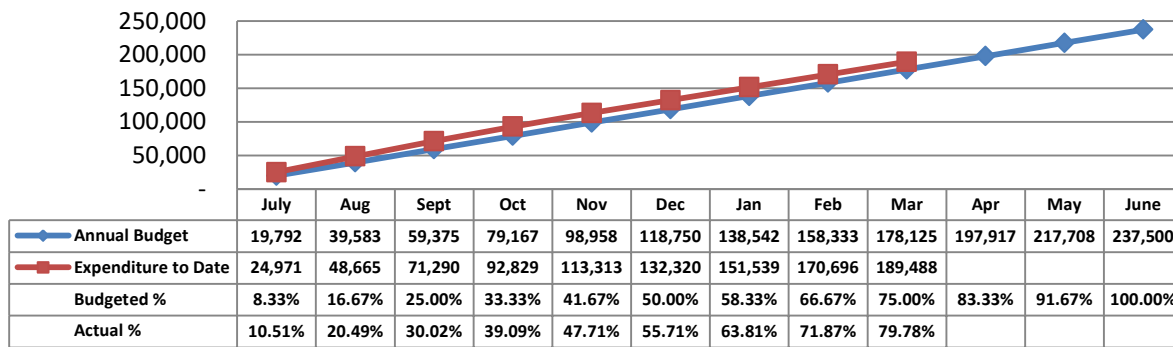
### Public Toilets 5320-2380-0000



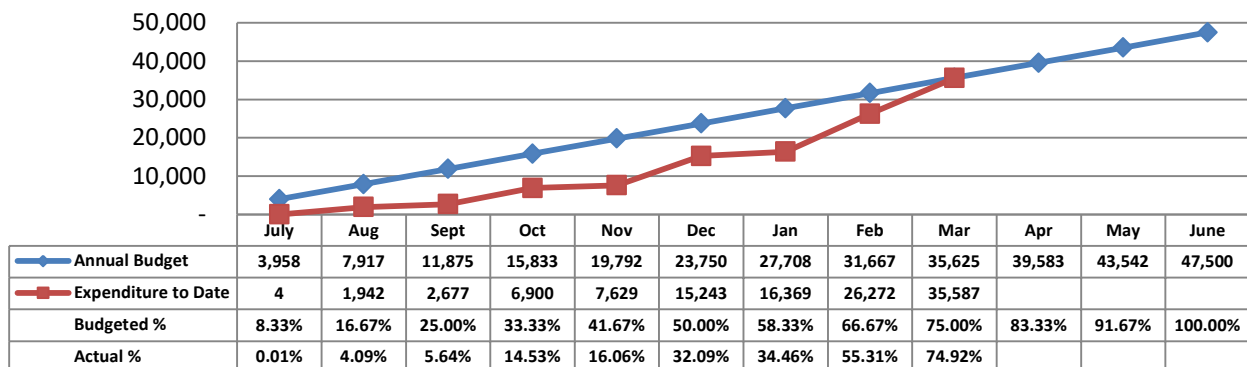
### Street Cleaning 5360-2380-0000



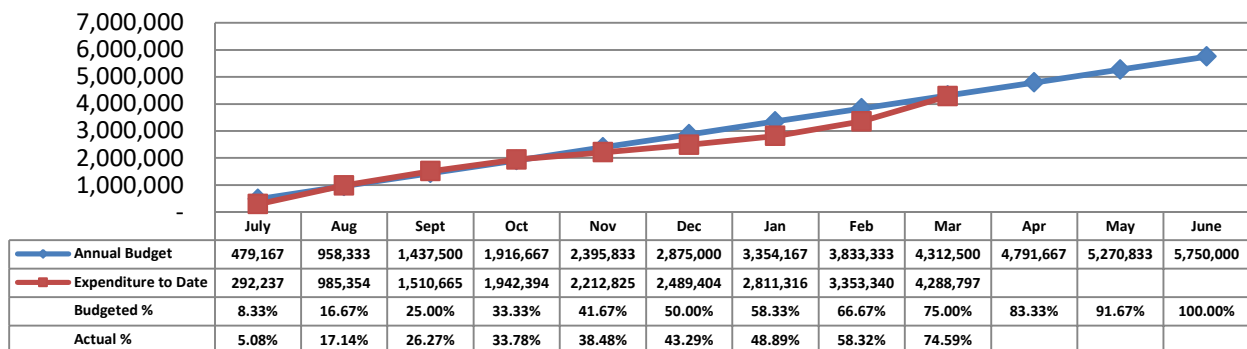
### Street Lighting 5380-2380-0000



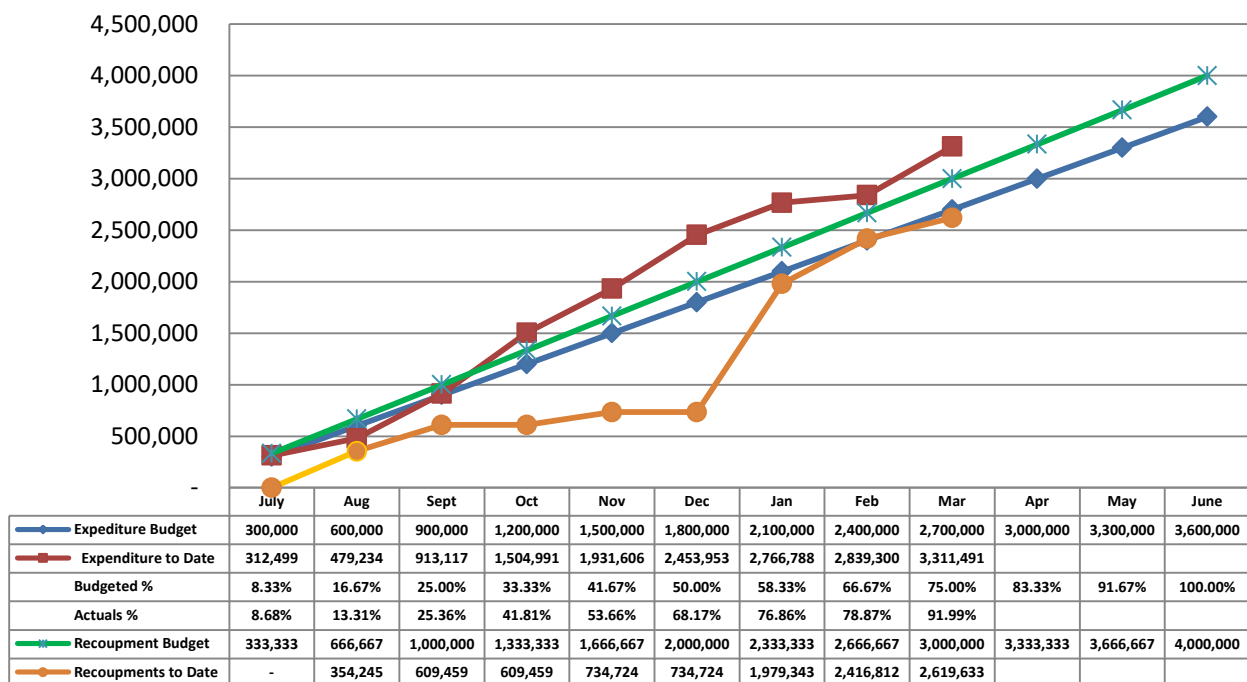
### Bikeways & Footpaths 5420-2480-0000



### Roads Bridges & Drainage 5200-2480-0000



## RMPC Maintenance Expenditure 5100-2480-0000 RMPC Recoupment 5100-1400-0000



### Considerations

#### 1. Corporate Plan

Maintaining Council's infrastructure relates to Council's 'Corporate Objective 5 – Plan and deliver effective and efficient infrastructure services'.

#### 2. Policy and Legal Implications

The delivery of this program will be managed in such a way as all appropriate/applicable policies/legislation is complied with.

#### 3. Financial and Resource Implications

The delivery of the various works programs are a significant undertaking by the Works Section which require an extensive commitment by the entire Works group.

All of these various programs will be delivered simultaneously utilising various combinations of Council, Sub-Contractor and Principal Contractor resources.

Critical to the delivery of these inter-connected programs is the diversity and multi-skilled competency of the expanded workforce, with a degree of internal redundancy contained within the Section.

Actual expenditure to date compared to target expenditure for 2019/20 is shown on the included graphs.

#### 4. Risk Assessment



The primary risk factors and control measures that would impede the full delivery of the maintenance program are:

- Wet weather
- Loss of key staff
- Inability to appropriately up-skill, attract and/or retain key staff
- Breakdown of critical plant items
- Availability of key sub-contract plant and services
- Availability of key materials

These risks are constantly being monitored, reviewed and addressed.

## 9.1.2 ACTION REPORT ON PREVIOUS COUNCIL RESOLUTIONS – INFRASTRUCTURE SERVICES

**Date:** 15 April 2020  
**Author:** Chris Whitaker - Director Infrastructure Services  
**File No:**  
**Letter No:**  
**Attachment:** Resolutions Action Report  
**Minute No:** OM004656

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### **Resolution:**

***That the Resolutions Action Report for Infrastructure Services be noted and received.***

***Moved: Cr Ramsey***

***Seconded: Cr Semple***

***Carried***

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### **Report**

This report is to advise Council of the outstanding matters currently being dealt with by the organisation.

### **Considerations**

1. **Corporate Plan**  
N/A
2. **Policy and Legal Implications**  
Policy and legal implications will be addressed through each matter.
3. **Financial and Resource Implications**  
Budget impacts will be addressed in resolving each matter.
4. **Risk Assessment**  
N/A

### 9.1.3 MAJOR CAPITAL PROJECTS – MONTHLY ACTUAL EXPENDITURE – INFRASTRUCTURE SERVICES

**Date:** 15 April 2020  
**Author:** Chris Whitaker - Director Infrastructure Services  
**File No:**  
**Letter No:**  
**Attachment:** Capital Expenditure Report  
**Minute No:** OM004657

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#### **Resolution:**

***That Council note and receive the Major Capital Expenditure Report for Infrastructure Services as at 31 March 2020.***

***Moved: Cr Leo***

***Seconded: Cr Semple***

***Carried***

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#### **Report**

Providing a report on Council's Major Capital Expenditure as at 31 March 2020 for Infrastructure Services.

Refer attachment.

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Moved Cr Leo, seconded Cr Semple and carried: That the meeting adjourn at 10.45am for morning tea.

Moved Cr Leo seconded Cr Ramsey and carried: That the meeting recommence at 11.10am.

9.1.4 2019/20 INFRASTRUCTURE SERVICES OPERATIONAL PLAN ASSESSMENT AS AT  
31/03/2020

**Date:** 15 April 2020  
**Author:** Chris Whitaker - Director Infrastructure Services  
**File No:**  
**Letter No:**  
**Attachment:** 2019/20 Operational Plan – 3<sup>rd</sup> Quarter Review  
**Minute No:** OM004658

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**Resolution:**

*That Council receive Infrastructure Services' third quarter assessment of the 2019/20 Operational Plan.*

*Moved: Cr Ramsey*

*Seconded: Cr Semple*

*Carried*

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**Report**

Infrastructure Services third quarter assessment of 2019/20 Operational Plan is attached.

### 10.1.1 ACTION REPORT ON PREVIOUS COUNCIL RESOLUTIONS – COUNCIL SERVICES

**Date:** 15 April 2020  
**Author:** Chris Welch, Director Council Services  
**File ID:**  
**Letter ID:** N/A  
**Attachment:** Resolutions Action Report  
**Minute No:** OM004659

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#### **Resolution:**

*That the Resolutions Action Report for Council Services as presented be noted and received.*

*Moved: Cr Boyce*

*Seconded: Cr Pender*

*Carried*

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#### **Report**

This report is to advise Council of the outstanding matters currently being dealt with by the Department.

#### **Considerations**

1. **Corporate Plan**  
N/A
2. **Policy and Legal Implications**  
Policy and legal implications will be addressed through each matter.
3. **Financial and Resource Implications**  
Budget impacts will be addressed in resolving each matter.
4. **Risk Assessment**  
N/A

## 10.1.2 MAJOR CAPITAL PROJECTS – MONTHLY ACTUAL EXPENDITURE – COUNCIL SERVICES

**Date:** 15 April 2020  
**Author:** Chris Welch - Director Council Services  
**File No:**  
**Letter No:**  
**Attachment:** Capital Expenditure Report  
**Minute No:** OM004660

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### **Resolution:**

***That Council note and receive the Major Capital Expenditure Report for Council Services as at 31 March 2020.***

***Moved: Cr Pender***

***Seconded: Cr Casey***

***Carried***

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### **Report**

Providing a report on Council's Major Capital Expenditure as at 31 March 2020 for Council Services.

Refer attachment.

### 10.1.3 2019/20 COUNCIL SERVICES OPERATIONAL PLAN ASSESSMENT AS AT 31/03/2020

**Date:** 15 April 2020  
**Author:** Chris Welch - Director Council Services  
**File No:**  
**Letter No:**  
**Attachment:** 2019/20 Operational Plan – 3<sup>rd</sup> Quarter Review  
**Minute No:** OM004661

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#### **Resolution:**

***That Council receive Council Services' third quarter assessment of the 2019/20 Operational Plan.***

***Moved: Cr Casey***

***Seconded: Cr Boyce***

***Carried***

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#### **Report**

Council Services third quarter assessment of 2019/20 Operational Plan is attached.

Manager Environment & Planning attended the meeting at 11.40am

## 10.2.1 TAROOM LANDFILL CLOSURE AND OPERATIONAL STATUS

**Date:** 17 April 2020  
**Author:** Dr Keith Halford, Manager Environment and Planning  
**File ID:**  
**Letter ID:**  
**Attachment:** Taroom Landfill Environmental Improvement Order (EPO) and Improvements Power Point Presentation  
**Minute No:** OM004662

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### **Resolution:**

***That Council approve that the Taroom Landfill be closed from 27 April 2020 until 4 May 2020 inclusive to:***

- clean up the site***
- cap and close the existing landfill***
- restructure the current landform***
- relocate and reposition the fences***
- realign the security cameras and signage; and***
- open the new landfill***

***Moved: Cr Leo***

***Seconded: Cr Casey***

***Carried***

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### **Report:**

#### **Taroom Landfill Closure and Operational Status**

The following report details the issues associated with the current operation of the Taroom Landfill. Taroom is one of three landfills operated in the Shire - Trap Gully, Cracow and Taroom. Only Trap Gully is manned. The risk associated with unmanned landfill sites are:

- Fire;
- Poor placement of waste;
- Illegal dumping of regulated waste such as Asbestos etc;
- Theft;
- Illegal dumping from outside of the Shire;
- Illegal dumping by commercial operators; and
- Personal injury to members of the public.

As a result of a fire at Taroom Landfill during 2019, the Banana Shire Council was issued an Environmental Protection Order (EPO) by the Department of Environment and Science (DES) which included several management conditions that had to be complied with. Conditions included:

- The site to be opened and closed (locked gate) daily;
  - The site to be maintained in a clean and tidy manner; and
  - The site to have functional security cameras.
-



At present, the Banana Shire Council is not complying with any of these conditions and is at risk of prosecution.

In January 2020, there was a fire at the Cracow Landfill. This event was reported to the DES but was managed more proactively and no further action was required.

## **1. Policy and Legal Implications**

At present, the Banana Shire Council is not complying with the conditions of the EOP for the Taroom Landfill and is at serious risk of prosecution.

Implications include a \$4 Million fine (non-compliance to an EPO) as well as legal costs, permanent closure of the landfill and significant reputational loss.

## **2. The Proposed Closure**

### **Public Notification**

It is recommended that the Taroom Landfill be closed from the 27 April 2020 until 4 May 2020. Commencing on 27 April 2020 allows for time for the Public to be notified, and the mobilisation of earthmoving equipment to site.

This will also provide an opportunity to educate the public into the operation of the new landfill cell.

## **3. Works Undertaken During the Closed Period**

Works to be conducted:

- Clean up the site (to comply with the EPO);
- Cap and close the existing landfill (poor design had led to EPO non-compliance);
- Restructure the current landform;
- Relocate and reposition the fences;
- Realign the security cameras and signage (to comply with the EPO); and
- Open the new landfill.

## **4. Safety**

The old landfill must be closed prior to the new landfill being opened as the landform in the area needs to be reformed using heavy equipment to allow access.

Therefore it is unsafe to allow members of the public within the work area during these works.

## **5. Commissioning the New Landfill**

The new landfill has been designed to prevent the loss of waste from the cell. It is a drive in facility which is much easier to manage and access by heavy equipment to compact and manage. Please refer to PowerPoint Presentation.

## **6. Security and Fence Realignment**

Security cameras will be positioned directly in line with the front of vehicles for clearer identification. The fences will be removed and repositioned to allow more access to the new cell as well as provide a single point entry with a security camera fixed on that point.

## **7. Trial Automatic Gate System**

It is proposed to install an automated gate system at the Taroom Landfill as a trial for the new security system for all Waste Transfer Stations. This would ensure the site complies with its EPO conditions for security. The system would allow for only residents (rate payers) to access the facility. To be discussed in greater detail in the May Council Agenda.

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Moved Cr Semple, seconded Cr Ramsey and carried: That the meeting adjourn for lunch at 12.15pm.

Moved Cr Semple, seconded Cr Ramsey and carried: That the meeting recommence at 12.45pm.

### **General Business – Council Services**

**Cr Casey** referred to a Council crew identifying water mains at Thangool with pegs which has resulted in holes being left which are a hazard; DCS to arrange for the holes to be filled.

**Cr Casey** advised that a Thangool resident recently liaised with Council crew members on-site and was impressed with their professionalism. Cr Casey asked that the feedback be passed onto the relevant water crew.

**Mayor** enquired on the status of a planning matter at Taroom and DCS provided an update.

### 11.1.1 ACTION REPORT ON PREVIOUS COUNCIL RESOLUTIONS – EXECUTIVE SERVICES

**Date:** 15 April 2020  
**Author:** Tom Upton – Chief Executive Officer  
**File No:**  
**Letter No:**  
**Attachment:** Resolutions Action Report  
**Minute No:** OM004663

---

**Resolution:**

*That the Resolutions Action Report for Executive Services as presented be received.*

*Moved: Cr Pender*

*Seconded: Cr Ramsey*

*Carried*

---

#### **Report**

This report is to advise Council of the outstanding matters currently being dealt with by the organisation.

#### **Considerations**

1. **Corporate Plan**  
N/A
2. **Policy and Legal Implications**  
Policy and legal implications will be addressed through each matter.
3. **Financial and Resource Implications**  
Budget impacts will be addressed in resolving each matter.
4. **Risk Assessment**  
N/A

## 11.1.2 FUNDING PROJECTS – MONTHLY ACTUAL EXPENDITURE AS AT 31/03/20

**Date:** 15 April 2020  
**Author:** Tom Upton, Chief Executive Officer  
**File No:**  
**Letter No:**  
**Attachment:** Capital Expenditure Report Funding Projects  
**Minute No:** OM004664

---

### **Resolution:**

***That Council note and receive the Major Capital Expenditure Report for funding projects as at 31 March 2020.***

***Moved: Cr Ramsey***

***Seconded: Cr Semple***

***Carried***

---

### **Report**

Providing a report on Major Capital Expenditure for funding projects as at 31 March 2020 for Council Services.

Refer attachment.

### 11.1.3 2019/20 EXECUTIVE SERVICES OPERATIONAL PLAN ASSESSMENT AS AT 31/03/2020

**Date:** 15 April 2020  
**Author:** Tom Upton – Chief Executive Officer  
**File No:**  
**Letter No:**  
**Attachment:** 2019/20 Operational Plan – 3<sup>rd</sup> Quarter Review  
**Minute No:** OM004665

---

#### **Resolution:**

***That Council receive Executive Services' third quarter assessment of the 2019/20 Operational Plan.***

***Moved: Cr Leo***

***Seconded: Cr Casey***

***Carried***

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#### **Report**

Executive Services third quarter assessment of 2019/20 Operational Plan is attached.

## 11.1.4 ADMINISTRATIVE ACTION COMPLAINTS MANAGEMENT REPORT – 1 JANUARY 2020 TO 31 MARCH 2020

**Date:** 8 April 2020  
**Author:** Tom Upton, Chief Executive Officer  
**File No:**  
**Letter No:**  
**Attachment:**  
**Minute No:** OM004666

---

### **Resolution:**

*That Council receive the Administrative Action Complaints Management Report for 1 January 2020 to 31 March 2020.*

*Moved: Cr Pender*

*Seconded: Cr Boyce*

*Carried*

---

### **Report**

#### **Period from 1 January 2020 to 30 March 2020**

#### **Complaints Statistics**

Period	1 January 2020 to 31 March 2020
Received	2
Dealt with	0
Not completed	2
Refused to investigate	Nil
Not resolved to satisfaction of complainant	Unknown

#### **Complaints**

1
---

#### **Considerations**

**1. Corporate Plan**  
1.1.I

**2. Policy and Legal Implications**

Complaints Management framework for the processing of Administrative Action Complaints is required under Section 268 of the *Local Government Act 2009* and Section 306 of the *Local Government Regulation 2012*.

Complaint Management Policy was adopted by Council on 29 March 2006. Revised policy adopted on 24 February 2010, and 23 November 2016.

Under this policy, CEO is to discuss the quarterly report with the EMT and thereafter submit such report to the Council together with comments from the EMT (if any).

**3. Financial and Resource Implications**

No significant financial and resource implications

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**4. Risk Assessment**  
No apparent additional risk

## 11.1.5 REGISTER OF CONTACT WITH A LOBBYIST – AS AT 31 MARCH 2020

**Date:** 14 April 2020  
**Author:** Tom Upton, Chief Executive Officer  
**File No:**  
**Letter No:**  
**Attachment:** Register of Contact with Lobbyists  
**Minute No:** OM004667

---

Cr Casey advised of an incorrect employee title in the Lobbyist Report.

### **Resolution:**

***That Council receive the Register of Contact with a Lobbyist report as at 31 March 2020.***

***Moved: Cr Casey***

***Seconded: Cr Ramsey***

***Carried***

---

### **Report**

Under the *Integrity Act 2009* Council must keep a register of contact with a lobbyist for Councillors & applicable Staff.

From time to time, the Integrity Commission requests a copy of this register for a particular month.

Also Council is required to advise of any contact by Councillors or applicable staff with an unregistered lobbyist as soon as practicable.

This report has also been presented to Council Executive Management Team for their information and/or comment.

### **Considerations**

#### **1. Corporate Plan**

Reference 1.1.I

#### **2. Policy and Legal Implications**

Required under *Integrity Act 2009*

Consistent with the Principles under the *Local Government Act 2009*

#### **3. Financial and Resource Implications**

Minimal financial and moderate staff resources required.

#### **4. Risk Assessment**

No apparent risk with complying with legislation.

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## 11.1.6 LOCAL GOVERNMENT ASSOCIATION OF QUEENSLAND – ELECTION OF LGAQ POLICY EXECUTIVE DISTRICT REPRESENTATIVES 2020-2024

**Date:** 21 April 2020  
**Author:** Tom Upton - Chief Executive Officer  
**File No:** 2417  
**Letter No:** 1546356  
**Attachment:**  
**Minute No:** OM004668

---

### **Resolution:**

***That the Mayor and CEO be authorised to vote on behalf of Banana Shire Council.***

***Moved: Cr Casey***

***Seconded: Cr Semple***

***Carried***

---

### **Report**

In accordance with Rule 5.4 of the Association's Constitution and Rules, nominations are hereby called for the election of District Representatives to the Association's Policy Executive for the period of 2020-2024, which close at 5.00 pm on Friday, 1 May 2020.

Councils within an Electoral District are entitled to nominate candidates for election from amongst elected members of the Councils within their District.

### **Considerations**

1. **Corporate Plan**  
N/A
2. **Policy & Legal Implications**  
N/A
3. **Financial and Resource Implications**  
N/A
4. **Risk Assessment**  
N/A

Moved Cr Leo, seconded Cr Ramsey and carried: That the meeting adjourn at 1.12pm to allow the Mayor & CEO to take part in a COVID-19 teleconference.

Moved Cr Boyce, seconded Cr Ramsey and carried: That the meeting recommence at 2.00pm.

Discussion held in relation to future community infrastructure / projects for the Shire.

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## 12.0 Close of Meeting

The meeting closed at 2.50pm

To be confirmed 27<sup>th</sup> May Ordinary Meeting

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**MAYOR**

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**CHIEF EXECUTIVE OFFICER**

---

# REVENUE POLICY 2020/2021

## SCOPE

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This policy has been developed taking into account the provisions of Section 193 of the *Local Government Regulation 2012*.

## LEGISLATION

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*Local Government Act 2009 Section 94*  
*Local Government Regulation 2012 Sections 169 and 193*

## OBJECTIVE

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The purpose of this revenue policy is to set out the principles used by Council in the 2020/21 financial year for:

- Levying rates and charges
- Granting concessions for rates and charges
- Recovering overdue rates and charges
- Cost-recovery methods

## POLICY

---

### 1. Principles used for the levying of rates and charges

Pursuant to section 94 of the *Local Government Act 2009*, Council must levy general rates and may levy special rates and charges, utility charges and separate rates and charges. In general Council will be guided by the principle of user pays in the levying of rates and charges (other than general rates) so as to minimise the impact of rating on the efficiency of the local economy.

Council will also be guided the principles of:

- transparency in the making of rates and charges; having in place a rating regime that is simple and inexpensive to administer
- equity by having regard to the different classes of ratepayers within the local community
- equity through flexible payment arrangements for ratepayers experiencing difficulty in paying their rates by the due date
- flexibility to take account of changes in the local economy

- flexibility to take into account the impact that different industries have on the shire's infrastructure
- ensuring ratepayers are given adequate notice of their liability to pay rates and charges; and
- making clear the obligations and responsibility of both Council and ratepayers in respect to rates and charges

## **2. Principles used for granting concessions for rates and charges**

In considering the application of concessions, Council will be guided by the principles of:

- equity by having regard to the different classes of ratepayers within the local community
- the same treatment for ratepayers with similar circumstances
- transparency by making clear the availability of concessions and eligibility requirements
- flexibility to allow Council to respond to local economic issues; and
- long term planning to ensure the financial sustainability of concessions

Purpose for the concessions:

Council intends to exercise its power under Chapter 4, Part 10 of the *Local Government Regulation 2012* to partly remit rates and utility charges for the purpose of recognising the particular financial and related circumstances of qualifying pensioners within the shire.

Council may also grant concessions to not for profit recreation, sporting and community organisations in accordance with the provisions of Chapter 4, Part 10 of the *Local Government Regulation 2012*.

Consideration may be given by Council to granting a class concession in the event all or part of the local government area is declared a natural disaster area by the State Government.

## **3. Principles used for the recovery of overdue rates and charges**

Council will exercise its rate recovery powers in order to reduce the overall rate burden on ratepayers. It will be guided by the principles of:

- transparency by making clear the obligations of ratepayers and the processes used by Council in assisting them meet their financial obligations
- making the processes used to recover overdue rates and charges clear, simple to administer and cost effective (These processes are set out in Council's Recovery of Overdue Rates & Charges Policy & Procedure)
- negotiating arrangements for payment where appropriate
- equity by having regard to providing the same treatment for ratepayers with similar circumstances; and
- flexibility by responding where necessary to changes in the local economy

## **4. Principles used for cost-recovery methods**

Under section 97 of the *Local Government Act 2009* Council may, under a local law or by resolution, fix a cost-recovery fee. In collecting and setting cost-recovery fees, Council will be guided by the principles of:

- application of the user pays principle in collecting cost-recovery fees; and
- cost-recovery fees will be set by Council to ensure that each fee does not exceed the cost to Council of taking the action for which the fee is charged.

Council also has the power to conduct business activities and make commercial charges for services and facilities it provides on this basis. Commercial charges are a class of charge which is purely commercial in application.

## 5. Physical and Social Infrastructure Costs

Council requires developers to pay reasonable and relevant contributions towards the cost of infrastructure required to support the development and the impact on the locale and community. In setting charges for new developments, Council's objective is to apportion the establishment cost of infrastructure and facilities over all benefiting development (existing and future) commensurate with the demand or load that existing and future development will place on existing and planned infrastructure and facilities while ensuring a reasonable and equitable distribution of costs between Council and developers of land. Specific charges are detailed in Council's schedule of fees and charges which is reviewed annually.

## CERTIFICATION

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.....  
**CHIEF EXECUTIVE OFFICER**  
**BANANA SHIRE COUNCIL**

.....  
**DATE**

# DEBT POLICY 2020-2021

## SCOPE

This Policy applies in relation to all-cash borrowings by Council from external entities. The Policy has been developed, taking into account the provisions of section 192 of the *Local Government Regulation 2012*.

## LEGISLATION

*Local Government Regulation 2012 Section 192*

## OBJECTIVE

To adopt a policy on borrowings that provides for responsible financial management on the loan funding of infrastructure by ensuring the level of Council indebtedness is within acceptable limits to Council, its ratepayers and interested external parties.

## DEFINITIONS

<b>Recurrent Expenditure</b>	Expenditure of a similar nature that is repeated over a number of financial periods, e.g. operational and maintenance expenditure.
<b>Loan Servicing Cost</b>	Regular payment used to repay the outstanding debt within the expected loan term. (this includes the interest and principal payments)
<b>Book Debt</b>	The value of debt for accounting purposes.
<b>Market Value</b>	The amount required to repay debt outstanding or the amount payable by QTC to pay the Offset Facility or Investment Fund.
<b>Debt Pool</b>	The mechanism used by QTC, whereby customers with similar expected loan terms are grouped. The objective is to further reduce customer's interest costs or the expected term to repay the loan.
<b>QTC</b>	Queensland Treasury Corporation

## POLICY

As a general principle, Council recognises that loan borrowings for infrastructure are an important resource possessed by Local Government and that the full cost of infrastructure should not be borne entirely by present-day ratepayers but be contributed to by future ratepayers who will also benefit. Whilst recognising the importance of loan borrowings, Council should not place undue reliance upon loans as a source of income.

Council will restrict all borrowings to expenditure on identified capital projects that are considered by the Council to be of the highest priority, and which cannot be funded from revenue, as identified by the adopted budget. In no circumstances should Council borrow funds for recurrent expenditure.

The basis for determination of the utilisation of loan funds will be as follows:

- Analysis of existing debt levels (excluding those relating to water, sewerage and waste) with a loan servicing cost target not exceeding 20% of general own-source revenue in any one year.
- Where a capital project for a service that is funded by utility or user charges, e.g. water, sewer, waste, is determined to be funded by way of loans, the user charge should reflect the cost of providing the service including the loan servicing costs.
- Other specific capital projects, not funded by user charges, should only be considered for loan funding where the project is considered by the Council to be beneficial to the majority of ratepayers.
- The term of any loan should not exceed the expected life of the asset being funded.

## **Ten Year Loan Programme Forecast**

Council utilises loan borrowings to fund major infrastructure works so that repayments are spread over the years in which the assets will be utilised by ratepayers. The Debt Policy is integrated with the long-term financial forecast and deals with the following areas:

- 1) Ten Year Loan Program Forecast
- 2) Repayment Schedule

The following ten-year program is proposed by Council, although allocations in future years are revised on an annual basis in conjunction with the review of the long-term financial forecast and long-term asset management plan.

## **Repayment Schedule**

The loan portfolio of Council is raised solely with the Queensland Treasury Corporation. The Queensland Treasury Corporation maintains Council debt as the book debt plus a market provision, to market value the total liability outstanding. The provision is principally a result of past movements in the market value of the liabilities within each debt pool. If the Council was to liquidate this debt, it would be required to pay the market value of the loan portfolio. The portfolio has been consolidated into a general consolidated facility for all existing loans as at 30<sup>th</sup> September 2014. All loans acquired since this time were categorised by function into either the consolidated loans area or the relevant business unit as applicable. To decrease the Council's debt levels, the loans acquired after 2014 were paid out in full. It is proposed that the Council consider maintaining a repayment schedule consistent with interest and principal repayment calculation so that the exposure to interest rate fluctuations is minimised. This basis of repayment will continue to be assessed in the future.

In respect of loan borrowings used to fund infrastructure associated with major projects (e.g. the Valley View Drive major roundabout), Council will seek to utilise infrastructure charges (i.e. road contributions) received from future developments within the catchment area (as influenced by development) in the applicable financial year to accelerate the principal repayments on the consolidated account in that year.

In respect of loan borrowings used to fund land development, Council will seek to utilise land sale proceeds from the development in the applicable financial year to accelerate the principal repayments on the consolidated account in that year (e.g. Theodore subdivisional works).

The budgeted new Loan Portfolio of Council for the 2020-2021 financial year and following nine financial years is as follows:

		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
PROJECT	Term (Years)	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
WATER	10 - 20										
SEWERAGE	10 - 20	900									
WASTE	10 - 20										
GENERAL	10 - 20										
TOTAL											

## BANANA SHIRE COUNCIL

### BUDGETED INTEREST AND REDEMPTION BY FUND AND FUNCTION FOR THE YEAR TO 30 JUNE 2021

	A	B	C	C(I)	D (A - C) + C(I)
FUNCTION DESCRIPTION	EST BOOK DEBT	QTC INTEREST	QTC REDEMPTION	NEW ADVANCES	EST BOOK DEBT
	BALANCE 30/06/20				BALANCE 30/06/21
<b>GENERAL FUNCTIONS</b>					
Consolidated Account	\$5,365,114.01	\$ 331,530.95	\$1,632,546.76	\$900,000.00	\$4,964,098.20
<b>TOTAL</b>	<b>\$5,365,114.01</b>	<b>\$ 331,530.95</b>	<b>\$1,632,546.76</b>		<b>\$4,964,098.20</b>

## Repayment Terms

The current repayment terms to the individual loan accounts are as follows:

	<u>Debt Pool</u>	<u>Approximate Remaining Term</u>
Consolidated Accounts	6 years	3 years 9 months

The existing term of the Portfolio will fluctuate in proportion to the market value provision applied. The estimated total repayment amounts for the 2020-2021 financial year are indicated in the above table.

## CERTIFICATION

.....  
**CHIEF EXECUTIVE OFFICER**  
**BANANA SHIRE COUNCIL**

.....  
**DATE**



# INVESTMENT POLICY 2020-2021

## SCOPE

This Policy applies to the investment of surplus funds in accordance with Section 191 of the *Local Government Regulation 2012* and investment powers under Part 6 of the *Statutory Bodies Financial Arrangement Act 1982 (SBFAA)*.

## LEGISLATION

*Local Government Regulation 2012 Section 191*  
*Statutory Bodies Financial Arrangement Act 1982 Part 6*  
*Statutory Bodies Financial Arrangement Regulation 2007*

## OBJECTIVE

To adopt a policy on investments based on an assessment of counterparty, the market and liquidity risk within the framework of the SBFAA and regulations.

## DEFINITIONS

<b>Investment</b>	For the purposes of this Policy, investment is taken to mean an interest-bearing financial instrument that is surplus to the Council's short-term operating requirements.
<b>Investment Officer</b>	For the purposes of this Policy, the holders of the following positions are designated as Investment Officers: <ul style="list-style-type: none"><li>• Chief Executive Officer</li><li>• Director Corporate &amp; Community Services</li><li>• Finance Manager</li></ul>

## POLICY

Banana Shire Council's overall objective is to invest funds at the most advantageous rate of interest available to it at the time, for that investment type, and in a way that it considers the most appropriate given the circumstances.

Council's principal objective in investing funds is the preservation of capital. Funds are to be invested in a manner that seeks to ensure the security of the principal of the overall portfolio.

## PROCEDURE

Investment Officers are to manage the investment portfolios not for speculation, but for investment and in accordance with the spirit of this Investment Policy. Investment officers are to avoid any transaction that might harm confidence in Banana Shire Council.

In priority, the order of investment activities shall be the preservation of capital, liquidity and return.

## 1 Investment Activities

### 1.1 Preservation of Capital

Preservation of capital shall be the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure the security of the principal of the overall portfolio. This would include managing credit and interest rate risk within given risk management parameters and avoiding any transactions that would prejudice confidence in Council or its associated entities.

#### a) Credit Risk

Banana Shire Council will evaluate and assess credit risk prior to investment. Credit risk is the risk of loss due to the failure of an investment issue or guarantor. The investment officer will minimise credit risk in the investment portfolio by pre-qualifying all transactions, including the brokers/securities dealers with which they do business, diversifying the portfolio and limiting transactions to secure investments.

#### b) Interest Rate Risk

The investment officers shall seek to minimise the risk of a change in the market value of the portfolio because of a change in interest rates. This would be achieved by considering the cash flow requirements of the Council and structuring the portfolio accordingly. This will avoid having to sell securities prior to maturity in the open market. Secondly, interest rate risk can be limited by investing in shorter-term securities.

### 1.2 Maintenance of Liquidity

The investment portfolio will maintain sufficient liquidity to meet all reasonably anticipated operating cash flow requirements of Council, as and when they fall due, without incurring significant transaction costs due to being required to sell an investment.

### 1.3 Return on Investments

The portfolio is expected to achieve a market average rate of return and take into account the Banana Shire Council's risk tolerance and current interest rates, budget considerations, and the economic cycle. Any additional return target set by Council will also consider the risk limitations, prudent investment principles and cash flow characteristics identified within this Investment Policy.

## 2 Ethics & Conflicts of Interest

Investment officers/employees shall refrain from personal activities that would conflict with the proper execution and management of Banana Shire Council's investment portfolio. This includes activities that would impair the investment officers' ability to make impartial decisions.

This Policy requires that employees and investment officers disclose to the Chief Executive Officer any conflict of interest or any investment positions that could be related to the investment portfolio.

## 3 Requirements

In accordance with Schedule 3 of the *Statutory Bodies Financial Arrangements Regulation 2007*, Banana Shire Council has been allocated a Category 1 investment power.

### 3.1 Portfolio Investment Parameters

Section 44(1) of SBFAA details the investment powers allocated to Category 1 authorities:

- deposits with a financial institution

- investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution
- other investment arrangements secured by investment arrangements accepted, guaranteed or issued by or for the Commonwealth or a State or a financial institution
- investment arrangements, managed or operated by QIC or QTC, prescribed under a regulation for this paragraph
- an investment arrangement with a rating prescribed under a regulation for this paragraph
- other investment arrangements prescribed under a regulation for this paragraph

**3.2** Section 44(2) states that the investment must be:

- at call; or
- for a fixed time of not more than one year

### **3.3 Prohibited Investments**

This investment policy prohibits any investment carried out for speculative purposes. The following investments are prohibited by this investment policy.

- Derivative based instruments (excluding floating rate notices)
- Principal only investments or securities that provide potentially nil or negative cash flow
- Stand-alone securities that have the underlying futures, options, forward contracts and sways of any kind, and
- Securities issued in non-Australian dollars

## **4 Placement of Investment Funds**

Overall the amount invested with institutions should not exceed the following percentage ranges of overall annual funds invested and appropriate documentation must be maintained. Also, when placing investments, consideration should be given to the relationship between credit rating and interest rate.

<b>Long Term Rating (Standard &amp; Poors)</b>	<b>Short Term Rating (Standard &amp; Poors)</b>	<b>Individual Counterparty Limit</b>	<b>Total Portfolio Limit</b>
AAA to AA-	A1+	Maximum 30%	No limit
A+ to A	A1	Maximum \$1,000,000	Maximum 30%

Council approves dealings with all financial institutions ('Financial Institution' is defined as an authorised deposit-taking institution within the meaning of the *Banking Act 1959 (Cwlth)*, Section 5).

## **CERTIFICATION**

.....  
**CHIEF EXECUTIVE OFFICER**  
**BANANA SHIRE COUNCIL**

.....  
**DATE**

# PROCUREMENT POLICY 2020-2021

## SCOPE

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The policy relates to the procurement activities of the Council. It must be applied to all procurement of goods and services and the carrying out of works.

## LEGISLATION

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*Local Government Act 2009*

*Local Government Regulation 2012*

## OBJECTIVE

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The policy provides the requirements for undertaking procurement of items with a value of:

- under \$15,000;
- \$15,000 to under \$200,000; and
- \$200,000 and over.

The policy also provides the Council's assessment to be applied in relation to the sound contracting principles.

## DEFINITIONS

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**CEO** Chief Executive Officer

**Council** Banana Shire Council

## POLICY

---

### Delegation

Only employees or contractors holding positions that have a delegated authority in the schedule of procurement delegations may undertake procurement activities for Council.

### Sound Contracting Principles to be applied in Procurement Activities

The following principles must be applied when undertaking Procurement Activities:

#### Value for money:

Harness Council's procurement power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- Contribution to the achievement of the Council's priorities

- Fitness for purpose, quality, services and support
- The whole of life costs including costs of acquiring, operating, maintain and disposal
- Availability of supply
- Internal administration costs
- Technical compliance and obsolescence issues
- Risk exposure; and
- The value of any associated environmental benefits

### **Open and Effective Competition**

Procurement must be open and transparent and result in effective competition in the provision of goods and services. Council must give fair and equitable consideration to all prospective suppliers.

### **The Development of Competitive Local Business and Industry**

Council encourages the development of competitive local businesses within the Council area.

In the pursuit of the principle and objective of enhancing capabilities of local business and industry Council will:

- Where practical give local suppliers the opportunity to participate in the procurement activities
- Provide procurement evaluation criteria for local business and industry of no less than 5% of the overall criteria and allocate that criteria where the supplier:
  - is beneficially owned by persons who are resident or ratepayers of the Council area; or
  - has its principal place of business in the Council area; or
  - otherwise has a place of business within the Council area which solely or primarily employs persons who are residents or ratepayers of the Council area

When applying the local business and industry criteria, the assessment should ensure that all other principles are met by the supplier and that there is no substantial difference in quality, delivery or conditions of the supply.

Council's Procurement Procedure should provide guidance for the CEO a % of price increase that the CEO could consider in making a decision to prefer for a local provider.

### **Environmental Protection**

The Council promotes environmental protection through its procurement procedures.

In undertaking procurement activities Council will:

- promote the procurement of environmentally friendly goods and services that satisfy the sound contracting principles
- foster the development of products and the process of low environmental and climate impact
- provide an example to business, industry and the community by promoting the use of climatically and environmentally friendly goods and services; and
- encourage environmentally responsible activities

### **Ethical Behaviour and Fair Dealing**

Employees and contractors undertaking procurement must be impartial and fair, act with integrity and professionalism and promote independence and openness in the procurement activities.

The processes applied by employees and contractors must ensure all procurement decisions are made at arm's length in respect of related parties.

### **Purchase Orders Must Not Be Split**

Multiple orders must not be created to circumvent the delegation limits. Where multiple orders are required due to the nature of the supply the total of all orders must not exceed the delegates limit.

Multiple orders must not be created to circumvent the procurement process. Where multiple orders are required due to the nature of the supply the procurement process used must reflect the total of all orders for that supply.

### **Procurement Requirement for Supplies under the value of \$15,000 (excluding GST)**

Procurements up to the value of \$5,000 (excluding GST) can be made without the requirement of seeking written or verbal quotes however the sound contracting principles must be applied before making a procurement decision.

Where an employee or contractor undertaking the procurement activity considers that seeking of quotes would be advantageous to meeting the sound contracting principles, written or verbal quotes should be obtained.

Procurements may be made directly from an Approved Contractor List, Register of Pre-Qualified Suppliers or Preferred Supplier Arrangement that has been created by the Council. Procurements may also be made using an LGA Arrangement established by Local Buy or by contracting directly with a local government or government agency or under a contract of a local government or a government agency.

Procurements of \$5,000 but less than \$15,000 (excluding GST) can be made by seeking two verbal or written quotes. The verbal quotes must be documented with the date for audit purposes.

Procurements may be made directly from an Approved Contractor List, Register of Pre-Qualified Suppliers or Preferred Supplier Arrangement that has been created by the Council. Procurements may also be made using an LGA Arrangement established by Local Buy or by contracting directly with a local government or government agency or under a contract of a local government or a government agency.

### **Procurement Requirement for Supplies with a Value of \$15,000 (excluding GST) and less than \$200,000 (excluding GST)**

The procurement must be undertaken using the Default Contracting Procedure in the Local Government Regulation as set out in the Council's Procurement Procedure.

### **Procurement Requirement for Supplies with a Value of \$200,000 and over (excluding GST)**

The procurement must be undertaken using the Default Contracting Procedure in the Local Government Regulation as set out in the Council's Procurement Procedure.

### **Payment of Suppliers**

Procurements of up to \$100 (including GST) may be paid by credit card (refer to the Credit Card Policy).

Procurements over \$100 and up to \$5000 (including GST) must be paid by credit card or purchase order. (See the Credit Card Policy for accumulative limits for credit card use.)

Procurements of \$5,000 and over (including GST) must be made via purchase order except where the procurement procedure excludes the requirement (e.g. electricity accounts and vehicle registrations).

A purchase order must be raised before the procurement is undertaken unless there is a genuine emergency or otherwise approved by the CEO.

### **Management of Suppliers**

Performance of suppliers must be monitored by employees and contractors undertaking procurement activities to ensure that Council is obtaining the maximum benefit under the sound contracting principles.

## **PROCEDURE**

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As approved and issued by the Chief Executive Officer and subject to further revision, amendment and issue under the authority of the Chief Executive Officer.

## **CERTIFICATION**

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.....  
**CHIEF EXECUTIVE OFFICER**  
**BANANA SHIRE COUNCIL**

.....  
**DATE**



# RELATED PARTY DISCLOSURE POLICY

## SCOPE

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This policy applies to the reporting of related party financial transaction of the Council unless specifically excluded by the policy. It also applies to the related entities of Council as defined in the standard, the Councilors and other persons defined in this policy as key management personnel.

## LEGISLATION

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AASB 124

## OBJECTIVE

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The objective of the policy is to provide clarity on the application of AASB 124 in relation to the annual financial reporting of Council.

## DEFINITIONS

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AASB 124	The Australian Accounting Standards Board annual reporting standard on Related Party Disclosures
CEO	Chief Executive Officer
Council	Banana Shire Council
Councillor	The Mayor and Councilors of the Banana Shire Council
Contractor	Includes the personnel of the contracting entity
Key management personnel	A person that has authority or responsibility for planning, directing and controlling the activities of the entity, directly or indirectly

## POLICY

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Council will make the following disclosure in relation to meeting the requirement of AASB 124:

- Related entities as defined in AASB 124
- Related parties of the Councillors
- Related parties of the CEO
- Related parties of the Directors



- Related parties of other key management personnel (including contractors) that are determined as having delegations that influence the financial transactions of Council in such a manner that would be determined a material by a reasonable person. The key management personnel positions will be reviewed annually through a risk management process that utilises budget, delegation limits and annual expenditure.

Council will in relation to ordinary citizen transactions:

- Exclude from the reporting requirements any valid discounts and fee waivers that are available to the party as an ordinary citizen and is available to any ordinary citizen in the same circumstance; and
- Exclude from the reporting requirements any service or benefit provided as part of the normal Council business operation to the party as an ordinary citizen and is available to any ordinary citizen in the same circumstance; but
- Include special waivers or reduction of fees, discounts provided despite late payments, waivers of interest on debts, or any other benefit not excluded that has been provided to the party; and
- Include outstanding balances owed to the Council by key management personnel and their related parties.

## PROCEDURE

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Procedures as approved and issued by the Chief Executive Officer, and subject to further revision, amendment and issue under the authority of the Chief Executive Officer.

## CERTIFICATION

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**CHIEF EXECUTIVE OFFICER**  
**BANANA SHIRE COUNCIL**

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**DATE**