



Operational Plan

2019–2020



About the Operational Plan

The Operational Plan 2019-2020 (The Plan) is a key plan for Redlands Coast. The Plan translates the commitments set out in our Corporate Plan 2018-2023, into annual measurable activities and actions that Council will undertake within the year to progress achievement of our strategic objectives and priorities.

Council's Strategic Planning Framework depicts the links between the Redlands 2030 Community Plan, Corporate Plan and strategies driving a tangible set of organisational activities through the annual Operational Plan and Budget.



The *Local Government Act 2009* along with the *Local Government Regulation 2012* requires Council to adopt an annual operational plan. In accordance with the legislation, an annual operational plan shall:

- Be consistent with Council's annual budget.
- State how Council will progress implementation of the Corporate Plan.
- Manage operational risks.
- Include an annual performance plan for each commercial business unit of Council.

Council must undertake its responsibilities in a way consistent with its annual operational plan and may amend the plan at any time by resolution. Council shall monitor progress against the plan and present updates to Council quarterly.

Managing operational risks

Council has a comprehensive Enterprise Risk Management Framework which follows the principles set out in the Australian Standard AS/NZS ISO 31000:2018 Risk Management – principles and guidelines.

Council is committed to:

- Promoting a culture of awareness and the active management of risks.
- All staff (and other stakeholders) assuming responsibility for managing risks within their own areas.
- Regular education and training for staff in risk management practices.
- Regular assessment of risk exposure and the development of treatment plans to reduce levels of risk.
- Prioritisation of risks so that resources can be allocated to managing high priority risks.
- Regular monitoring of risk management plans to ensure they are achieved.
- Developing systems that continually improve the ability to manage risks and reduce exposures.

Council maintains risk registers for strategic, operational and project level risks, which are overseen by the Operational Risk Management Committee.

Council's goal is to eliminate all risks which fall within the extreme category and to manage high risks without inhibiting the necessary functions of Council. In circumstances where risk cannot be eliminated, effective risk management strategies are put in place to ensure Council can deliver on its obligations.

Risks should only be accepted when one or more of the following apply:

- The financial cost of reducing the risk outweighs the benefits.
- The reduction of one risk creates one or more risks of an equal or greater risk rating.
- Removal of the risk significantly interferes with the achievement of Council's objectives and / or outcome of delivery.

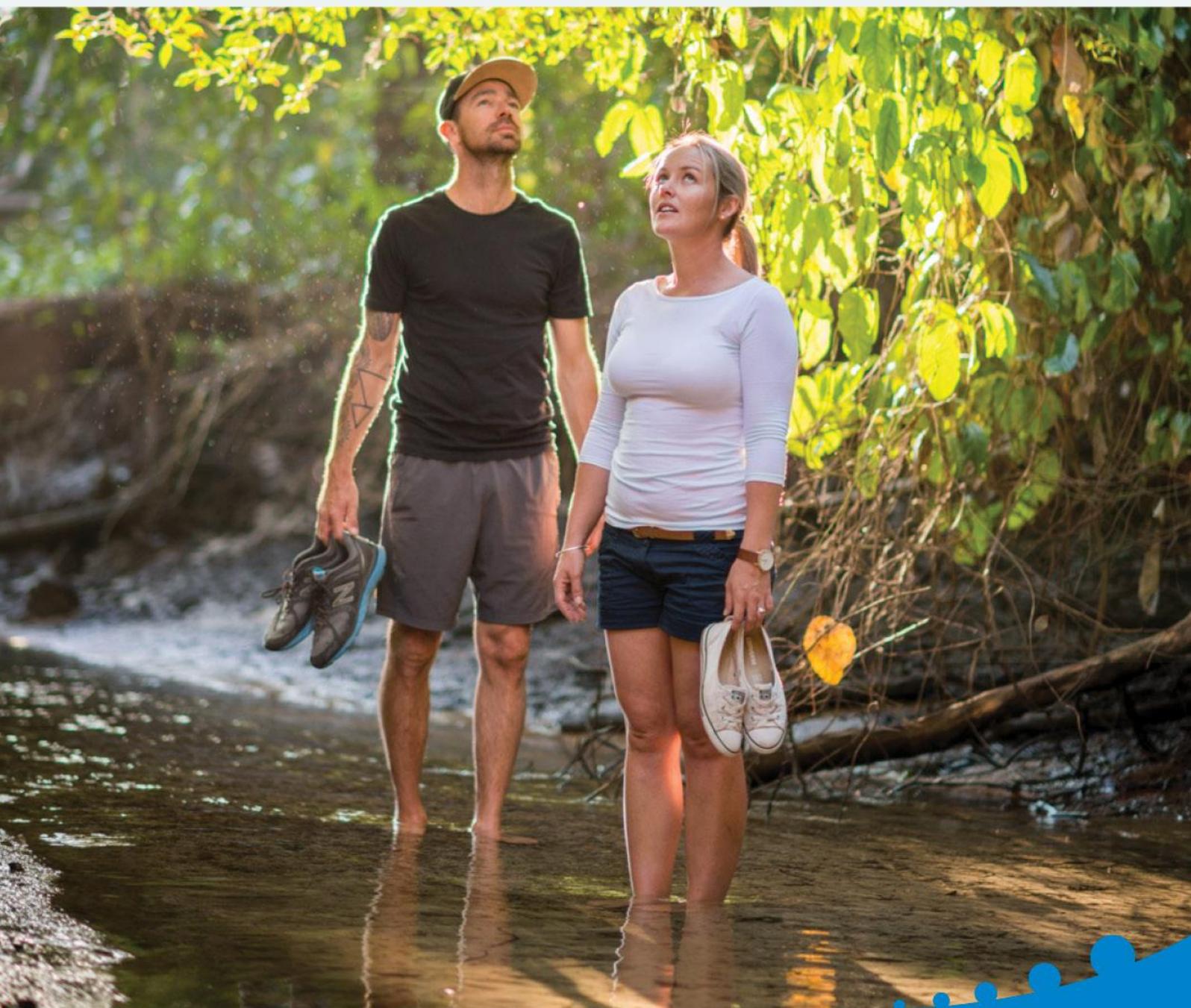


VISION OUTCOME 1

01

HEALTHY NATURAL ENVIRONMENT

A diverse and healthy natural environment, with an abundance of native flora and fauna and rich ecosystems, will thrive through our awareness, commitment and action in caring for the environment.





VISION OUTCOME 1

01

Our Corporate Plan commitments

- Undertake ecological restoration activities on Council-owned and managed lands.
- Deliver education extension programs in land conservation and waterways management.
- Implement programs to reduce sediments and nutrients in waterways.
- Manage critical habitat for threatened species.
- Coordinate community response to wildlife management issues.
- Map the range of experiences available to visitors and encourage the community's use of the City's popular conservation areas.

1.1 Redlands natural assets including flora, fauna, habitats, biodiversity, ecosystems and waterways are managed, maintained and monitored.

- 1.1.1 Plan and implement a program to improve conservation management and protect natural assets.**
 - a) Implement actions under the Redlands Coast Biosecurity Plan 2018-2023 for the control of weeds.
 - b) Optimise integrated conservation outcomes aligned with actions through fire management planning.
- 1.1.2 Provide clear guidelines on how Council will meet its biosecurity obligations, inform the community and manage invasive plants, pest fish and pest animals under the Redlands Coast Biosecurity Plan 2018-2023.**
 - a) Minimise the introduction and expansion of invasive biosecurity matter.
 - b) Promote awareness and education of biosecurity and pest management.
 - c) Provide effective management systems for pest control and enforcement activities.
 - d) Provide mechanisms for monitoring and assessment of pest incursions.
- 1.1.3 Geographically identify and provide priority actions for the management, enhancement and protection of core wildlife habitat and facilitate improved connection of wildlife corridors in alignment with the Wildlife Connections Action Plan 2018-2023.**
 - a) Improve corridor habitat by rehabilitating identified gaps and pinch points.
 - b) Reduce impacts on corridors (including coastal foreshores) and implementing education programs.
 - c) Provide targeted habitat restoration for endangered, threatened and iconic species.
- 1.1.4 Conduct erosion and sediment control regulation to minimise environmental impacts from approved development activities.**
 - a) Respond to and investigate customer service requests for erosion and sediment control.
 - b) Monitor compliance with development approvals for sediment and erosion control matters.
 - c) Contribute to the endorsed Lower Brisbane - Redlands Coastal Catchment Action Plan 2018-2021.
- 1.1.5 Continue implementing a program to plant one million native plants across Redlands Coast by 2026.**
 - a) Prepare sites for planting.
 - b) Implement a planting and maintenance program.



VISION OUTCOME 1

01

1.2 Threatened species are maintained and protected, including the vulnerable koala species.

1.2.1 Implement management actions for a viable koala population and to conserve and manage suitable habitat in accordance with the Koala Conservation Action Plan 2016-2021.

- a) Continue to collaborate with research bodies, government agencies and the community to develop a robust understanding of koala population, health, ecology and movement to inform and strengthen koala conservation planning.
- b) Maintain an integrated, connected, high quality network of koala habitats capable of supporting a long term, viable and sustainable population of koalas.
- c) Manage the impacts of threatening processes on koala populations by undertaking on-ground works that reduce koala mortality.
- d) Increase understanding, connection to, and participation in, koala conservation actions and behaviours.

1.2.2 Enhance community education, awareness and involvement in environmental and wildlife management.

- a) Deliver a wildlife education program through scheduled workshops and events, which includes endangered, threatened and iconic species.
- b) Review and deliver the IndigiScapes workshop and event schedule to align with environmental strategies and plans, and respond to the community.

1.3 Community and private landholder stewardship of natural assets increases.

1.3.1 Achieve improved environmental outcomes through extension programs delivered in accordance with adopted environmental strategies and plans.

- a) Provide extension services with private land owners and the community in accordance with identified priority areas.
- b) Deliver community bushcare programs in identified priority areas.

1.4 Visitors experience our natural assets through high standard facilities, trails, interpretation and low impact commercial ventures.

1.4.1 Enhance the visitor experience of natural assets across Redlands Coast.

- a) Undertake works to enhance the recreation values of all Council owned and managed conservation land.
- b) Expand and enhance park experiences and opportunities for visitors.

1.4.2 Continue to improve the customer experience at IndigiScapes.

- a) Complete stages two and three of the Redland IndigiScapes Centre Expansion Project.



VISION OUTCOME 2

02

GREEN LIVING

Our green living choices will improve our quality of life and our children's lives, through our sustainable and energy efficient use of resources, transport and infrastructure, and our well informed responses to risks such as climate change.





VISION OUTCOME 2

02

Our Corporate Plan commitments

- Take a leadership role in the community and actively reduce Council's emissions and carbon footprint.
- Provide community education to encourage sustainable building design and alternative energy usage.
- Reduce the environmental impacts of Council's waste collection and resource recovery operations.
- Partner with the community in diverting and minimising waste.
- Continue to expand the pedestrian pathway and cycleway network.
- Advocate for improved access to innovative and high quality public transport services.

2.1 Council's policies and plans support ecologically sustainable development and respond to climate change issues.

2.1.1 Monitor Council's emissions and carbon footprint, and implement reduction strategies.

- a) Continue to maintain and improve Council's carbon and energy dashboard.
- b) Deliver information promoting sustainable choices to the community.

2.2 Sustainable building design (for example, solar panels and water tanks) is supported through education and advocacy.

2.2.1 Provide educational opportunities to the community.

- a) Deliver the Green Living Expo at IndigiScapes incorporating sustainable elements and alternative energy usage.

2.3 Council's waste management plans address current and future needs, and include plans for closed landfills and regional collaboration.

2.3.1 Plan and deliver waste management services to meet current and future needs of the city.

- a) Commence development of a new waste strategy to align with the new Queensland Government Draft Waste Management and Resource Recovery Strategy.
- b) Finalise options for a waste disposal plan.
- c) Complete Judy Holt Park northern batter capping and leachate collection system.



VISION OUTCOME 2

02

2.4 Council and the community actively recycle and reduce waste.

2.4.1 Provide kerbside recycling bins and encourage the community to increase recycling.

- a) Collect and process recycling materials from residents.
- b) Provide flexible bin menu options to the community.
- c) Continue to operate waste transfer stations.

2.5 Transport planning reflects a desire to maximise economic, environmental and liveability outcomes through quality road design, public transport, pedestrian and cycling strategies.

2.5.1 Advocate for public transport in accordance with the Redlands Coast Transport Strategy 2041.

- a) Engage with the Queensland Government and transport providers to improve the effectiveness and efficiency of the public transport network in Redlands Coast.
- b) Advocate to the Department of Transport and Main Roads to plan and prioritise upgrades to the state controlled road network and key cycling routes in the principal cycleway network.

2.5.2 Manage planning for transport connectivity for the Southern Moreton Bay Islands.

- a) Implement an autonomous vehicle trial on Karragarra Island.

2.5.3 Expand the footpath and cycleway network.

- a) Undertake expansion projects for pathways.
- b) Continue detailed design on principal cycle network.
- c) Begin construction of the Moreton Bay Cycleway at Victoria Point.



VISION OUTCOME 3

03

EMBRACING THE BAY

The benefits of the unique ecosystems, visual beauty, spiritual nourishment and coastal lifestyle provided by the islands, beaches, foreshores and water catchments of Moreton Bay will be valued, protected and celebrated.



Our Corporate Plan commitments

- Engage in research activities to protect and restore the values of the bay.
- Plan, provide and advocate for essential social infrastructure and appropriate development opportunities for the islands and foreshores.
- Review and finalise Council's Climate and Energy Action Plan.
- Improve access to the bay for environmentally sensitive recreation activities.
- Oversee the management of Redland City's Priority Development Areas.

3.1 Council collaborates with partners to understand, nurture and protect Moreton Bay's marine health and values.

3.1.1 Monitor and develop strategies aimed at identifying priority areas to inform decision making and improve aquatic environments.

- Participate in relevant partnerships and networks that foster catchment management and improved water quality.
- Undertake catchment water quality monitoring.
- Develop a Redlands Coast Bay and Creeks Plan.
- Monitor recreational water quality.

3.2 Communities on the islands and foreshores enjoy equitable access to development opportunities and community services.

3.2.1 Partner with the Queensland Government to review the agreement between the Department of Education and Training and Redland City Council regarding management of the Russell Island Pool.

- Establish a new Memorandum of Understanding in consultation with key stakeholders.

3.2.2 Support a sustainable governance model for the Southern Moreton Bay Islands (SMBI) Hub to coordinate delivery of community services.

- Progress outcomes of the SMBI Roundtable.
- Collaborate with the Queensland Government, Commonwealth Government and community partnerships to enhance service delivery.
- Advocate for an expanded range of services which meet the needs of island communities, particularly at-risk groups.

3.3 Our community is ready for and adapting to changing coastlines, storm tide and severe weather.

3.3.1 Continue to develop and implement the Coastal Hazard Adaptation Strategy.

- a) Deliver Part 2 – Emerging Hazards of the Coastal Hazard Adaptation Strategy.
- b) Develop an implementation plan for the Amity Point Shoreline Erosion Management Plan.

3.4 Redlands Coast residents and visitors can easily access the foreshore and use recreation infrastructure for boating and non-boating activities.

3.4.1 Improve access provisions to Moreton Bay.

- a) Manage and plan the delivery of Council's recreation marine infrastructure.

QUANDAMOOKA COUNTRY

The rich Aboriginal heritage of the Redlands (Quandamooka) and the Traditional Owners' ongoing custodianship of Quandamooka land and waters will be widely understood and respected, and we will work together for the future of Quandamooka Country.



Our Corporate Plan commitments

- Acknowledge local Aboriginal people by formally recognising traditional owners in Council ceremonies and implementing culturally appropriate meeting protocols.
- Promote traditional knowledge and increase the profile of Aboriginal heritage through cultural tourism, events and communications activities.
- Monitor, liaise and support teams working to implement Council's commitments under the ILUA.
- Engage the traditional owners regarding economic development opportunities through the State Government's North Stradbroke Island Economic Transition Strategy and Redland City Economic Development Framework 2014-2041.

4.1 Council's organisational and staff capacity to deliver positive outcomes for Aboriginal communities, including the Quandamooka People, is improved through policy, cultural awareness training and cultural heritage training for elected members and Council staff.

4.1.1 Continue to work collaboratively with Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC).

- a) Develop and deliver cultural heritage and native title compliance training and materials for Council employees and contractors.
- b) Coordinate a forward program of consultation and engagement with QYAC that includes a series of business days and Councillor briefings.

4.1.2 Continue to implement culturally appropriate protocols.

- a) Update Council's Indigenous Community Policy.
- b) Develop an Indigenous Community Guideline.
- c) Launch and implement the internal Reconciliation Action Plan 2019-2021.

4.2 Council's and the community's respect and understanding of the Quandamooka Peoples' relationship with their traditional land and waters continue to improve.

4.2.1 Promote awareness and understanding of Quandamooka culture.

- a) Promote Quandamooka culture through Council channels including digital media, publications and events.

4.2.2 Promote traditional knowledge.

- a) Engage and coordinate internal stakeholder involvement in the National Aborigines and Islanders Day Observance Committee (NAIDOC) and National Reconciliation Week (NRW).
- b) Promote cultural awareness through NAIDOC week celebrations, Council's NAIDOC ambassador program, and thank you events and discussions.

4.3 Council continues to support and resource the delivery of commitments under the Indigenous Land Use Agreement (ILUA) with the Quandamooka People.

4.3.1 Support delivery of Indigenous Land Use Agreement (ILUA) commitments.

- a) Manage Council's commitments under the ILUA by coordinating with the ILUA Consultative Committee.
- b) Monitor progress of ILUA activities delivered by key internal stakeholders and report to Council's Executive Leadership Team and Councillors quarterly.

4.4 Council works with the Quandamooka Traditional Owners to help them achieve their goal of establishing North Stradbroke Island (Minjerrabah) as a global eco-cultural tourism destination.

4.4.1 Contribute to the implementation of the North Stradbroke Island Economic Transition Strategy and Redland City Economic Development Framework 2014-2041.

- a) Engage with Quandamooka Yoolooburrabee Aboriginal Corporation regarding economic development opportunities.

4.4.2 Promote Quandamooka tourism initiatives.

- a) Promote Quandamooka tourism initiatives and experiences, and work with Quandamooka People to maximise Indigenous cultural tourism opportunities through Council tourism channels including digital media, publications and events.



VISION OUTCOME 5

05

WISE PLANNING AND DESIGN

We will carefully manage population pressures and use land sustainably while advocating and taking steps to determine the limits of growth and carrying capacity on a local and national basis, recognising environmental sensitivities and the distinctive character, heritage and atmosphere of local communities. A well-planned network of urban, rural and bushland areas and responsive infrastructure and transport systems will support strong, healthy communities.





VISION OUTCOME 5

05

Our Corporate Plan commitments

- Develop and implement a transport strategy for Redland City.
- Implement the new Redland City Plan including the new Local Government Infrastructure Plan.
- Continue Council's ongoing program of centre activity planning, place-making and centre improvement strategies and undertake integrated master planning of Cleveland centre, including Cleveland central business district, Toondah Harbour Priority Development Area, Redlands Health and Wellbeing Precinct and employment precincts.
- Review and simplify assessment processes to reduce development transaction times and costs.
- Collaborate regionally on growth management, including land use, transport and infrastructure planning, costing and delivery.

5.1 Growth and development in the city is sustainably managed through the adoption and implementation of the Redland City Plan and Local Government Infrastructure Plan.

5.1.1 Manage planning for transport initiatives and services across the city.

- a) Develop a parklet design manual.
- b) Develop an urban congestion tool to capture transport data and enable greater analysis of the network to inform transport planning and network priorities.
- c) Develop an active school travel program in consultation with Redlands schools.

5.1.2 Ensure that infrastructure necessary to support growth in the city is provided through the development assessment process and capital works program.

- a) Liaise with relevant internal stakeholders to ensure Local Government Infrastructure Plan projects are appropriately recognised in the annual capital program and capital expenditure budget.

5.1.3 Implement actions outlined in the Cleveland Centre Traffic and Transport Action Plan 2019-2020.

- a) Liaise with relevant internal stakeholders to plan and deliver the actions identified in the Cleveland Centre Traffic and Transport Action Plan 2019-2020.

5.1.4 Maintain the Redland City Plan to ensure it reflects best practice and is responsive to community expectations.

- a) Manage a regular program of amendments to the City Plan.

5.2 Redland City's character and liveability are enhanced through a program of master planning, place-making and centre improvement strategies, including maximising opportunities through the catalyst Toondah Harbour Priority Development Area and Redlands Health and Wellbeing Precinct projects to build a strong and connected Cleveland.

5.2.1 Coordinate a place management program for key activity centres and contribute to master planning for precincts.

- a) Contribute to activating a legislative pathway for delivering the Redlands Health and Wellness Precinct Master Plan.



VISION OUTCOME 5

05

5.2 continued

5.2.2 Coordinate planning and guidance for future development and infrastructure delivery for local areas in the city.

- a) Finalise the structure plan for the Victoria Point Local Development Area.
- b) Progress a future land use investigation of opportunities and constraints for the Southern Thornlands area.

5.2.3 Identify and protect places of European heritage significance.

- a) Progress the Local European Heritage City Plan amendment package.

5.2.4 Develop a master plan for the Redland Aquatic Precinct Redevelopment.

- a) Prepare a schematic design and master plan for the whole of the precinct.
- b) Conduct community consultation on the precinct master plan.
- c) Prepare and lodge a development application for the whole of the precinct.

5.3 An effective and efficient development assessment process delivers quality development that is consistent with legislation, best practice and community expectations.

5.3.1 Maintain effective systems and processes that underpin quality and timely decision making for development applications.

- a) Amend systems and processes to ensure effective implementation of planning instruments.

5.4 Regional collaboration and targeted advocacy drives external funding for key infrastructure upgrades and enhanced community outcomes.

5.4.1 Contribute to implementation of a South East Queensland (SEQ) City Deal.

- a) Participate in regional collaboration initiatives and targeted advocacy, including participation in Council of Mayors SEQ advocacy and economic development working groups.
- b) Promote collaborative economic outcomes through Regional Development Australia Logan Redlands initiatives.

5.4.2 Develop a strategic funding framework.

- a) Identify and confirm internal and external funding opportunities for project delivery.
- b) Promote alignment with all external funding opportunities.
- c) Develop a guideline and gateway mechanism to enable early alignment of pipeline initiatives with funding opportunities.
- d) Align objectives and governance under a single framework for Council managed grants (e.g. community grants) and external funding opportunities.



VISION OUTCOME 6

06

SUPPORTIVE AND VIBRANT ECONOMY

Businesses will thrive and jobs will grow from opportunities generated by low impact industries, cultural and outdoor lifestyle activities, ecotourism and quality educational experiences.





VISION OUTCOME 6

06

Our Corporate Plan commitments

- Implement the Redland City Tourism Strategy and Action Plan 2015-2020.
- Implement the Redland City Events Strategy and Action Plan 2017-2022.
- Continue to work with Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC), local business groups and relevant government agencies to deliver on priority issues.
- Identify opportunities to partner with the private sector to develop and commercialise sites and provide community infrastructure.
- Continue to support the Redlands Economic Development Advisory Board.
- Continue to work with Economic Development Queensland and stakeholders to achieve environment and planning approvals and develop opportunities including mixed-use, medium residential, tourism and retail-based development, ferry terminals, marina, water transport services and improved public space.
- Identify and implement a new destination brand for the City that supports tourism, economic growth and city pride.
- Continue to develop and implement action plans identified in the Redland City Economic Development Framework 2014-2041.
- Develop and implement a Smart Cities framework to promote innovation and connectivity in Redland City.

6.1 Council supports infrastructure that encourages business and tourism growth.

6.1.1 Implement actions in the Redland City Tourism Strategy and Action Plan 2015-2020.

- a) Roll-out a customer service program for tourism operators.
- b) Implement a roving tourism ambassador program.
- c) Deliver an interpretative signage improvement plan.

6.1.2 Contribute to the development of a Smart Cities Strategy.

- a) Develop a Smart Cities Strategy.
- b) Collaborate with industry stakeholders through the Advancing Regional Innovation Program to identify opportunities for infrastructure that can support Smart Cities initiatives.

6.2 Redland City deliver events, activities and performances that bring economic and social benefits to the community.

6.2.1 Implement actions in the Redland City Events Strategy and Action Plan 2017-2022.

- a) Develop an event attraction program.
- b) Continue to improve Council's online events portal.
- c) Work with event organisers to measure event value and impact.

6.2.2 Deliver events, activities and workshops that contribute to bringing economic and social benefits to the community.

- a) Deliver a program of activities targeted at community and business sectors, such as business workshops, Youth Week and Seniors Week.

6.2.3 Continue to roll-out the city's new destination brand, Redlands Coast - Naturally Wonderful.

- a) Promote the brand through integrated marketing channels.
- b) Develop and deliver a program of brand promotion and marketing for Council assets and collateral such as bus shelters, vehicles, digital and print.



VISION OUTCOME 6

06

6.3 Council's involvement in the State Government's North Stradbroke Island Economic Transition Committee supports and aligns with Council's strategic objectives, which help deliver long-term economic sustainability for North Stradbroke Island (Minjerrabah).

6.3.1 Coordinate Council's involvement in the implementation of the Queensland Government North Stradbroke Island Economic Transition Strategy.

- a) Liaise with Queensland Government agencies and stakeholders regarding North Stradbroke Island Economic Transition Strategy project implementation.
- b) Participate in North Stradbroke Island Economic Transition Strategy Implementation Committee meetings.

6.4 Council receives a return on the community's investment in land to enhance economic and community outcomes.

6.4.1 Identify and develop strategic opportunities for Redland City Council land holdings.

- a) Manage Council's strategic land investment, in particular the Capalaba Town Centre redevelopment, Birkdale Commonwealth Land, Cleveland Point and Bligh Street (Wellington Point) to ensure appropriate end use considering community and economic outcomes.

6.5 Growth in key sectors identified in Council's Economic Development Framework is supported through the development and implementation of action plans by the Industry Economic Development Advisory Board.

6.5.1 Provide secretariat support to the Redlands Economic Development Advisory Board (EDAB).

- a) Coordinate board meetings.
- b) Prepare a report to update Council following each board meeting.
- c) Prepare the EDAB Annual Report.

6.5.2 Deliver industry-enabling action plans and a targeted investment attraction strategy.

- a) Continue to implement the Education and Training Industry Sector Plan 2018-2023.
- b) Continue to implement the Health Care and Social Assistance Industry Sector Plan 2018-2023.
- c) Continue to implement the Rural Enterprises Industry Sector Plan 2019-2024.
- d) Develop an Investment Attraction Plan.
- e) Develop a Manufacturing Industry Sector Plan.

6.6 Development will be facilitated specifically in the Toondah Harbour Priority Development Area (PDA) and Weinam Creek PDA with a focus on economic growth.

6.6.1 Engage Redland Investment Corporation to facilitate the Toondah Harbour Priority Development Area (PDA) in partnership with Economic Development Queensland.

- a) Manage Council's interests in line with the PDA Development Agreement.

6.6.2 Facilitate the development of the Weinam Creek Priority Development Area (PDA) in partnership with Economic Development Queensland.

- a) Finalise a revised master plan for the Weinam Creek PDA and manage progress of the development.



VISION OUTCOME 7

07

STRONG AND CONNECTED COMMUNITIES

Our health, wellbeing and strong community spirit will be supported by a full range of services, programs, organisations and facilities, and our values of caring and respect will extend to people of all ages, cultures, abilities and needs.





VISION OUTCOME 7

07

Our Corporate Plan commitments

- Support community groups, including the arts, cultural, sport and recreation groups, through advocacy and by helping them to identify and secure funding streams and develop skills including networking, governance, engaging volunteers and business management.
- Develop a volunteering policy, corporate process and guidelines to better support volunteers.
- Continue to foster community resilience and coordinate the community's response to disaster events.
- Undertake planning for sports land and facilities to meet future growth needs of the City.
- Continue to implement an ongoing arts program that recognises, displays and develops cultural diversity in the Redlands.

7.1 Festivals, events and activities bring together and support greater connectivity between cross-sections of the community.

7.1.1 Celebrate the cultural life of the region.

- a) Cultivate new initiatives, develop new audiences and promote a unique identity for the Redlands.
- b) Provide interpretative spaces and experiences that cater for the interests of families, young people and the wider community that is accessible to people of all ages and abilities.

7.2 Council maximises community benefit from the use of its parklands and facilities by improving access to, and the quality and shared use of, public spaces and facilities by groups for sporting, recreational and community activities.

7.2.1 Plan, provide and advocate for essential social infrastructure for community activities.

- a) Develop a Stronger Communities Strategy.
- b) Develop an Age Friendly Cities Strategy.
- c) Review the Redland Youth Strategy 2015-2020.
- d) Continue to investigate opportunities with stakeholders for a community hub.

7.2.2 Deliver innovative and accessible services as part of the implementation of the Library Services Strategy 2017-2022.

- a) Review island library services to improve customer service outcomes.
- b) Improve library collection management processes.
- c) Launch a new mobile library timetable and library vehicle.
- d) Review Redland Libraries' home delivery with a view to meeting increased demand and enhancing service delivery.

7.2.3 Plan for effective sport and recreation at Heinemann Road, Redland Bay.

- a) Complete a master plan for development.
- b) Develop an implementation action plan.



VISION OUTCOME 7

07

7.2 continued

7.2.4 Plan for the future use of the Willard's Farm site.

- a) Undertake stakeholder engagement and planning to develop a future use statement for Willard's Farm.

7.3 Council's assessment of community issues and needs provides timely opportunities to pursue grants and partnerships that realise long-term benefits.

7.3.1 Deliver Council's Grants and Sponsorship Program.

- a) Continue to deliver and refine Council's Community Grants and Sponsorship Program to ensure appropriate grants investment outcomes for the Redlands Coast community.

7.3.2 Activate and engage through programs and partnerships to encourage reading and all forms of literacy as part of the implementation of the Library Services Strategy 2017-2022.

- a) Deliver the Queensland Government funded First 5 Forever program to support early literacy for children aged 0-5 years.
- b) Develop a Redland Libraries' volunteer adult literacy program to provide free assistance to adults to improve literacy skills.
- c) Deliver a range of library programs and events to promote reading and encourage development of literacy skills.

7.4 Council supports volunteerism and participation in civic projects through clear and supportive Council processes to reduce red-tape, and engage and recruit volunteers for Council projects.

7.4.1 Continue to provide volunteering and work experience opportunities for the Redlands Coast community.

- a) Provide guidance and advice to improve the implementation of volunteer processes and ensure they are efficient and inclusive.

7.5 The community's preparedness for disasters is improved through community education, training and strong partnerships between Council and other agencies.

7.5.1 Improve disaster preparedness.

- a) Review and update the Disaster Management Plan.
- b) Deliver a healthy and safe city through community education, engagement and resilience building.
- c) Provide an annual management report to Council's Executive Leadership Team on the performance of the State Emergency Service operations.
- d) Ensure employee preparedness through disaster management training and exercises.
- e) Where practical, implement and/or incorporate the recommendations of the Bushfire Review into business as usual activities.



VISION OUTCOME 8

08

INCLUSIVE AND ETHICAL GOVERNANCE

Deep engagement, quality leadership at all levels, transparent and accountable democratic processes and a spirit of partnership between the community and Council will enrich residents' participation in local decision-making to achieve the community's Redlands 2030 vision and goals.





VISION OUTCOME 8

08

Our Corporate Plan commitments

- Continue to strengthen our asset and service management to ensure the efficient and effective delivery of value to our community.
- Implement, monitor and report on progress of the Corporate Plan.
- Support employees by providing clear direction and extensive training, including the use of new technology.
- Ensure Council's portfolio of projects is prioritised and managed to deliver strategic objectives whilst maintaining financial sustainability.
- Continue to provide opportunities for the community to actively and meaningfully participate in Council's decision making.
- Implement Council's Information Management Strategy.

8.1 Council's Information Management Strategy and technology systems are engineered to increase efficiency and provide excellent customer service outcomes.

8.1.1 Improve Council's Asset Management System.

- a) Modernise Council's Asset Management System with a new technology enabler.
- b) Review processes and procedures that support the Asset Management System.

8.2 Council produces and delivers against sustainable financial forecasts as a result of best practice Capital and Asset Management Plans that guide project planning and service delivery across the city.

8.2.1 Improve whole of Council asset management.

- a) Implement the Strategic Asset Management Plan.
- b) Develop a maintenance management strategy.
- c) Develop predictor modelling to enhance Council's 10 year capital planning.

8.3 Implementation of the Corporate Plan is well coordinated across Council and through a delivery mechanism that provides clear line of sight, accountability and performance measurement for all employees.

8.3.1 Improve strategic alignment.

- a) Develop a project plan for the delivery of a new Redland City Council Corporate Plan.
- b) Embed the Integrated Planning Framework and implement a new performance framework.
- c) Design and develop a Strategic Service Planning Framework. ^[1]
- d) Define and develop executive and corporate management reporting.

8.3.2 Improve strategic alignment and investment decisions.

- a) Develop a long term enterprise portfolio pipeline to ensure clarity in identification, assessment and categorisation of projects including service, asset and business transformation.
- b) Support alignment of Council's enterprise portfolio pipeline to external funding opportunities for key infrastructure upgrades and enhanced community outcomes.

^[1] This strategic planning for infrastructure initiative was funded in 2019 under the Maturing the Infrastructure Pipeline Program, administered by the Department of State Development, Manufacturing, Infrastructure and Planning.



VISION OUTCOME 8

08

8.3 continued

8.3.3 Prioritise, define and manage Council's portfolio of projects.

- a) Review and implement the capital portfolio prioritisation model, ensuring alignment with and assessment against affordability and portfolio deliverability criteria.
- b) Work in partnership with key stakeholders to develop, define and deliver the portfolio.

8.3.4 Promote Redland City Council program and project delivery best practice.

- a) Support program and project delivery through good governance mechanisms and processes.
- b) Support and guide Council's project management community by mentoring, coaching, process improvement and internal consultancy.
- c) Enable strategic decision making through portfolio monitoring and transparent and timely reporting.

8.3.5 Improve alignment between individual and Council performance.

- a) Continue to promote MyGoals conversations that align individual contribution (including values and behaviours) with Council objectives.

8.3.6 Deliver the Procurement Transformation Program.

- a) Create value from Council's procurement function with better planning and a category management approach.
- b) Connect suppliers with buyers through the introduction of a supplier marketplace.
- c) Cultivate relationships with current and future vendors, in particular local, Indigenous, social enterprises and start-ups to benefit our region.

8.4 A continuous improvement focus underpins the organisation, creating a supportive environment for ideas and positive, well-managed change that enhances internal and external outcomes.

8.4.1 Continue to build a diverse and inclusive culture that enables cooperation, innovation and change to enhance outcomes.

- a) Create a Council inclusion story that stretches awareness and understanding of diversity that the leadership team will champion and embed across Council.

8.4.2 Enhance the continual improvement culture supporting service delivery.

- a) Embed the Business Transformation Program.
- b) Strengthen benefits realisation reporting from innovation and improvement activities.

8.5 Continue to provide opportunities for the community to actively and meaningfully participate in Council's decision making.

8.5.1 Continue to conduct community engagement on a diverse range of issues.

- a) Use a range of tools to inform the community about Council programs and initiatives and seek community views on a range of issues.

REDLAND WATER

A business unit of
Redland City Council

WATER AND WASTEWATER SERVICES

Annual Performance Plan 2019-2020



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1 Introduction

Redland Water is a Commercial Business Unit (CBU) of Redland City Council (Council).

The *Local Government Act 2009* (the *Act*) and the *Local Government Regulation 2012* (the *Regulation*) govern the operation of business units run by local governments.

In deciding whether an activity should be a significant business activity for the 2019-2020 financial year, local governments must consider the operating expenditure for the 2018-19 financial year less any depreciation included therein and any expenditure included therein to achieve competitive neutrality which is not actually incurred by the local government plus any loan redemption payments in that year.

Section 19 of the *Local Government Regulation 2012* states the thresholds for the 2019-2020 financial year as follows:

- for water and sewerage combined activities - \$13.96m; and
- for any other business activity - \$9.35m.

Section 175 of the *Local Government Regulation 2012* states:

- 1) The annual operational plan for a local government must:
 - (a) be consistent with its annual budget; and
 - (b) state how the local government will:
 - (i) progress the implementation of the 5-year corporate plan during the period of the annual operational plan; and
 - (ii) manage operational risks; and
 - (c) include an annual performance plan for each commercial business unit of the local government.
 - 2) An annual performance plan for a commercial business unit is a document stating the following for the financial year, the:
 - (a) unit's objectives;
 - (b) nature and extent of the significant business activity the unit is to conduct;
 - (c) unit's financial and non-financial performance targets;
 - (d) nature and extent of the community service obligations the unit must perform;
 - (e) cost of, and funding for, the community service obligations;
 - (f) unit's notional capital structure, and treatment of surpluses;
 - (g) unit's proposed major investments;
 - (h) unit's outstanding, and proposed, borrowings;
 - (i) unit's policy on the level and quality of service consumers can expect;
 - (j) delegations necessary to allow the unit to exercise autonomy in its commercial activities;
 - (k) type of information that the unit's reports to the local government must contain.
 - 3) A local government may omit information from the copies of the annual performance plan made available to the public if:
 - (a) the information is of a commercially sensitive nature to the commercial business unit; and
 - (b) the information is given to each of the local government's councillors.
- a) *Note* – See also section 171 (Use of information by councillors) of the *Act*.
- 4) The local government may change an annual performance plan for a commercial business unit at any time before the end of the financial year.

The *Regulation* also requires the CBU's performance to be monitored by the local government against performance targets mentioned in the Annual Performance Plan (APP).

2 Key principles of a commercial business unit

This APP supports the key principles of commercialisation as detailed in section 28 of the *Regulation*, which are:

- (a) clarity of objectives;
- (b) management autonomy and authority;
- (c) accountability for performance; and
- (d) competitive neutrality.

3 Redland City Council vision

“Forward thinking, engaged and focused on enriching community lifestyles”.

4 Redland Water vision, objectives and functions

4.1 Business focus

4.1.1 Vision

To be recognised as a professional water management business that continually improves and adapts our service to customers in support of Council's vision and objectives for the city.

4.1.2 Mission

To meet or exceed agreed standards of water and wastewater services while managing the business for long-term success.

4.1.3 Key drivers

The key business drivers are:

- customer service;
- business efficiency;
- environmental sustainability;
- pricing arrangements that reflect true costs, full cost recovery and regulatory requirements;
- competitiveness; and
- the provision of a safe working environment.

5 Roles of each party

5.1 Redland City Council's role

- Owner of business
- Specifies levels of service
- Customer of Redland Water.

5.2 Redland Water's role

- Service provider for planning and operation of assets
- Customer of Council
- Owner of water and wastewater assets.

6 Undertakings by the parties

6.1 Redland City Council

Council has delegated management autonomy to Redland Water's management team for:

- entering into contracts in the name of the business unit as a commercial business of Council in line with Council delegations;
- completing approved programs in accordance with Council's budget, operational and corporate plans as well as Redland Water's performance plan;
- promoting and presenting Redland Water to the community as a professional commercial business by undertaking educational, promotional and customer activities;
- developing and implementing budgets and long-term pricing models and financial plans.

Council will compensate Redland Water the cost of providing any community service obligations (CSOs) in line with section 24 of the *Regulation*. These will be reviewed on an annual basis as part of the performance plan and the budget development process.

Council will buy water and wastewater services from Redland Water under the same terms and conditions as customers.

Council will operate in accordance with various policies and the Corporate Plan 2018-2023.

6.2 Redland Water

Redland Water will:

- provide water and wastewater operations;
- conduct its business and operations in compliance with the requirements of the *Environmental Protection (Water) Policy 2009* of the *Environmental Protection Act 1994*, the *South-East Queensland Water (Distribution and Retail Restructuring) Regulation 2010 of the South-East Queensland Water (Distribution and Retail Restructuring) Act 2009*, the *Local Government Act 2009*, the *Water Act 2000*, the *Water Supply (Safety and Reliability) Regulation 2011 of the Water Supply (Safety and Reliability) Act 2008*, the *Local Government Regulation 2012* and other relevant acts and regulations;
- operate within National Competition Policy (NCP) guidelines and deliver an annual net return to Council as detailed in this Annual Performance Plan;
- adopt the principles of ecologically sustainable development;
- plan for, build, operate and maintain assets to ensure nominated service levels are maintained;
- commit to the overall Council vision of operating within a best value framework - value for money will be superior to lowest pricing;
- use Council's full range of corporate services by entering into service level agreements (SLAs) with Council;
- implement the Netserv Plan
- provide monthly reports on its financial and non-financial performance;
- show due diligence in immediately reporting any serious non-compliances or incidents to Council;
- pursue and undertake private works on a full cost plus profit basis provided the works fall within the scope, skill and competencies of assigned staff and contractors. Financial risk of Council must be considered when undertaking significant private works projects;

7 Redland City Council Corporate Plan objectives

To address key strategies within Council's Corporate Plan 2018-2023, Redland Water will:

- supply healthy water in an ecologically sustainable manner by planning, designing, constructing, operating and maintaining a high quality water distribution system; and
- process wastewater in an ecologically sustainable manner by planning, designing, constructing, operating and maintaining a system for the collection, treatment and disposal of wastewater and biosolids.

8 Redland Water's strategies for achieving objectives

Redland Water will strive to show high levels of performance in the following areas in achieving the objectives:

- quality products and service;
- customer services including timely response to complaints and requests; and
- environmental and safety standards.

Other initiatives that will be undertaken to support the objectives are:

- improving the value of the business and meeting Council's capital structure and net return targets;
- managing costs to improve value to customers;
- strengthening demand management to meet the south-east Queensland (SEQ) regional targets for per capita water consumption;
- monitoring and reporting on key financial and non-financial performance indicators; and
- meeting the objectives of the Council of Australian Governments (COAG) and NCP reforms.

9 Redland Water services

Chapter 3A Part 2 of the *South-East Queensland Water (Distribution and Retail Restructuring) Act 2009* states that, from the end of June 2012, Redland Water, as a commercialised business unit of Council, will be a service provider subject to the *Water Supply (Safety and Reliability) Act 2008*.

Chapter 2 Part 3 Division 2 of the *Water Supply (Safety and Reliability) Act 2008* provides Redland Water with the general power of a service provider to operate water and wastewater services within the Council area with current service delivery areas.

The nature and scope of Redland Water's main activities and undertakings are:

9.1 [Water supply service](#)

Redland Water's undertaking for water supply will include the planning, construction, operation and maintenance of the following assets:

- reticulation network;
- trunk mains;
- services;
- meters;
- hydrants;
- pump stations;
- reservoirs; and
- water boosters.

9.2 Wastewater service

Redland Water's undertaking for wastewater supply will include the planning, construction, operation and maintenance of the following assets:

- wastewater treatment plants (WWTPs);
- pump stations;
- pressure mains;
- reticulation network;
- manholes;
- effluent mains;
- developing recycled water opportunities;
- irrigation and reuse systems; and
- the provision of trade waste services.

10 Reporting

10.1 Reporting structure

In line with the key principles of commercialisation in section 28(b)(ii) of the *Local Government Regulation 2012*, Redland Water has autonomy in its day-to-day operations.

The reporting structure is such that the General Manager Infrastructure & Operations reports to the Chief Executive Officer (CEO) of Council regarding Redland Water.

10.2 Reporting

Redland Water will provide the following reports:

Monthly:

- monthly key performance indicators (KPIs) as shown in the attached Redland Water scorecard indicators – 2019-2020;
- standard set of financial reports; and
- WWTP performance.

Yearly:

- yearly KPIs as shown in the attached Redland Water scorecard indicators – 2019-2020;
- statement of financial performance;
- statement of financial position; and
- annual budget as part of corporate process.

11 Meeting our customers' needs

11.1 Customer service standards

Water and wastewater

Section 115 of the *Water Supply (Safety & Reliability) Act 2008* requires service providers to prepare a customer service standard (CSS) for its water and wastewater services. It also requires the service provider to clearly state the level of service to be provided to customers, the process for service connection, billing, metering, accounting, customer consulting, complaints and dispute resolution.

The CSS also contains any other matters as mentioned in Customer, Water and Wastewater Code issued by the Department of Natural Resources Mines and Energy (DNRME). It is reviewed annually and customers are advised of significant changes.

A copy of Redland Water's CSS is available online or from Council's customer service centres.

For 2019-2020 CSS, Redland Water will make every effort to:

Water

- respond to discoloured water complaints within 4 hours;
- make sure at least 98% of properties, when tested, have a minimum 22 metres static head and flow to the atmosphere of at least 30 litres a minute at the meter;
- improve inadequate water pressure and flow within 28 working days of a test for water services otherwise we will advise of actions required;
- make sure there are no more than 12 water quality incidents per month caused by the distribution network;
- respond to general requests within 5 working days;
- respond to loss of supply within 1 hour on mainland;
- restore 97% of mainland interruptions caused by disruptions in the distribution network within 5 hours;
- make sure there are no more than 8 water main breaks and leaks per month for every 100 kilometres within the distribution network; and
- connect new water services for mainland standard connections within 20 working days of the application payment.

Wastewater

- restore service to customers within 5 hours following a mainland incident;
- respond to 90% of mainland wastewater blockages or overflows within 1 hour;
- make sure there are no more than 7 dry weather overflows each month;
- respond to reports of odour on the mainland within 5 hours;
- make sure there are no more than 3 odour complaints per month; and
- respond to general requests within 5 working days.

11.2 Customer advice

Redland Water will provide a range of information relating to service advice, accounts and charges on request.

Redland Water will make available information to customers through the use of fact sheets, Redland Water's internet pages, community education programs and so on.

The CSS for water and wastewater also contains useful advice on sustainable water supply and a complaints resolution process for dealing with customer requests and concerns.

11.3 Seeking feedback from our customers and community

Redland Water will collect community feedback information and participate in community consultations. Feedback from surveys and consultation will be used to gauge acceptance of service levels. This mechanism is seen by the CBU as a valuable input into improving services delivery.

Customer feedback may be collected through some or all of the following forms:

- recording unsolicited complaints and comments;
- management or staff attendance at community consultation sessions; and
- formal surveys by a third party consultant or formal surveys by in-house staff as part of Council process.

12 Planning for the future

12.1 Financial planning

- Redland Water will review its financial model on a yearly basis.

-
- The financial model will be for a period of no less than 10 years.
- Redland Water's budget will be formulated on an annual basis and reviewed during the financial year in accordance with the timeframes set by Council, the anticipated capital structure and Council's net return expectations.

12.2 Assets

Redland Water will optimise assets and strive for best value of operations by:

- regularly assessing assets and development of planning reports;
- implementing and improving preventative maintenance programs;
- enhancing asset condition ratings and information;
- timely updating of asset databases;
- improving data for calculation of valuations;
- considering contemporary valuation methodologies in accordance with effective NCP pricing principles;
- preparing and actioning an Asset Service Management Plan (ASMP); and
- considering the risk of possible obsolescence when evaluating use of advancing technology.

12.3 Employment and training plan

Redland Water will make sure the intellectual property of the CBU is retained and operational processes are maintained in perpetuity by implementing the corporate human resource plan which will:

- recognise the need for succession planning;
- adopt the staff performance appraisal process;
- adopt Council's policy on remuneration packages for staff; and
- undertake staff training programs based on legislative requirements and a skills gap analysis.

12.4 Financial risk

Redland Water will adopt strategies to minimise financial risk by:

- continually reviewing and refining the costing and quotation of jobs;
- following a structured but flexible process for quotation and tendering in line with corporate processes;
- maximising the use of grants and/or subsidies for works;
- ensuring appropriate levels of headworks payments are collected from developers and property owners where applicable;
- adopting Council's policies on funding, so that an appropriate level of depreciation ensures long-term cash flows are not jeopardised;
- ensuring developer contributions are transferred to reserves where appropriate;
- holding an appropriate level of insurance cover; and
- monitoring the sundry debtors to ensure revenues are maximised.

13 Revenue

Revenues are collected by Council and transferred to Redland Water for all services it provides.

13.1 Collection of charges

Redland Water's water and wastewater charges will be integrated on a Council rate notice. All outstanding charges will appear in Redland Water's balance sheets.

13.2 Collection of fees, charges and miscellaneous incomes

Revenues for fees and charges will be collected in the following manner:

- prepayment for works associated with developments, new properties or alterations to infrastructure; and
- revenue for other works including trade waste fees will be by invoice with a 30-day payment period.

13.3 Community service obligations (CSOs)

CSO payments will be made by Council for services supplied for less than full cost price in accordance with Council pricing, Council policy or Council operations. A summary of the CSOs will be provided in Council's annual report in accordance with the *Local Government Regulation 2012*.

CSOs may include:

- concessions provided to sporting bodies or clubs;
- concessions, remissions or rebates for specific persons stated in a policy;
- any non-commercially driven concession or remission provided by resolution of Council;
- community services; and
- special audits and assessments outside commercial requirements.

Current CSOs for Council 2019-2020 are:

| Job Name | Description of the nature of the CSO | Budget Year 2019-2020 \$000 |
|--------------------------------------|---|-----------------------------------|
| Water concession not for profit | Reduced charges for water for charities and not for profit organisations | 91 |
| Wastewater concession not for profit | Reduced charges for wastewater for charities and not for profit organisations | 285 |
| | | 376 |

13.4 Measurement of water consumptions

All water supplied will be measured through a water meter (including consumption through fire hydrants and water filling stations). Water meters will be read 4 times per annum and water meters upgraded as part of a progressive replacement program.

Connection to the water network using a hydrant standpipe will be limited to fire purposes only or exceptional circumstances approved by Redland Water. The cost of water taken from the network will be charged as per Council's fees and charges schedule. A bond and hire fee will be applied to any approved metered hydrant standpipe issued by Redland Water. Recycled water will be provided via designated recycled water filling stations only.

14 Financial Structure

Redland Water shows as a separate unit within Council's financial ledgers.

A separate accounts payable and receivable ledger will operate within Council's financial system to allow for easy identification of payments.

14.1 Capital structure

The consolidated capital structure of the CBU will comprise community equity to the value of assets less liabilities.

The 10-year Debt to Debt + Equity level shall be in the range of 35-55%, currently the planned level for 2019-2020 shall be 37.5%

14.2 Physical assets

In accordance with the initial CBU establishment plan, the capital structure of Redland Water will include all current and non-current assets and liabilities and equity shown in the financial statements.

14.3 Monetary assets

All current assets as recorded in Redland Water including reserves, debtors and prepayments are to be managed by the CBU.

14.4 Investment

Council's financial services section will invest all excess cash held by Redland Water at the best possible interest rate.

14.5 Cash balances

The cash balances shall be held at a level that equates to 3-4 months annualised average operational costs.

14.6 Loans

The CBU will use debt to fund large infrastructure projects associated with the generation of revenue in line with corporate guidelines and Executive Leadership Team (ELT) direction.

14.7 Subsidy

Redland Water will optimise the use of available grants and subsidies by managing the forward planning of future works programs.

14.8 Recognition of assets

Assets will be recognised using industry standards and the methodologies developed through Council's asset valuation policy, the *Local Government Regulation 2012*, and the *Australian Accounting Standards*.

14.9 Depreciation

Redland Water will depreciate its assets in accordance with the *Australian Accounting Standards* having regard for contemporary depreciation methods.

14.10 Pricing policies

Redland Water will price its services in accordance with NCP methodologies while taking into account Council policy. This may include introducing additional user pays type fees and charges.

Water charges are set as a 2-part tariff – an access charge and a consumption charge.

Wastewater charges are set as one tariff based on sewer units.

Commercial and industrial properties are charged on a per lot and/or per pedestal or equivalent pedestal (urinal) basis.

14.11 Net return to Council

Redland Water will provide to Council a surplus made up of dividend, income tax and internal debt finance structuring to the value of the following:

Tax on operating capability @ 30% - calculated for each individual product, i.e. water and wastewater.

Dividend: 75% on earnings after tax and other agreed exclusions – calculated for each individual product, i.e. water and wastewater.

To achieve the surplus the following parameters will need to be considered:

Revenue: Water increased in line with long-term pricing and financial modeling of Maximum Allowable Revenue (MAR).

Revenues should be modeled to meet the requirements and commercial rates of return required by NCP reforms.

Expenses: Wages increases in line with enterprise bargaining agreement (EBA) and commercial activity needs.
Goods and services increased by no greater than CPI, growth and environmental or legislative influences.

Net Return to Council: The net return to Council is made up of the following:

- + Tax
- + Dividend
- + Internal interest

14.12 Reserves

Constrained capital works reserves (Redland Water 5134 & Wastewater 5135)

Developer cash contributions received by Redland Water are transferred to constrained cash reserves. It is the purpose of this reserve to fund future capital works that relate to projects that are classified as upgrade, expansion or new projects.

14.13 Developer contributions

Redland Water will appropriate developer contributions to the capital works reserve less a portion to be recorded as operating revenue that equates to the interest on Queensland Treasury Corporation (QTC) loans for that year.

Donated assets will be recorded as revenue and the value recorded to the balance sheet as a non-current asset. Donated assets will be recorded in the electronic asset register and as constructed data recorded in the GIS system.

ATTACHMENTS

ATTACHMENT 1 – OPERATIONAL BUDGET 2019-2020 – 3 YEARS

| | Budget Year 1 2019-20 \$000 | Forecast Year 2 2020-21 \$000 | Forecast Year 3 2021-22 \$000 |
|---|--------------------------------------|--|--|
| Revenue | | | |
| Levies and utility charges | 113,256 | 119,243 | 123,717 |
| <i>Less: Pensioner remissions and rebates</i> | (453) | (477) | (495) |
| Fees | 317 | 322 | 327 |
| Operating grants and subsidies | - | - | - |
| Operating contributions and donations | - | - | - |
| Interest external | 909 | 928 | 949 |
| Community service obligation | 376 | 384 | 392 |
| Other revenue | 2,032 | 2,075 | 2,122 |
| Total revenue | 116,436 | 122,474 | 127,013 |
| Expenses | | | |
| Employee benefits | 8,831 | 9,000 | 9,178 |
| Materials and services | 54,341 | 58,011 | 59,936 |
| Finance costs other | - | - | - |
| Other expenditure | - | - | - |
| Net internal costs | 3,301 | 3,388 | 3,481 |
| Total expenses | 66,474 | 70,400 | 72,596 |
| Earnings before interest, tax and depreciation (EBITD) | 49,963 | 52,075 | 54,417 |
| External interest expense | 136 | 125 | 114 |
| Internal interest expense | 14,867 | 15,086 | 15,633 |
| Depreciation and amortisation | 23,823 | 24,361 | 24,686 |
| Operating surplus/(deficit) | 11,136 | 12,503 | 13,984 |

ATTACHMENT 2 – CAPITAL FUNDING 2019-2020 – 3 YEARS

| | Budget Year 1 2019-20 \$000 | Forecast Year 2 2020-21 \$000 | Forecast Year 3 2021-22 \$000 |
|---|--|--|--|
| Proposed sources of capital funding | | | |
| Capital contributions and donations | 2,537 | 2,587 | 2,640 |
| Capital grants and subsidies | - | - | - |
| Proceeds on disposal of non current assets | - | - | - |
| Capital Transfer to/from Reserves | (1,982) | (1,611) | 2,071 |
| Non cash contributions | 3,399 | 3,466 | 3,537 |
| New loans | - | - | - |
| Funding from utility revenue | 4,172 | 7,672 | 18,192 |
| Total sources of capital funding | 8,126 | 12,114 | 26,440 |
| Proposed application of capital funds | | | |
| Contributed assets | 3,399 | 3,466 | 3,537 |
| Capitalised goods & services | 4,124 | 8,096 | 22,350 |
| Capitalised employee costs | 55 | 57 | 58 |
| Loan redemption | 549 | 495 | 495 |
| Total Application of Capital Funds | 8,126 | 12,114 | 26,440 |
| Other budgeted items | | | |
| Transfers to constrained operating reserves | - | - | - |
| Transfers from constrained operating reserves | - | - | - |
| WDV of assets disposed | - | - | - |
| Income tax | 5,122 | 5,567 | 6,048 |
| Dividend | 8,963 | 9,742 | 10,584 |

ATTACHMENT 3 – KEY PERFORMANCE INDICATORS 2019-2020

Water: 1,306km mains
 No. active meters 59,492
 No. connected residential properties (Incl. vacant land 7,130) 66,256
 No. connected non-residential properties 2,575
 Total no. connected (charged access fees Q4 1 April 2019 charge date) 68,831

Wastewater: 1,205km mains
 No. of active services residential (Incl vacant land 833) 52,197
 No. of active services non-residential 1,868
 Total no. of connected properties (incl. vacant land) 54,065

Included in above data:

No. MPPM (Multiple properties per meter, charged per ratio to lot entitlement as advised by DNRME)

Parent meters 651
 Child properties 6,754

No. of CTS (Community Title Scheme) Properties:

Main Meters (Parents) 193
 Sub metered (child properties) 2,864
 Sub metered 'other' fire service and communal areas 156

| KRA and Goals | REDLAND WATER SCORECARD WATER & WASTEWATER INDICATORS – 2019-20 | Monthly Target | Unit | Reporting Frequency | Annual Target |
|--|--|----------------|------|---------------------|---------------|
| Financial management Ensure the long term financial viability of the city and provide public accountability in financial management. | Operating revenue (actual to budget) | +/- 5% | % | Monthly | +/-5% |
| | Operating goods and services expenditure (actual to budget) | +/- 5% | % | Monthly | +/-5% |
| | Capital expenditure (actual to budget) | +/- 5% | % | Monthly | +/-5% |
| | Treatment costs per property serviced (wastewater) | \$14.39 | \$ | Monthly | \$172.70 |
| | Maintenance costs per property serviced (water) | \$4.02 | \$ | Monthly | \$48.30 |
| | Maintenance costs per property serviced (wastewater) | \$9.68 | \$ | Monthly | \$116.22 |
| Deliver essential services Provide and maintain water, waste services, roads, drainage and support the provision of transport and waterways infrastructure to sustain our community. | Number WWTP non-conformances with EHP licence | max 0.5 | # | Monthly | max 6 |
| | % compliance with Australian Drinking Water Guidelines (ADWG) within distribution system. Does not include non-compliant water received at the point of transfer to the distribution system, i.e. from the bulk water authority or the bulk transport authority. | min 98 | % | Monthly | min 98 |
| People management Development of organisational cultural values and people behaviours in order to meet agreed community expectations. | Number of LTIs | 0 | # | Annually | 0 |

REDWASTE

A business unit of
Redland City Council

WASTE AND RECYCLING SERVICES

Annual Performance Plan 2019-2020



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1. Introduction

RedWaste is a Commercial Business Unit (CBU) of Redland City Council (Council).

The *Local Government Act 2009* (the *Act*) and the *Local Government Regulation 2012* (the *Regulation*) govern the operation of business units run by local governments.

In deciding whether an activity should be a significant business activity for the 2019-20 financial year, local governments must consider the operating expenditure for the 2018-19 financial year less any depreciation included therein and any expenditure included therein to achieve competitive neutrality which is not actually incurred by the local government plus any loan redemption payments in that year.

Section 19 of the *Regulation* was recently amended to increase the thresholds. The thresholds for the 2019-20 financial year are therefore as follows:

- for water and sewerage combined activities - \$13.96m; and
- for any other business activity - \$9.35m.

Section 175 of the *Regulation* states:

- 1) The annual operational plan for a local government must:
 - (a) be consistent with its annual budget; and
 - (b) state how the local government will:
 - (i) progress the implementation of the 5-year corporate plan during the period of the annual operational plan; and
 - (ii) manage operational risks; and
 - (c) include an annual performance plan for each CBU of the local government.
 - 2) An annual performance plan for a CBU is a document stating the following for the financial year, the:
 - (a) unit's objectives;
 - (b) nature and extent of the significant business activity the unit is to conduct;
 - (c) unit's financial and non-financial performance targets;
 - (d) nature and extent of the community service obligations the unit must perform;
 - (e) cost of, and funding for, the community service obligations;
 - (f) unit's notional capital structure, and treatment of surpluses;
 - (g) unit's proposed major investments;
 - (h) unit's outstanding and proposed, borrowings;
 - (i) unit's policy on the level and quality of service consumers can expect;
 - (j) delegations necessary to allow the unit to exercise autonomy in its commercial activities;
 - (k) type of information that the unit's reports to the local government must contain.
 - 3) A local government may omit information from the copies of the annual performance plan made available to the public if-
 - (a) the information is of a commercially sensitive nature to the commercial business unit; and
 - (b) the information is given to each of the local government's councillors.
- a) *Note* – See also section 171 (Use of information by councillors) of the *Act*.
- 4) The local government may change an annual performance plan for a commercial business unit at any time before the end of the financial year.

The *Regulation* also requires the CBU's performance to be monitored by the local government against performance targets mentioned in the Annual Performance Plan (APP).

2. Key principles of a commercial business unit

This APP supports the key principles of commercialisation as detailed in section 28 of the *Regulation*, which are:

- (a) clarity of objectives;
- (b) management autonomy and authority;
- (c) accountability for performance; and
- (d) competitive neutrality.

3. Redland City Council vision

“Forward thinking, engaged and focused on enriching community lifestyles”.

4. RedWaste vision, objectives and functions

4.1 Business' focus

4.1.1 Vision

To be recognised as a professional waste management business that continually improves and adapts our service to customers in support of Council's vision and objectives for the city.

4.1.2 Mission

To meet or exceed agreed standards for the management of solid waste and resource recovery while managing the business for long-term success.

4.1.3 Key drivers

The key business drivers are:

- customer service;
- business efficiency;
- environmental sustainability;
- pricing arrangements that reflect true costs, full cost recovery and regulatory requirements;
- competitiveness; and
- the provision of a safe working environment.

5. Roles of each party

5.1 Role of Redland City Council

- Owner of business
- Specifies levels of service
- Specifies revenue required from the business
- Customer of RedWaste.

5.2 Role of RedWaste

- Service provider for planning and operation of assets
- Customer of Redland City Council
- Owner of waste management assets.

6. Undertakings by the parties

6.1 Redland City Council

Council has delegated management autonomy to RedWaste's management team for:

- entering into contracts in the name of the business unit as a commercial business of Council in line with Council delegations;

- completing approved programs in accordance with Council's budget, operational and corporate plans as well as RedWaste's performance plan;
- promoting and presenting RedWaste to the community as a professional commercial business by undertaking educational, promotional and customer activities;
- developing and implementing budgets and long-term pricing models and financial plans.

Council will compensate RedWaste the cost of providing any community service obligations (CSOs) in line with section 24 of the *Regulation*. These will be reviewed on an annual basis as part of the performance plan and the budget development process.

Council will buy waste management services from RedWaste under the same terms and conditions as customers.

Council will operate in accordance with various policies and the Corporate Plan 2018-2023.

6.2 RedWaste

RedWaste will:

- provide mandatory waste and recycling, and optional green waste collection services to domestic premises;
- provide waste, recycling and green waste collection services to commercial premises on request;
- operate a network of waste disposal and recycling facilities;
- conduct its business and operations in compliance with the requirements of the *Environmental Protection Act 1994*, *Local Government Act 2009*, *Waste Reduction & Recycling Act 2011*, other relevant acts and regulations and Council policies and guidelines;
- operate within National Competition Policy (NCP) guidelines and deliver an annual net return to Council as detailed in this plan;
- adopt the principles of ecologically sustainable development;
- operate and maintain assets to ensure nominated service levels are maintained;
- commit to the overall Council vision of operating within a best value framework - value for money will be superior to lowest pricing;
- use Council's full range of corporate services by entering into service level agreements (SLAs) with Council;
- implement the approved asset management plans in its day-to-day operations;
- provide monthly reports on its financial and non-financial performance;
- show due diligence in immediately reporting any serious non-compliances or incidents to Council and Department of Environment and Science (DES) as appropriate;
- pursue and undertake asset maintenance and repair works on a full cost basis provided the works fall within the scope, skill and competencies of the contractors.

7. Redland City Council Corporate Plan objectives

To address key strategies within Council's Corporate Plan for 2018-2023, RedWaste will:

- manage the kerbside collection of domestic and commercial solid wastes and recyclable materials and transport to a suitably approved handling facility;
- oversee the operation, management and maintenance of a network of assets for the segregation and disposal of solid waste and recyclable materials generated from domestic and commercial sources; and
- engage with the community and businesses within the city to improve the overall performance of RedWaste and improve sustainability awareness and implementation.

8. RedWaste's strategies for achieving objectives

8.1 Waste Reduction and Recycling Plan

Reducing, reusing and recycling waste is an opportunity to divert resources from landfill. Despite the success of Council recycling programs, leading to a stable domestic resource recovery performance of between 44-45% annually, just over half of the total waste received is still sent to landfill.

The existing Waste Reduction and Recycling Plan 2015-20 (the Plan) aims to tip the balance the other way so that less than half of the waste is landfilled. This means greater focus on resource efficiency. The more recycling the Redlands community undertakes, the less waste will go to landfill. Recycling actions that can be undertaken relatively easily, quickly and without substantial investment have been prioritised. Continued growth in the optional green bin service across the mainland is an ongoing target area to improve the diversion of garden organics from landfill.

A statutory review of this Plan will occur in 2019-2020 once the Queensland Waste Strategy is finalised. Advancing resource efficiency will have an even greater focus. This means moving from a linear model (where resources are extracted, processed, used and then disposed) to a cyclical model (where resources are separated and recovered then recycled again and again).

8.2 Queensland Waste Strategy

The Queensland Government have re-introduced a waste disposal levy to attract investment, develop new jobs and industries and reduce waste and this will commence on 1 July 2019. In February 2019, a draft new Queensland Waste Management and Resource Recovery Strategy was issued for public consultation. The draft waste strategy aims to deliver the long-term, sustained growth of the recycling and resource recovery sector while reducing the amount of waste produced by promoting more sustainable waste management practices for business, industry and households. Actions that enable the transition from a linear economy into a circular waste economy will be required from all stakeholders including RedWaste.

RedWaste will incorporate the key requirements arising from new waste policy direction into the review of its own strategic waste plan as per section in 8.1.

8.3 Other strategies

RedWaste will strive to provide high levels of performance in the following areas in achieving the objectives:

- quality waste and resource recovery services;
- customer services including timely response to requests and complaints;
- environmental standards through implementation and regular reviews of the site-based environmental plans and associated environmental monitoring; and
- workplace health and safety standards as required under the Council safety system.

Other initiatives that will be undertaken to support the objectives are:

- improving the value of the business and meeting Council's capital structure and net return targets;
- managing costs and maximising the recovery and sale of commodities to improve value to customers;
- communicating key changes in the external operating environment that place pressure on the waste and recycling utility charges and commercial fees.
- investigating new waste and resource recovery solutions including participation in a sub-regional Expression of Interest process for waste and resource recovery services
- implementing actions identified within Council's waste management strategy and other environmental programs;

- monitoring and reporting on key financial and non-financial performance indicators;
- meeting the objectives of the Council of Australian Governments (COAG) and NCP reforms; and
- keeping updated of changes in the external regulatory environment that affect RedWaste through participation and advocacy with industry partners.

9. RedWaste Services

RedWaste's undertaking for waste management will include the operation and maintenance of the following assets:

- waste transfer stations;
- kerbside and bulk waste, recycling and green organics bin network;
- South Street waste collection contractor vehicle depot; and
- RecycleWorld.

In addition, developing strategies and forward planning is undertaken for new infrastructure requirements as part of the implementation of the *Waste Reduction & Recycling Plan 2015-2020*.

The management of closed landfills is excluded from the RedWaste services and managed under the landfill remediation program.

10. Reporting

10.1 Reporting structure

In line with the key principles of commercialisation in section 28(b)(ii) of the *Regulation*, RedWaste has autonomy in its day-to-day operations.

The reporting structure is such that the General Manager Infrastructure & Operations reports to the Chief Executive Officer (CEO) of Council regarding RedWaste.

10.2 Reporting

RedWaste will provide the following reports:

Monthly:

- monthly key performance indicators (KPIs) as shown in the attached scorecard indicators – 2019-2020; and
- a standard set of financial reports.

Yearly:

- yearly KPIs as shown in the attached scorecard indicators – 2019-2020;
- statement of financial performance;
- statement of financial position; and
- annual budget as part of corporate process.

11. Meeting our customers' needs

11.1 Customer service standards (CSSs)

For 2019-2020 CSS, RedWaste will make every effort to:

- respond to a missed service on the mainland within 1 working day of the report being registered with RedWaste where the missed service was the fault of the CBU;
- commence new waste services within 2 working days (mainland) and next scheduled collection day (island) of the request being lodged with RedWaste;
- provide exchanges or alterations to bin services within 2 working days (mainland) and on the next scheduled collection day (island) of the request being lodged; and
- respond to non-urgent general requests within 5 working days.

11.2 Customer advice

RedWaste will provide a range of information relating to service advice, accounts and charges on request.

RedWaste will make available information to customers through the use of fact sheets, internet pages, community education programs and other like programs.

11.3 Seeking feedback from our customers and community

RedWaste will collect community feedback information and participate in community consultations. Feedback from surveys and consultation will be used to gauge acceptance of service levels. This mechanism is seen by the CBU as a valuable input into improving service delivery.

Customer feedback may be collected through some or all of the following forms:

- recording unsolicited complaints and comments;
- management or staff attendance at community consultation sessions; and
- formal surveys by a third party consultant or formal surveys by in-house staff as part of Council process.

12. Planning for the future

12.1 Financial planning

- RedWaste will review its financial model on a yearly basis. The financial model will be for a period of no less than 10 years.
- RedWaste's budget will be formulated on an annual basis and reviewed during the financial year in accordance with the timeframes set by Council, the anticipated capital structure and Council's net return expectations.

12.2 Assets

RedWaste will optimise assets and strive for best value of operations by:

- regularly assessing assets and development of planning reports and Asset Management Plans;
- implementing and improving preventative maintenance programs;
- enhancing asset condition ratings and information;
- timely updating of asset databases;
- improving data for calculation of valuations;
- considering contemporary valuation methodologies in accordance with effective NCP pricing principles; and
- considering the risk of possible obsolescence when evaluating use of advancing technology.

12.3 Employment and training plan

RedWaste will make sure the intellectual property of the CBU is retained and operational processes are maintained in perpetuity by implementing the corporate human resource plan which will:

- recognise the need for succession planning;
- adopt the staff performance appraisal process;
- adopt Council's policy on remuneration packages for staff; and
- undertake staff training programs based on legislative requirements and a skills gap analysis.

12.4 Financial risk

RedWaste will adopt strategies to minimise financial risk by:

- continually reviewing and refining the costing and quotation of jobs;

- following a structured but flexible process for quotation and tendering in line with corporate processes;
- maximising the use of grants and/or subsidies for works;
- adopting Council's policies on funding, so that an appropriate level of depreciation ensures long-term cash flows are not jeopardised;
- holding an appropriate level of insurance cover; and
- monitoring the sundry debtors to ensure revenues are maximised.

13. Revenue

Revenues collected by Council are transferred to RedWaste for all services it provides.

13.1 Collection of rates

RedWaste's waste management service charges will be integrated on Council rate notice.

All outstanding rates will appear in RedWaste's balance sheets.

13.2 Collection of fees, charges and miscellaneous incomes

Revenues for fees and charges will be collected in the following manner:

- revenue for other works including waste disposal fees will be by invoice with a 30-day payment period;
- direct gate fee payment at the time of transaction or monthly account invoice for commercial and non-resident customers, and customers without proof of residency; and
- sale of recoverable materials including scrap metal and cardboard.

13.3 Community service obligations (CSOs)

CSO payments will be made by Council for services supplied for less than full cost price in accordance with Council pricing, Council policy or Council operations. A summary of the CSOs will be provided in Council's annual report in accordance with Section 35 of the *Regulation*.

CSOs may include (but are not limited to):

- concessions to services provided under the former home assist secure program;
- provision of on-demand bulky household item collection service;
- concessions, remissions or rebates for specific persons stated in a policy;
- any non-commercially driven concession or remission provided by resolution of Council;
- community services such as Clean Up Australia Day;
- special audits and assessments outside commercial requirements;
- waiver of disposal fees for charities, schools, clubs, and non-profit organisations that meet the conditions of Corporate Policy POL-0057 Exemption of waste disposal fees and charges at Council waste handling facilities for community service organisations;
- waiver of fees for disposal of asbestos, construction and demolition waste from the Bay Islands to Birkdale waste transfer station; and
- emergency disposal of debris from major catastrophes, e.g. storms/floods.

Current CSOs for Council 2019-2020 are:

| Job Name | Description of the nature of the CSO | Budget Year 2019-20 \$000 |
|---|---|---------------------------------|
| Clean Up Australia Day | Acceptance of Clean Up Australia Day waste at transfer stations, provision of bulk waste bins and waste disposal for clean-up sites. | 1.5 |
| Waste Disposal from Community Groups and Islands | Disposal of commercial and industrial, and construction and demolition waste originating from islands and not accepted at island waste transfer stations; and waiving of disposal fees for community groups and not for profit organisations via Policy POL-0057. | 42 |
| In-Home Waste, Recycling and Green Waste Collection Service | In-Home wheelie bin collection services to residents who are unable to place their bin at the kerb for collection due to ill health, physical or mental capacity. | 75 |
| Bulky Item Collection Service (Elderly & Disabled) | Removal and disposal of bulky items and green waste to eligible elderly and disabled clients. | 70 |
| | | 188.5 |

14. Financial structure

RedWaste is a separate unit within Council's financial ledgers.

A separate accounts payable and receivable ledger will operate within Council's financial system to allow for easy identification of payments.

14.1 Capital structure

The consolidated capital structure of the CBU will comprise community equity to the value of assets less liabilities.

The 10-year average Debt to Debt + Equity level shall be in the range of 30-50%.

14.2 Physical assets

In accordance with the initial CBU establishment plan, the capital structure of RedWaste will include all current and non-current assets and liabilities and equity shown in the financial statements.

14.3 Monetary assets

All current assets as recorded in RedWaste including debtors and prepayments are to be managed by the CBU.

14.4 Investment

Council's Financial Services group will invest all excess cash held by RedWaste at the best possible interest rate.

14.5 Cash balances

The cash balances shall be held at a level that equates to 3-4 months annualised average operational costs.

14.6 Loans

The CBU will utilise debt to fund large infrastructure projects that are associated with the generation of revenue in line with corporate guidelines and Executive Leadership team (ELT) direction.

14.7 Subsidy

RedWaste will optimise the use of available grants and subsidies by managing the forward planning of future works programs.

14.8 Recognition of assets

Assets will be recognised using industry standards and the methodologies developed through Council's asset valuation policy, the *Local Government Regulation 2012*, and the *Australian Accounting Standards*.

14.9 Depreciation

RedWaste will depreciate its assets in accordance with the *Australian Accounting Standards* having regard for contemporary depreciation methods.

14.10 Pricing policies

RedWaste will price its services in accordance with NCP methodologies while taking into account Council policy. This may include introducing additional user pays type fees and charges.

The waste/recycling charge is determined by Council to ensure that it is able to cover costs associated with the provisions of the service. The costs include payment to contractors for both refuse collection and a kerbside recycling service. Disposal costs are also factored into the charge to cover contractor costs for disposal, site development works, transfer station operations, management and administration costs.

14.11 Net return to Council

RedWaste will provide to Council a surplus made up of dividend, income tax and internal debt finance structuring to the value of the following:

Tax on operating capability @ 30%.

Dividend: 50% on earnings after tax and other agreed exclusions.

To achieve the surplus the following parameters will need to be considered:

Revenue: Revenues should be modeled to meet the requirements and commercial rates of return required by NCP reforms.

Expenses: Wages increases in line with enterprise bargaining agreement (EBA) and commercial activity needs. Goods and services increased in line with market pricing, growth and environmental or legislative influences.

Retained earnings: All surplus profit after tax and dividend will be transferred to retained earnings for use by the entity for capital or operational projects as required.

Net Return to Council: The net return to Council is made up of the following:

- + Tax
- + Dividend
- + Internal interest

ATTACHMENTS

ATTACHMENT 1 – OPERATIONAL BUDGET 2019-2020 – 3 YEARS

| | Budget Year 1 2019-20 \$000 | Forecast Year 2 2020-21 \$000 | Forecast Year 3 2020-21 \$000 |
|---|--------------------------------------|--|--|
| Revenue | | | |
| Levies and utility charges | 26,968 | 27,807 | 30,838 |
| <i>Less: Pensioner remissions and rebates</i> | - | - | - |
| Fees | 657 | 666 | 678 |
| Operating grants and subsidies | 4,619 | 4,718 | 4,824 |
| Operating contributions and donations | - | - | - |
| Interest external | 84 | 86 | 88 |
| Community service obligation | 189 | 193 | 197 |
| Other revenue | 1,183 | 1,208 | 1,236 |
| Total revenue | 33,701 | 34,678 | 37,862 |
| Expenses | | | |
| Employee benefits | 2,085 | 2,135 | 2,187 |
| Materials and services | 22,014 | 22,592 | 25,343 |
| Finance costs other | 1 | 1 | 1 |
| Other expenditure | - | - | - |
| Net internal costs | 2,098 | 2,153 | 2,212 |
| Total expenses | 26,197 | 26,881 | 29,742 |
| Earnings before interest, tax and depreciation (EBITD) | 7,504 | 7,797 | 8,119 |
| External interest expense | 31 | 31 | 32 |
| Internal interest expense | - | - | - |
| Depreciation and amortisation | 278 | 284 | 291 |
| Operating surplus/(deficit) | 7,195 | 7,482 | 7,796 |

ATTACHMENT 2 – CAPITAL FUNDING 2019-2020 – 3 YEARS

| | Budget Year 1 2019-20 \$000 | Forecast Year 2 2020-21 \$000 | Forecast Year 3 2020-21 \$000 |
|---|--------------------------------------|--|--|
| Proposed sources of capital funding | | | |
| Capital contributions and donations | - | - | - |
| Capital grants and subsidies | - | - | - |
| Proceeds on disposal of non-current assets | - | - | - |
| Capital Transfer (to) / from Reserves | - | - | - |
| Non-cash contributions | - | - | - |
| New loans | - | - | - |
| Funding from general revenue | 746 | 1,100 | 1,036 |
| Total sources of capital funding | 746 | 1,100 | 1,036 |
| Proposed application of capital funds | | | |
| Contributed assets | - | - | - |
| Capitalised goods & services | 608 | 962 | 897 |
| Capitalised employee costs | - | - | - |
| Loan redemption | 138 | 138 | 139 |
| Total Application of Capital Funds | 746 | 1,100 | 1,036 |
| Other budgeted items | | | |
| Transfers to constrained operating reserves | - | - | - |
| Transfers from constrained operating reserves | - | - | - |
| WDV of assets disposed | - | - | - |
| Income tax | 2,157 | 2,245 | 2,339 |
| Dividend | 2,516 | 2,619 | 2,729 |

ATTACHMENT 3 – KEY PERFORMANCE INDICATORS 2019-20

| Vision outcome | RedWaste indicators – 2019-20 | Monthly target | Unit | Reporting frequency | Annual target |
|--|--|----------------|------|---------------------|---------------|
| Green living Our green living choices will improve our quality of life and our children's lives, through our sustainable and energy efficient use of resources, transport and infrastructure, and our well informed responses to risks such as climate change. | Municipal solid waste resource recovery rate | min 45.8 | % | Quarterly | 45.8 |
| Healthy & natural environment A diverse and healthy natural environment, with an abundance of native flora and fauna and rich ecosystems will thrive through our awareness, commitment and action in caring for the environment | % compliance with environmental licence requirements for waste management facilities | min 98 | % | Quarterly | min 98 |
| An efficient and effective organisation Council is well respected and seen as an excellent organisation which manages resources in an efficient and effective way. | Waste operating revenue | +/- 5 | % | Monthly | +/- 5 |
| | Waste operating goods & services | +/- 5 | % | Monthly | +/- 5 |
| | Waste capital expenditure | +/- 5 | % | Monthly | +/- 5 |
| | Lost time injuries | 0 | # | Annually | 0 |
| | Missed service complaints | <0.035 | % | Annually | <0.035 |



MAKE A
DIFFERENCE
MAKE IT
COUNT