

Operational Plan 2018-2019



MAKE A
DIFFERENCE
MAKE IT
COUNT

About the Operational Plan

Under the *Local Government Act 2009*, Redland City Council is required to produce and adopt an annual operational plan. The Operational Plan details how Council will deliver the significant activities identified within the Corporate Plan 2018 - 2023 and the Redlands 2030 Community Plan in the current financial year.

The Operational Plan helps Council deliver its Corporate Plan through the prioritisation of activities.

Council may amend its Operational Plan at any time by resolution. Council must undertake its responsibilities in a way consistent with its annual Operational Plan.

In accordance with the *Local Government Regulation 2012*, the Operational Plan also includes annual performance plans for Council's commercialised business units Redland Water and RedWaste.

Strategic Alignment

The Redlands 2030 Community Plan sets out Council's long term vision and outlines eight vision outcomes for the Redlands.



The Corporate Plan 2018 - 2023 identifies outcomes and priorities, in the medium term, that are considered to be transformational for the City. The Corporate Plan is informed by the Community Plan, Council Priorities, the Financial Strategy, Long Term Asset Management Plan, and Council's strategies.

Council's Operational Plan 2018 - 2019 specifies the significant activities that Council plans to undertake in 2018 - 2019 to progress each of the vision outcomes identified in the Corporate Plan 2018 - 2023.

Performance Reporting

The Operational Plan 2018 - 2019 is a key component of Council's Corporate Plan that contributes to deliver transformational outcomes for the City by 2023. The Operational Plan is the foundation of Council's 2018 - 2019 annual budget which provides resourcing for the identified projects and activities. In addition to the achievement of the strategic 2023 outcomes, Council continues to deliver a range of community and customer services. The Operational Plan is not intended to include every activity that Council undertakes.

In accordance with the *Local Government Regulation 2012* the 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 shall monitor progress against the Operational Plan and present updates to Council quarterly.

Managing operational risks

Council has a comprehensive Enterprise Risk Management Framework which outlines its methodologies and how Council manages its risks in line with laws, regulations, policies and standards. Council maintains risks registers for strategic, operational and project level risks, which are overseen by the Operational Risk Management Committee.

Council follows the principles set out in the Australian Standard AS/NZS ISO 31000:2009 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 devoted 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'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. As Council has a legal responsibility to provide services to the community sometimes it is not possible to eliminate all risks. In these circumstances, effective risk management strategies will ensure Council will 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.

When developing the Operational Plan, managers were asked to consider what operational risks would be likely to impact their activities. As a result, a broad range of operational risks have been considered in the Operational Plan 2018 - 2019.

Internal Audit and Risk also reviews operational risk registers to inform Council's departmental audit reporting. This function provides assurance to management and Council that the system of internal control is working effectively. The focus is on controls, risk management, legal compliance and governance practices.

1. 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.

2023 Strategic Outcome	#1.1	Redland City's natural assets including flora, fauna, habitats, biodiversity, ecosystems and waterways are managed, maintained and monitored.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#1.1.1	<p>Plan and implement a program of works to restore native vegetation.</p> <ul style="list-style-type: none"> a) Identify properties and specific sites. b) Develop a program of works and costings. c) Undertake restoration activities including weed removal and vegetation. 	
#1.1.2	<p>Plan and deliver conservation restoration activities.</p> <ul style="list-style-type: none"> a) Rehabilitate riparian corridors on Council land to prevent entry of sediments and nutrients to waterways. 	
#1.1.3	<p>Engage and deliver restoration through partnership with community and external groups.</p> <ul style="list-style-type: none"> a) Deliver community bush care. b) Finalise the Biosecurity Plan 2018 – 2021 and commence implementation. 	
#1.1.4	<p>Implement programs to monitor sediments and nutrients and enforce the requirements of the Environmental Protection Act 1994.</p> <ul style="list-style-type: none"> 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) Finalise Redlands contribution to the draft Lower Brisbane - Redlands Coastal Catchment Action Plan 2018-2021. 	
#1.1.5	<p>Continue implementing a program to plant one million native plants in the Redlands by 2026.</p> <ul style="list-style-type: none"> a) Prepare sites for planting. b) Implement a planting and maintenance program. 	
2023 Strategic Outcome	#1.2	Threatened species are maintained and protected, including the vulnerable koala species.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#1.2.1	<p>Implement the Natural Environment Policy.</p> <ul style="list-style-type: none"> a) Deliver Council's Koala Conservation Action Plan 2016 - 2021. b) Deliver Council's Wildlife Connections Action Plan 2018 – 2028. c) Develop Significant Vegetation Strategy. 	
#1.2.2	<p>Enhance community understanding of wildlife management issues.</p> <ul style="list-style-type: none"> a) Deliver Council's Community Behaviour Change Program - Koalas and Dog Owners. b) Deliver Council's Koala Conservation Action Plan 2016 - 2021 and community engagement activities. 	

1. 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.

2023 Strategic Outcome	#1.3	Community and private landholder stewardship of natural assets increases.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#1.3.1	<p>Achieve improved environmental outcomes through extension programs.</p> <p>a) Provide extension services with private land owners and the community such as Land for Wildlife, Habitat Protection, Koala Conservation and Waterways Extension programs.</p> <p>b) Provide education programs and training events at IndigiScapes.</p>	
2023 Strategic Outcome	#1.4	Visitors experience our natural assets through high standard facilities, trails, interpretation and low impact commercial ventures.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#1.4.1	<p>Enhance the visitor experience of Redland's natural assets.</p> <p>a) Undertake a program of mapping the City's trails for recreational opportunities.</p> <p>b) Undertake works to enhance the conservation values of all Council owned and managed land.</p>	
#1.4.2	<p>Continue to improve the customer experience at IndigiScapes.</p> <p>a) Progress stage 3 construction of the IndigiScapes expansion.</p>	
		Key Accountability
		Community and Customer Services
		Infrastructure and Operations
		Community and Customer Services

2. 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.

2023 Strategic Outcome	#2.1	Council's policies and plans support ecologically sustainable development and respond to climate change issues.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#2.1.1	<p>Continue to reduce Council emissions and carbon footprint.</p> <ul style="list-style-type: none"> a) Finalise Council's carbon and energy dashboard to establish baseline carbon footprint and track against targets. b) Monitor cost savings as a result of energy saving pilot programs such as electric vehicles and use of renewable (e.g. solar) energy alternatives. c) Provide information to raise community awareness and education on being climate smart. 	
2023 Strategic Outcome	#2.2	Sustainable building design (for example, solar panels and water tanks) is supported through education and advocacy.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#2.2.1	<p>Provide information to raise community awareness and education.</p> <ul style="list-style-type: none"> a) Provide educational programs and information. 	
2023 Strategic Outcome	#2.3	Council's waste management plans address current and future needs, and include plans for closed landfills and regional collaboration.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#2.3.1	<p>Plan and deliver waste management services to meet current and future needs of the City.</p> <ul style="list-style-type: none"> a) Undertake three year statutory review of the Waste Reduction and Recycling Plan 2015 - 2020 including a review of relevant external factors. b) Continue to research and scope information for a waste disposal plan. c) Complete northern batter capping and leachate management works at Judy Holt Park. 	
2023 Strategic Outcome	#2.4	Council and the community actively recycle and reduce waste.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#2.4.1	<p>Provide kerbside recycling bins and encourage the community to increase their recycling.</p> <ul style="list-style-type: none"> a) Collect and process recycling materials from residents. b) Provide flexible bin menu options on Council's website. c) Operate waste transfer stations. d) Support Council's Waste Education Officer to develop and implement resource and waste education projects and programs. 	

2. Green Living

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2023 Strategic Outcome	#2.5	Transport planning reflects a desire to maximise economic, environmental and liveability outcomes through quality road design, public transport, pedestrian and cycling strategies.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#2.5.1	Manage planning for transport initiatives and services across the City. a) Commence implementation of an approved transport strategy.		Community and Customer Services
#2.5.2	Manage planning for transport connectivity for the Southern Moreton Bay Islands (SMBI). a) Ensure appropriate transport planning in consideration of Weinam Creek PDA.		Community and Customer Services
#2.5.3	Expand the footpath and cycleway network. a) Undertake expansion projects for pathways. b) Continue detailed design on the Moreton Bay Cycleway.		Infrastructure and Operations

3. 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.

2023 Strategic Outcome	#3.1	Council collaborates with partners to understand, nurture and protect Moreton Bay's marine health and values.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#3.1.1	<p>Partner with Healthy Land and Water to monitor and improve the values of waterways and the bay, and enhance the community's experience of the bay.</p> <p>a) Participate in the Healthy Land and Water partnership network. b) Undertake catchment water quality monitoring. c) Develop Bay and Creeks Strategy. d) Monitor the recreational water quality in partnership with Healthy Land and Water.</p>	
2023 Strategic Outcome	#3.2	Communities on the islands and foreshores enjoy equitable access to development opportunities and community services.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#3.2.1	<p>Partner with Education Queensland in activating the community use of schools for sport and recreation purposes.</p> <p>a) Establish partnership agreements with stakeholders. b) Investigate funding options for joint development and infrastructure requirements.</p>	
2023 Strategic Outcome	#3.3	Our community is ready for and adapting to changing coastlines, storm tide and severe weather.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#3.3.1	<p>Continue to develop and implement the Redland City Council Coastal Adaptation Strategy.</p> <p>a) Deliver phase 2 of the Coastal Adaptation Strategy which includes management options and implementation plans addressing future climate change risks for the City. b) Develop an implementation plan for the Amity Point Shoreline Erosion Management Plan.</p>	
	Key Accountability	
	Community and Customer Services	
	Infrastructure and Operations	
	Infrastructure and Operations	

3. 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.

2023 Strategic Outcome	#3.4	Redland City's residents and visitors can easily access the foreshore and use recreation infrastructure for boating and non-boating activities.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#3.4.1	<p>Improve access provisions to Moreton Bay.</p> <p>a) Manage and plan the delivery of local government marine infrastructure.</p>	
2023 Strategic Outcome	#3.5	Priority Development Areas support equitable outcomes for island residents, such as access to transport and facilities.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#3.5.1	<p>Progress development of Priority Development Area (PDA) activities with a focus on ensuring island residents have equal access to transport and community facilities.</p> <p>a) Work in partnership with Economic Development Queensland to progress development activity within the Weinam Creek PDA, to deliver economic and lifestyle benefits for island residents.</p>	

4. 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.

2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
2018/19 Significant Activity	Key Accountability	
#4.1.1	<p>Council is committed to continuing its collaborative work with Quandamooka Yoolooburrabee Aboriginal Corporation (QYAC).</p> <p>a) Develop an employment and training strategy for all Aboriginal communities, including the Quandamooka People, across all of the Redland City area.</p>	Office of the CEO
#4.1.2	<p>Implement culturally appropriate protocols.</p> <p>a) Update Council's Indigenous Community Policy. b) Develop Council's Indigenous Community Guideline. c) Develop an internal Reconciliation Action Plan.</p>	Organisational Services
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
2018/19 Significant Activity	Key Accountability	
#4.2.1	<p>Promote awareness and understanding of Quandamooka culture.</p> <p>a) Promote Quandamooka culture through Council channels including digital media, publications and events.</p>	Organisational Services
#4.2.2	<p>Promote traditional knowledge.</p> <p>a) Engage and coordinate with key Council areas to be involved in National Aborigines and Islanders Day Observance Committee (NAIDOC) and National Reconciliation Week (NRW). b) Promote cultural awareness to staff through NAIDOC week celebration, the NAIDOC ambassador program, and thank you events and discussions.</p>	Organisational Services
#4.2.3	<p>Maintain and further develop partnerships with the Quandamooka People.</p> <p>a) Work in partnership with Quandamooka artists to develop quality exhibitions, programs and performances that can be considered for inclusion in Redland Art Gallery and Redland Performing Arts Centre programs. b) Continue to grow the holdings of contemporary Indigenous art by Quandamooka artists in the Redland Art Gallery collection. c) Contribute to the Quandamooka Festival.</p>	Community and Customer Services

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2023 Strategic Outcome	#4.3	Council continues to support and resource the delivery of commitments under the Indigenous Land Use Agreement (ILUA) with the Quandamooka People.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#4.3.1	<p>Support delivery of Indigenous Land Use Agreement (ILUA) commitments.</p> <p>a) Manage Council's commitments under the ILUA by coordinating the ILUA Consultative Committee.</p> <p>b) Monitor progress on ILUA activities delivered by key Council areas and report to Council's Executive Leadership Team and Councillors quarterly.</p>	
2023 Strategic Outcome	#4.4	Council works with the Quandamooka Traditional Owners to help them achieve their goal of establishing North Stradbroke Island (Minjerribah) as a global eco-cultural tourism destination.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#4.4.1	<p>Contribution to implementation of North Stradbroke Island Economic Transition Strategy.</p> <p>a) Engage with Quandamooka Yoolooburabee Aboriginal Corporation regarding economic development opportunities.</p> <p>b) Engage with Quandamooka Yoolooburabee Aboriginal Corporation through the Redlands Tourism Subcommittee.</p>	
#4.4.2	<p>Promote Quandamooka tourism initiatives.</p> <p>a) Promote Quandamooka tourism initiatives through Council channels including digital media and publications.</p> <p>b) Ensure a Quandamooka Yoolooburabee Aboriginal Corporation representative is a member of the Redlands Tourism Subcommittee.</p>	
		Key Accountability
		Organisational Services
		Community and Customer Services
		Organisational Services

5. 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.

2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
2018/19 Significant Activity	Key Accountability	
#5.1.1	<p>Commence the Redland City Plan.</p> <p>a) Undertake a regular program of amendments to the City Plan.</p>	Community and Customer Services
#5.1.2	<p>Ensure that infrastructure necessary to support growth in the City is provided through the development assessment process and capital works program.</p> <p>a) Implement the new Local Government Infrastructure Plan.</p>	Community and Customer Services
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
2018/19 Significant Activity	Key Accountability	
#5.2.1	<p>Coordinate a place management program for key activity centres in Redland City and contribute to master planning for precincts in Redland City.</p> <p>a) Collaborate with stakeholders to deliver place making programs and activities.</p> <p>b) Develop a plan for delivery of the Redlands Health and Wellness Precinct.</p>	Community and Customer Services
#5.2.2	<p>Coordinate planning and guidance for future development and infrastructure delivery for local areas in the City.</p> <p>a) Finalise a structure plan for the Victoria Point Local Development Area.</p> <p>b) Complete a future land use investigation of opportunities and constraints of the Southern Thornlands area.</p> <p>c) Activate Capalaba's town centre through the Capalaba Place project.</p>	Community and Customer Services
#5.2.3	<p>Identify and protect places of European heritage significance.</p> <p>a) Investigate options in relation to identifying and protecting places of European heritage significance.</p>	Community and Customer Services
#5.2.4	<p>Develop master plan for Redland Aquatic Redevelopment.</p> <p>a) Prepare a schematic design and master plan for whole of precinct.</p> <p>b) Conduct community consultation on the Precinct Master Plan.</p> <p>c) Prepare and lodge a development application for the whole of precinct.</p>	Infrastructure and Operations

5. Wise planning and design

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2023 Strategic Outcome	#5.3	An effective and efficient development assessment process delivers quality development that is consistent with legislation, best practice and community expectations.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#5.3.1	<p>Maintain effective systems and processes that underpin quality and timely decision making for development applications.</p> <ul style="list-style-type: none"> a) Implement the Redland City Plan. b) Amend systems and processes to ensure effective implementation of planning instruments. c) Seek funding from the State Government Innovation and Improvement fund to continue to progress paperless office. 	
2023 Strategic Outcome	#5.4	Regional collaboration and targeted advocacy drives external funding for key infrastructure upgrades and enhanced community outcomes.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#5.4.1	<p>Contribute to establishing a South East Queensland City Deal.</p> <ul style="list-style-type: none"> a) Investigate development of a Redland City advocacy document. b) Participate in regional collaboration initiatives and targeted advocacy, including participation in Council of Mayors SEQ (COMSEQ) advocacy and economic development working groups. c) Promote collaborative economic outcomes through Logan Redland Regional Development Australia initiatives. 	
	Key Accountability	
	Community and Customer Services	
	Community and Customer Services	

6. Supportive and vibrant economy

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

2023 Strategic Outcome	#6.1	Council supports infrastructure that encourages business and tourism growth.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#6.1.1	Lead the implementation of actions in the Redland City Tourism Strategy and Action Plan 2015 - 2020. a) Develop a new tourism website for Redland City.	
#6.1.2	Contribute to potential development of a Smart and Connected Cities Framework. a) Collaborate with industry stakeholders through the Advancing Regional Innovation Program to identify opportunities for infrastructure that can support Smart and Connected Cities initiatives. b) Investigate development of an infrastructure advocacy document.	
2023 Strategic Outcome	#6.2	Redland City delivers events, activities and performances that bring economic and social benefits to the community.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#6.2.1	Lead the implementation of actions in the Redland City Events Strategy and Action Plan 2017 - 2022. a) Develop and launch an events portal for event organisers on the new Redland City tourism website.	
# 6.2.2	Deliver events, activities and workshops that contribute to bringing economic and social benefits to the community. a) Deliver a program of events / workshops targeted at community and business sectors i.e. business workshops, Youth Week and Seniors Week.	
# 6.2.3	Contribute to economic and social impacts across the City. a) Provide quality community development through the Creative Arts program and Library's program.	
# 6.2.4	Deliver a destination brand for Redland City. a) Roll out new destination brand through digital media and investigate corporate and community partnerships for co-operative campaigns, publications and promotions.	
		Key Accountability
		Organisational Services
		Community and Customer Services
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		Organisational Services

6. Supportive and vibrant economy

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

2023 Strategic Outcome	#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 (Minjerribah).
2018/19 Significant Activity	Significant Activity Description (What and How)	
#6.3.1	<p>Coordination of Council's involvement in the North Stradbroke Island Economic Transition Strategy.</p> <ul style="list-style-type: none"> a) Coordinate monthly meetings with internal stakeholders and representatives from the Queensland Government. b) Participate in North Stradbroke Island Economic Transition Strategy Implementation Committee meetings. c) Deliver Project 13 Location and Interpretive Signage. 	
2018/19 Significant Activity	Key Accountability	
	Community and Customer Services	
2023 Strategic Outcome	#6.4	Council receives a return on the community's investment in land to enhance economic and community outcomes.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#6.4.1	<p>Identify and develop strategic opportunities for Redland City Council land holdings.</p> <ul style="list-style-type: none"> a) Develop a range of projects which deliver economic and lifestyle benefits to the community through collaboration with Council, key external stakeholders and the community. 	
2018/19 Significant Activity	Key Accountability	
	Organisational Services	
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#6.5.1	<p>Provide secretariat support to the Redlands Economic Development Advisory Board.</p> <ul style="list-style-type: none"> a) Coordinate board meetings. b) Prepare an update report for Council following each board meeting. 	
#6.5.2	<p>Deliver industry-enabling action plans and a targeted investment attraction strategy.</p> <ul style="list-style-type: none"> a) Engage with industry stakeholders to develop and implement industry action plans. b) Investigate development of an investment attraction strategy. 	
2018/19 Significant Activity	Key Accountability	
	Community and Customer Services	

6. Supportive and vibrant economy

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

2023 Strategic Outcome	#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.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#6.6.1	<p>Facilitate the development of the Toondah Harbour PDA in partnership with Economic Development Queensland.</p> <p>a) Through the Redland Investment Corporation, facilitate an environmental impact assessment and community engagement for the Toondah Harbour Priority Development Area.</p>		Community and Customer Services
#6.6.2	<p>Facilitate the development of the Weinam Creek PDA in partnership with Economic Development Queensland.</p> <p>a) Finalise a revised master plan for the Weinam Creek Priority Development Area and manage progress of the development.</p>		Community and Customer Services
#6.6.3	<p>Collaborate with stakeholders on planning for Priority Development Areas.</p> <p>a) Participate as a Local Representative Committee member.</p>		Community and Customer Services

7 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.

2023 Strategic Outcome	#7.1	Festivals, events and activities bring together and support greater connectivity between cross-sections of the community.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#7.1.1	<p>Celebrate the cultural life of the region.</p> <p>a) Cultivate new initiatives, develop new audiences and promote a unique identity for the Redlands.</p> <p>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.</p>		Community and Customer Services
2023 Strategic Outcome	#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.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#7.2.1	<p>Plan, provide and advocate for essential social infrastructure for community activities.</p> <p>a) Commence review of the Community Safety and Graffiti Management Strategies.</p> <p>b) Develop a new Age Friendly Cities initiative.</p> <p>c) Commence review of the Social Infrastructure Strategy.</p> <p>d) Continue to investigate opportunities with stakeholders for a community hub.</p>		Community and Customer Services
#7.2.2	<p>Develop innovative and accessible library services as part of the implementation of the Library Services Strategy 2017 - 2022.</p> <p>a) Introduce radio frequency identification technology across all libraries.</p> <p>b) Streamline processes to improve customer service.</p>		Community and Customer Services
#7.2.3	<p>Plan for effective sport and recreation at Heinemann Road, Redland Bay.</p> <p>a) Engage a project manager.</p> <p>b) Undertake a needs analysis to determine the end users.</p> <p>c) Commence an infrastructure needs analysis and the development of a master plan.</p>		Infrastructure and Operations
#7.2.4	<p>Manage community access of Council sport and recreation facilities.</p> <p>a) Manage field bookings including user agreements and tenure arrangements.</p> <p>b) Provide safe access to beaches and foreshore areas.</p> <p>c) Continue to investigate recreational vehicle (RV) parking options for the City.</p>		Infrastructure and Operations
#7.2.5	<p>Encourage community use and participation.</p> <p>a) Support signature sport and recreation events throughout the City.</p> <p>b) Create greater opportunities for informal recreation and physical activity in parks and open spaces.</p> <p>c) Continue to progress the restoration and future use of Willard's Farm.</p> <p>d) Complete the renovation of the Station Master's Cottage.</p>		Infrastructure and Operations

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2023 Strategic Outcome	#7.3	Council's assessment of community issues and needs provides timely opportunities to pursue grants and partnerships that realise long-term benefits.
2018/19 Significant Activity	Significant Activity Description (What and How)	
Key Accountability	Key Accountability	
#7.3.1	<p>Deliver Council's Grants and Sponsorship Program.</p> <p>a) Continue to deliver and refine Council's Community Grants and Sponsorship Program to ensure best grants investment outcomes for the Redlands community.</p>	Community and Customer Services
#7.3.2	<p>Develop programs to encourage reading and all forms of literacy as part of the implementation of the Library Services Strategy 2017-2022.</p> <p>a) Deliver the State funded First 5 Forever program to 31 December 2018 for children aged 0-5 years and their families and carers.</p> <p>b) Deliver a volunteer based adult literacy program within libraries and community venues.</p>	Community and Customer Services
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
Key Accountability	Key Accountability	
#7.4.1	<p>Provide volunteering and work experience opportunities for the community.</p> <p>a) Review current volunteer processes to ensure they are efficient and inclusive.</p>	Office of the CEO
2023 Strategic Outcome	#7.5	The community's preparedness for disasters is improved through community education, training and strong partnerships between Council and other agencies.
2018/19 Significant Activity	Significant Activity Description (What and How)	
Key Accountability	Key Accountability	
#7.5.1	<p>Improve disaster preparedness.</p> <p>a) Review and update the City's Disaster Management Plan.</p> <p>b) Deliver a healthy and safe city through community education, engagement and resilience building.</p> <p>c) Provide an annual management report to Council's Executive Leadership Team on the performance of the State Emergency Service operations.</p> <p>d) Ensure staff preparedness through disaster management training and exercises.</p> <p>e) Where practical, implement and / or incorporate into business as usual activities, the recommendations of the Bushfire Review.</p>	Organisational Services

8. 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.

2023 Strategic Outcome	#8.1	Council's Information Management Strategy and technology systems are engineered to increase efficiency and provide excellent customer service outcomes.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#8.1.1	Transition hardware to a new data centre. a) Migrate all hardware to the new Portable Data Centre at the South Street Depot.	
#8.1.2	Transition hardware to a new disaster recovery site. a) Migrate all hardware to the new Disaster Recovery Site in the Cleveland Administration building.	
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#8.2.1	Improve whole of Council asset management. a) Develop and implement Strategic Asset Management Plan. b) Implement Asset Management Policy and Framework. c) Review asset consumption methodology. d) Develop and implement whole of Council asset management lifecycle model. e) Procure and implement an asset management technology enabler.	
2023 Strategic Outcome	#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.
2018/19 Significant Activity	Significant Activity Description (What and How)	
#8.3.1	Improve strategic alignment. a) Continue implementation of strategic planning and performance framework. b) Strengthen relationship and line of sight between strategic, tactical and operational planning.	
#8.3.2	Prioritise Council's portfolio of projects. a) Review and implement the capital works prioritisation model and improve alignment with service criteria and implement financial assessment criteria. b) Ensure appropriate engagement with key stakeholders to develop and operate the model.	
#8.3.3	Improve alignment between individual and Council performance. a) Continue to promote MyGoals conversations that align individual contribution with Council objectives.	
		Key Accountability
		Organisational Services
		Organisational Services
		Organisational Services
		Organisational Services
		Office of the CEO

8. 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.

2023 Strategic Outcome	#8.4	A continuous improvement focus underpins the organisation, creating a supportive environment for ideas and positive, well-managed change that enhance internal and external outcomes.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#8.4.1	Continue to build change management capability. a) Embed the Awareness, Desire, Knowledge, Ability & Reinforcement (ADKAR) methodology across the organisation.		Office of the CEO
#8.4.2	Drive improvements in efficiency and effectiveness. a) Develop and implement the business transformation program. b) Establish and implement reporting on improvement benefits.		Organisational Services
2023 Strategic Outcome	#8.5	Council uses meaningful tools to engage with the community on diverse issues so that the community is well informed and can contribute to decision making.	
2018/19 Significant Activity	Significant Activity Description (What and How)		Key Accountability
#8.5.1	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.		Organisational Services

REDLAND WATER

A commercial business unit of Redland City Council

Water & Wastewater services

Annual

Performance Plan

2018 - 2019

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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 2018-19 financial year, local governments must consider the operating expenditure for the 2017-18 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 2018-19 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.
- b) *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.

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;
- develop and action a strategic asset management plan (SAMP).

7 Redland City Council corporate plan objectives

To address key strategies within Council's Corporate Plan 2015-2020, 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 – 2018-19;
- standard set of financial reports; and
- WWTP performance.

Yearly:

- yearly KPIs as shown in the attached Redland Water scorecard indicators – 2018-19;
- 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 guidelines issued by the Department of Environment & Water Supply (DEWS). 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 2018-19 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 2018-19 are:

Job Name	Description of the nature of the CSO	Budget Year 2018-19 \$000
Water concession not for profit	Reduced charges for water for charities and not for profit organisations	211
Wastewater concession not for profit	Reduced charges for wastewater for charities and not for profit organisations	293
		505

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.

A permit will be required to draw water from the water supply network. Permits will provide authorisation to draw water via fixed water filling stations located in the Redland City area. 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 2018-19 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 is 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 2018-19 – 3 YEARS

	Budget Year 1 2018-19 \$000	Estimate Year 2 2019-20 \$000	Estimate Year 3 2020-21 \$000
Revenue			
Levies and utility charges	109,823	115,628	119,423
<i>Less: Pensioner remissions and rebates</i>	(505)	(565)	(577)
Fees and charges	307	314	321
Operating grants and subsidies	-	-	-
Operating contributions and donations	-	-	-
Interest external	553	565	578
Community service obligation	505	516	528
Other revenue	2,062	2,108	2,156
Total revenue	112,745	118,567	122,429
Expenses			
Employee benefits	8,821	9,042	9,268
Materials and services	52,182	56,668	61,511
Finance costs other	-	-	-
Other expenditure	-	-	-
Net internal costs	5,294	5,401	5,536
Total expenses	66,297	71,110	76,315
Earnings before interest, tax and depreciation (EBITD)	46,448	47,457	46,114
Internal interest	15,352	15,796	16,192
Depreciation and amortisation	23,228	23,767	24,375
Operating surplus/(deficit)	7,868	7,894	5,547

ATTACHMENT 2 – CAPITAL FUNDING 2018-19 – 3 YEARS

	Budget Year 1 2018-19 \$000	Estimate Year 2 2019-20 \$000	Estimate Year 3 2020-21 \$000
Proposed sources of capital funding			
Capital contributions and donations	6,798	6,951	7,125
Capital grants and subsidies	-	-	-
Proceeds on disposal of non-current assets	-	-	-
Capital Transfer to/from Reserves	(6,608)	(2,708)	(1,878)
Non cash contributions	6,648	6,798	6,968
New loans	-	-	-
Funding from utility revenue	5,614	7,643	4,469
Total sources of capital funding	12,452	18,683	16,684
Proposed application of capital funds			
Contributed assets	6,648	6,798	6,968
Capitalised goods & services	5,595	11,672	9,497
Capitalised employee costs	209	214	219
Loan redemption	-	-	-
Total Application of Capital Funds	12,452	18,683	16,684
Other budgeted items			
Transfers to constrained operating reserves	-	-	-
Transfers from constrained operating reserves	-	-	-
WDV of assets disposed	-	-	-
Income tax payable to Council	6,394	6,493	5,892
Dividend payable to Council	11,190	11,362	10,311

ATTACHMENT 3 – KEY PERFORMANCE INDICATORS 2018-19

Water: 1,298km mains
 No. active meters 58,328
 No. connected residential properties (Incl. vacant land 7,451) 65,704
 No. connected non-residential properties 2,472
 Total no. connected (charged access fees Q4 1 April 2018 charge date) 68,176

Wastewater: 1,195km mains
 No. of active services residential (Incl vacant land 978) 51,575
 No. of active services non-residential 1,873
 Total no. of connected properties (incl. vacant land) 53,448

Included in above data:

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

Parent meters 638
 Child properties 6,524

No. of CTS (Community Title Scheme) Properties:

Main Meters (Parents) 169
 Sub metered (child properties) 2,550

KRA and Goals	REDLAND WATER SCORECARD WATER & WASTEWATER INDICATORS – 2018-19	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 commercial business unit of Redland City Council

Performance Plan 2018-19

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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 2018-19 financial year, local governments must consider the operating expenditure for the 2017-18 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 2018-19 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:

- 4) 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.
 - 5) 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.
 - 6) A local government may omit information from the copies of the annual performance plan made available to the public if-
 - (c) the information is of a commercially sensitive nature to the commercial business unit; and
 - (d) the information is given to each of the local government's councillors.
- c) *Note* – See also section 171 (Use of information by councillors) of the *Act*.
- 5) 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:

- (e) clarity of objectives;
- (f) management autonomy and authority;
- (g) accountability for performance; and
- (h) 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 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
- 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.

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 2015-2020, 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 domestic resource recovery performance of 44% in 2017-18, just over half of the total waste received is still sent to landfill.

The Waste Reduction and Recycling Plan (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. Advancing resource efficiency 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).

A key focus of this Plan is to minimise cost pressures by taking a practical and realistic approach to continuous improvement in waste reduction and resource recovery. 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 are preferred. Continued growth in the optional green bin service across the mainland is a key target area in 2018/19.

A statutory three year review of this Plan is due by December 2018.

8.2 Queensland Waste Strategy

On 22 December 2014, the State Government released Queensland's Waste Avoidance and Resource Productivity Strategy (2014-2024).

On 20 March 2018 the Queensland Government announced the re-introduction of a waste disposal levy expected to occur in later 2018/19. A new strategy will also be developed that is expected to co-ordinate a levy reinvestment program into recycling and remanufacturing infrastructure and provide targets and actions that transition into a circular waste economy.

A stakeholder advisory group has been established that includes the Local Government Association of Queensland, advocating for Councils requirements such as Redland City Council. Councils have signalled a commitment to zero waste to landfill by 2028 underpinned by nation-leading Waste to Energy solutions

RedWaste will incorporate the key requirements arising from new waste policy direction into the review of its own strategic waste plan 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;
- investigating new waste and resource recovery solutions;
- 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 – 2018-19; and
- a standard set of financial reports.

Yearly:

- yearly KPIs as shown in the attached scorecard indicators – 2018-19;
- 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 2018-19 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 2018-19 are:

Job Name	Description of the nature of the CSO	Budget Year 2018-19 \$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
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.	36
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.	25
		138

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 2018-2019 – 3 YEARS

	Budget Year 1 2018-19 \$000	Estimate Year 2 2019-20 \$000	Estimate Year 3 2020-21 \$000
Revenue			
Levies and utility charges	24,307	27,439	28,638
<i>Less: Pensioner remissions and rebates</i>	-	-	-
Fees and charges	371	395	420
Operating grants and subsidies	-	-	-
Operating contributions and donations	-	-	-
Interest external	71	74	76
Community service obligation	138	142	146
Other revenue	1,014	1,044	1,076
Total revenue	25,901	29,094	30,356
Expenses			
Employee benefits	1,535	1,574	1,613
Materials and services	16,385	18,947	19,515
Finance costs other	1	1	1
Other expenditure	-	-	-
Net internal costs	1,234	1,271	1,309
Total expenses	19,155	21,792	22,438
Earnings before interest, tax and depreciation (EBITD)	6,746	7,302	7,918
Interest expense	30	31	32
Internal interest	-	-	-
Depreciation and amortisation	216	223	229
Operating surplus/(deficit)	6,500	7,049	7,657

ATTACHMENT 2 – CAPITAL FUNDING 2018-2019 – 3 YEARS

	Budget Year 1 2018-19 \$000	Estimate Year 2 2019-20 \$000	Estimate 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	547	1,544	6,606
Total sources of capital funding	547	1,544	6,606
Proposed application of capital funds			
Contributed assets	-	-	-
Capitalised goods & services	427	1,421	6,479
Capitalised employee costs	29	30	31
Loan redemption	91	93	96
Total Application of Capital Funds	547	1,544	6,606
Other budgeted items			
Transfers to constrained operating reserves	-	-	-
Transfers from constrained operating reserves	-	-	-
WDV of assets disposed	-	-	-
Income tax payable to Council	1,950	2,115	2,297
Dividend payable to Council	2,275	2,467	2,680

ATTACHMENT 3 – KEY PERFORMANCE INDICATORS 2018-19

Vision outcome	RedWaste indicators – 2018-19	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