

Torres Strait Island
REGIONAL COUNCIL

AGENDA

STRATEGIC ADVISORY REFERENCE GROUP

Date: Tuesday 6th April 2021

Time: 1:00pm to 4:00pm

Venue: Video Conference

Agenda

1. Welcome (Chair)
2. Opening Prayer
3. Apologies
 - Cr Getano Lui
4. Conflict of Interest (COI)/ Declarable / Prescribed
5. Confirmation of Minutes - SARG Meeting – 2nd March 2021 – VC
6. Strategic Action Items Review
7. **DEPUTATION**: - **Bartholomew Stanford** – The marginalisation of Indigenous institutions in Queensland’s system of local government
8. **Mayor**
 1. Community Grant Policy
 2. Standing Committee Chair Update –
 - *Culture Arts Land and Heritage*
 - a. Local Law – Entry into Trust Land
 - *Housing and Safe and Healthy Communities*
 - a. Sea Rescue (Fuel /support)
 - b. Prepare for Disaster (cyclone)
 - *Governance and Leadership*
 - *Climate Adaptation and Environment*
 - *Economic Growth*
9. **Chief Executive Officer**
 1. SWOT Analysis
 2. May Councillor Workshop
 3. MOA TSRA
 4. Verbal Update on Council Name Change
 5. Verbal Update on Local Government Area Name Change
 6. Verbal Update on Boundary Change
 7. Verbal Update on Elphinstone Close
 8. Verbal Update on Transition Action Plan (TAP)
 9. Verbal Update on Reconciliation Action Plan (RAP)

10. Memorandum of Agreement Update
11. Strategic Organisation Sustainability Action Plan Update

10. Chief Engineer

1. Local Disaster Management Group Membership

11. Chief Financial Officer

1. Standing Agenda Item – Verbal Project Plan Update
2. Briefing Note – Enterprise Risk Management
3. New Policy – Public Interest Disclosure Policy and Management Program
4. The National Voice Submission

12. Chief Operating Officer

1. Standing Agenda Item – Housing Authority Update
2. Presentation – Interim and Forward Capital Works Programs presented by Aboriginal and Torres Strait Islander Housing Unit
3. Interim Capital Program (plug-ins)
4. BSU Procurement Process - 24 Main St, St Pauls
5. BSU – Information Report
6. Verbal Fuel Update

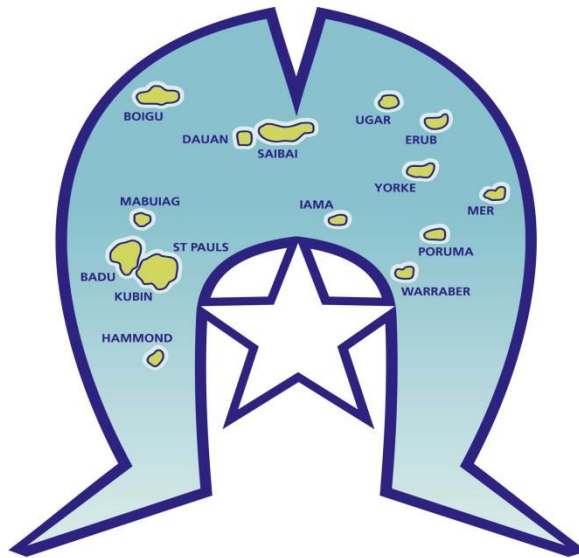
13. CLOSED BUSINESS

1. Industrial Matter 1
2. Industrial Matter 2
3. Industrial Matter 3

14. General/ Other Business (on notice)

15. Next meeting date – proposed Tuesday 4th May 2021

16. Closing Remarks and Prayer



Torres Strait Island
REGIONAL COUNCIL

MINUTES

STRATEGIC ADVISORY REFERENCE GROUP

Date: Tuesday 2nd March 2021

Time: 1:13pm to 5:27pm

Venue: Video Conference

SARG – Tuesday 2nd March 2021

Present:

Mayor Phillemon Mosby
Cr Getano Lui
Cr Rocky Stephen
Cr Aven Noah
Cr Keith Fell
Cr Kabay Tamu (Proxy)

Ilario Sabatino – Acting Chief Executive
Officer Hollie Faithfull – Chief Financial Officer
David Baldwin – Chief Engineer
Rachel Pierce – Acting Chief Operating Officer
Ursula Nai – Senior Executive Assistant
Kathy Cochran – Secretariat Officer

Apology

Cr Hilda Mosby

Agenda

1. Welcome (Chair)

Mayor Mosby welcomed everyone to the March 2021 SARG meeting and paid respects and acknowledge Father God, traditional owners for the Zenadth Kes Region and the Cairns Region.

2. Opening Prayer

Mayor Mosby invited Cr Fell to open the meeting in prayer.

3. Apologies

- Cr Hilda Mosby is an apology and her nominated proxy Cr Tamu is in attendance.

4. Conflict of Interest (COI)/ Declarable / Prescribed

No declaration made; Mayor Mosby encouraged everyone to declare at any time during the meeting if the need arise.

5. Confirmation of Minutes - SARG Meeting – 9th February 2021 – VC

RESOLUTION:

Moved: Cr Lui; *Second:* Cr Fell

That the minutes for the February 2021 SARG meeting be adopted as true and accurate.

MOTION CARRIED

6. Strategic Action Items Review

Acting Chief Executive Officer, Mr Ilario Sabatino spoke to the report and provided an update on the Action Items list.

ACTION: ACEO to develop recommendation – report to be added to April SARG Agenda.

7. **Strategic Updates**

a. Mayor

1. SWOT Analysis - to be added to the April 2021 SARG meeting.
 - Sustainability Plan
 - Strategic Business model
 - Weakness and strength – strategy to address
 - Organisational

Cr Lui suggested we start from scratch and make sure we encompass everything.

Cr Stephen mentioned with the community priority some have already had funds approved so we're not looking for funds.

2. Agenda May Workshop

Acting Chief Executive Officer spoke to this item.

CFO – Asset Management Plan for Councillors. Hollie flagged she will be away for the first week of the workshop.

b. Chief Executive Officer

1. Memorandum of Understanding TSRA, GBK, ML, MGNM

Acting Chief Executive officer informed SARG this discussion was placed on hold due to the TSRA elections and conflict of interest issues. SARG can participate in discussion – proxy to attend SARG.

- Lessons learnt from previous MOU
- Partnership
- Look at what's not working in the MOU. Better engagement of the elected arm
- Align TSIRC standing committee with TSRA portfolio members
- Employees

ACTION: ACEO to provide a draft with the following for the April SARG meeting.

ACTION: TSIRC legal to provide advice on our members and TSRA Legal on their members

ACTION: SO to send a copy of the old MOU to SARG members – actioned – sent to SARG members during the meeting.

SARG moves into Closed Business

RESOLUTION:

Moved: Cr Noah; Second: Cr Stephen

That in accordance with section 254J of the Local Government Regulation 2012 (Qld) it is resolved for the meeting to go into closed session to discuss matters of the following nature:

(b) industrial matters affecting employees;

(e) legal advice obtained by the local government or legal proceedings involving the local government including, for example, legal proceedings that may be taken by or against the local government;

(g) negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government;

MOTION CARRIED

1. CLOSED BUSINESS - Elphinstone Close
2. CLOSED BUSINESS - Transition Action Plan (TAP)
3. CLOSED BUSINESS - Reconciliation Action Plan (RAP)
4. CLOSED BUSINESS - Strategic Organisation Sustainability Action Plan
5. CLOSED BUSINESS - Industrial Matter – Staffing Issue

ACTION: Provide an update to the Mayor and ACEO on Friday afternoon – meeting with QTC.

2:25pm – SEA and O leaves the meeting for TAP discussions.

2:53pm – SO back in the meeting.

c. Chief Engineer

1. CLOSED BUSINESS - MIP 7 Marine Infrastructure

Chief Engineer spoke to the report.

ACTION: Send letter under the Mayor’s hand to TSRA inquiring about MIP7.

RECOMMENDATION:

That the Closed Business - MIP7 Report go to the full Council March Ordinary meeting for noting.

ACTION: SEA to arrange for the Mayor to have a deputation with the TSRA Board.

SARG moves out of Closed Business

RESOLUTION:

Moved: Cr Tamu; Second: Cr Noah
That SARG moves out of closed business.

MOTION CARRIED

d. Chief Financial Officer

1. Standing Agenda Item – Project Plan Update – verbal

Chief Financial officer spoke to this item and provided SARG with a verbal update on the Project Plan.

ACTION: 1. Send a letter of Intent.

2. Deputation Policy

CFO spoke to this item, draft Policy presented, reviewed by CFO and CEO.

3. Parliamentary Engagement Procedure

CFO spoke to this item and presented a draft Parliamentary Engagement Procedure.

4. Councillors Top 5 Priorities – **Late**

CFO spoke to this item. Grant funding pipeline – distributed to Executive on 9th March.

Cr Fell asked for a timeline for Priority 1. CFO advised it's captured in the pipeline.

ACTION: Send a letter under the Mayor's hand to the TSRA Chair with the Councillors top five (5) priorities.

5. Communication Policy

CFO provided an update on the policy.

6. Update on Grant Funding Pipeline – verbal

CFO provide SARG with a verbal update.

7. Update on Asset and Management Planning – verbal

CFO provided an update.

ACTION: SEA to place on May Workshop Agenda – Assets Management Plan.

8. Update on Risk Register – Late

4:40pm – Nerida Carr joined the meeting.

CFO introduces Nerida and invites her to speak to this item. Nerida provided and SARG with a brief update on the risk.

Cr Lui asked how we are performing with our risk mitigation – asset management plan. CFO explains reactive rather than proactive with repairs.

ACTION: Provide a high level overview monthly information report to the Full Council.

5:02pm – Nerida Carr and Cr Lui are excused and leaves the meeting.

e. Chief Operating Officer

1. Standing Agenda Item – Housing Authority Update – verbal

COO provide SARG with an update.

2. Fuel and Gas transition update – verbal

COO spoke to this item and update SARG on the fuel and gas transition status and informed there will be an agenda report tabled at the April SARG for recommendation to the April OM.

8. General/ Other Business (on notice)

Cr Noah asked for a review of the sub local law – visitors coming into community whether permission was granted or not before. Day trippers and contract workers in particular.

ACTION: Refer to standing committee to workshop through, next meeting date 21 June 2021.

ACTION: Website update to have a comment section on the form. Discussion at OM prior.

Cr Fell asked about Community Grants. CFO informed SARG we are working with McDonald Law – still being workshopped internally.

Cr Lui asked about two applications for community grants. CFO to take offline with Cr Lui.

Cr Lui asked if we have a policy on having virtual meeting (due to COVID) if not we should develop one and ensure it is set up for Councillors.

5:19pm – Cr Lui and Cr Tamu both leave the meeting.

Mayor raised the meeting being held by Video conference; he would like to see community attend. Office staff on ground to promote these VC meeting more and provide space in the office and being COVID compliant and or live streaming our meetings.

ACTION: IT section to see what's available and space in the Divisional offices.

9. Next meeting date – proposed Tuesday 6th April 2021

Cr Lui asked if the Member for Cook has been notified of our March OM. SEA confirmed, yes, she was notified.

10. Closing Remarks and Prayer

Mayor thanked everyone for their work and contribution and closed the meeting in prayer.



TORRES STRAIT ISLAND REGIONAL COUNCIL

SARG REPORT

COMMITTEE MEETING: Strategic Advisory Reference Group (SARG)

DATE: 6 April 2021

ITEM: Information Report

SUBJECT: BSU update

AUTHOR: Nicholas Sturges

Recommendation:

It is recommended that SARG **note** the information contained in this paper.

Executive Summary:

Building Services provide the following update, as per Mayor's request.

Background:

- Land Holding Act (also known as Katter Leases) properties are not separated as normal State/Federal Funded Programs such as DOE HIP (Department of Education- Housing Improvement Program), NAHA (National Affordable Housing Agreement). BSU has tried to separate them in the system but have failed to accurately record and separate each lease per island. Katter leases like any other home on the assets list are repaired and maintained as required. After depreciation we have \$307 Million in Katter lease Assets. The main program that utilises the Katter leases is the HO (Home Ownership) program delivered through QBuild that is budgeted to complete its role out by the end of 2021 – 2022 financial year.
- The Assets team have provided information on the Katter leases, noting that as leases are granted, these numbers are constantly changing.

(Please see table supplied by Assets dated 6/07/2020)

CURRENT SUMMARY UPDATED AS AT 06-Jul-20

TORRES STRAIT REGIONAL COUNCIL

Island Community	Perpetual Leases Granted	Entitlements	Invalid Applications	Surrendered Lease/Ent	Total Applications	TAN PUBLISHED	LEN PUBLISHED
Badu	18	2	13	0	33	30/05/2014	YES
Boigu	0	47	12	1	60	22/03/2019	YES
Hammond	22	0	31	0	53	20/08/2015	YES
Kubin	4	0	16	0	20	20/08/2014	NIL
Iama	0	0	33	0	33	26/11/2014	NIL
Mabuiag	9	7	0	0	16	14/03/2019	YES
Masiq	32	7	0	0	39	24/05/2019	YES
Poruma	26	0	1	0	27	25/01/2019	YES
Saibai	2	5	2	6	15	21/08/2015	YES
St Pauls	19	6	1	0	26	19/10/2018	YES
Ugar	4	2	7	0	13	23/11/2018	YES
Warraber	6	12	0	1	19	14/03/2019	YES
TOTAL (12)	142	88	116	8	354		

Number of jobs completed

Total R & M jobs invoiced for completed works from beginning of this financial year 1st July 2021 through to February 2021

- Total R&Ms completed = 4,449
 - External QBuild = 3722 + 388 (Education) = 4110
 - External Other = 162
 - Internal = 177

Number of R&M Invoices Generated	2020	2020	2020	2020	2020	2020	2021	2021	2021
Month	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Total External invoiced for Completion	361	340	462	583	652	496	309	471	598

- Total Upgrades completed = 93

Jobs by Community

Location	Upgrades	Home Ownership	DOE Hip	W4Q	Funding works
Badu	20	2	7	1	-
Boigu	20	6	-	-	1
Duan	18	-	-	1	1
Erub	12	-	2		5
Hammond	7	6	1	1	-
Iama	8	-	-	1	1
Kubin	9	-	-	-	-
Mabuaig	1	-	-	-	1
Mer	15	-	-	-	1
Poruma	5	4	-	1	-

Saibai	17	1	-	1	2
St Pauls	4	3	53	-	1
Ugar	9	2	-	-	2
Warrabar	4 + 46 Water Tank Program	4	1	-	-
Yorke	15	9	4	1	2

KPI milestones

BSU Goal (What do we want to achieve)	KPI measure (How do we measure this)	Target	Feb actual	
Customer satisfaction (Qbuild, DLGRMA)				
Improve timeliness of capital works	Complete all W4Q projects by due date	8	1 - request for extension on others	x
Growth and development (Employees)				
Improve succession planning	Number of employees promoted to higher positions	3 / year	1 (Robbie), another 3 by June	✓
Upskill employees to develop career path	Number of training courses provided	2 / year	1 due to be held next week	
Financial				
Increase volume of R&M jobs	Number of external R&M tasks created	425 / month	505	✓
R&M revenue meets budget	Revenue per month	\$422k	\$435k	✓
Council recovers all costs on upgrades	Gross margin on completed jobs in line with budget	30%	32%	✓

BSU improvements

- Significant reduction in old R&M works outstanding
- Defects on Home Ownerships will be complete by
- Improved reporting including KPI tracker and end of month performance report

- Weekly update to CEO
- Construction Management System implemented
- Estimating software implemented
- Internal audit findings – 17/30 items have been resolved
- Employment progression opportunities
 - Robert Yorkston promotion from Regional Building Supervisor to Team Leader
 - Backfilled the vacated position of Regional Building Supervisor (Saliman Bin Juda)
 - 1 new Casual Labourer
 - 1 new Admin Officer P/T
 - 3 x Assistant Supervisors
- Progress made on capitalisation of upgrade works on Council assets. A formal procedure has never been in place at TSIRC. Assets currently completing this with Building Services.
- BSU looking into options for storage of materials on islands as a loss prevention measure (reduce theft, misappropriation of materials, damage)
- Improved cost recovery efforts on capital projects by the tracking of Building Services staff hours allocated to each Capital works tasks on a weekly timesheet.
- Progress made toward training workshops for employees to cover industry specific areas and soft skill training. Recently completed training for regional Building Supervisors and their Team Leader for compliance, Construction Management System introduction, Accredited Working at Heights and safety. Further training is currently being organised for TSIRC Building Services employees to be potentially delivered on Poruma.
- Number of BSU Active Tasks in Tech One have reduced from 6,000+ to 3,000 (highlighting old projects being closed out and completed which increases manageability)
- Improved employee morale - the team is working cohesively and as one (in accordance with Council values)
- BSU is working to strengthen relationships through the Operations Leadership Group (Community Services, Strategic Projects and Logistics, People and Wellbeing) to streamline service delivery
- BSU is also working across divisions (engineering and finance) at officer level to ensure a collaborate approach.

Risk Management

Operational

- Building Services completes approximately 140 tenders for work commissioned by the State and Federal Governments each financial year. It is estimated that 25% of these tenders are greater than \$200,000 and must seek Council resolution. The administrative burden and business disruption because of these tenders impede Building Services' ability to achieve its operational goals.

Reputational

- Building Services must complete the tender documentation for submission to QBuild within a two-week timeframe. Should Council not tender within these terms, there is a risk that QBuild

will issue the work as a public tender or award the work to a State Government pre-qualified supplier. This has the potential to jeopardise Council's relationship with QBuild.

Financial

- Building Services puts forward an average of three tenders for resolution each Ordinary Meeting. The average tender value of these for the first half of this financial year was \$265,654. Should Building Services be unsuccessful in one tender per month due to tendering outside the terms, it risks a revenue loss of \$3m annually. This is equivalent to 14% of Building Services' budgeted revenue for the 20/21 financial year.
- Further, this delay impacts negatively on Council's cashflow. Should incoming cash from upgrade works not be received until two months beyond budget, this will put a strain on Council's ability to meet its operational obligations. Given that several of Council's departments are heavily reliant on the success of Building Services to function, this reduced revenue and deferred cashflows can impact Council's overall prosperity.

Sustainability

- The decline in Building Services' profitability can impact Council's long-term aspirations to deliver social, economic, and environmental solutions to enhance current community needs.

Statutory Requirements:

Local Government Act 2009

Local Government Regulation 2012

Conclusion:

Following the SARG Committee's review and confirmation of the above recommendation, a report and resolution will be presented to full Council at the April 2021 Ordinary Meeting for endorsement.



Endorsed:

Nicholas Sturges
Acting Head of Building Services

Rachel Pierce

Recommended:

Rachel Pierce
Acting Chief Operating Officer

Ilario Sabatino
Acting Chief Executive Officer



TORRES STRAIT ISLAND REGIONAL COUNCIL

AGENDA REPORT

ORDINARY MEETING:	APRIL 2021
DATE:	Tuesday 6 th April 2021
ITEM:	Agenda Item for Resolution by SARG
SUBJECT:	Local Disaster Management Group Membership
AUTHOR:	Mathew Brodbeck – Manager, Engineering Operations David Baldwin – Chief Engineer

Resolution:

Strategic Advisory Reference Group (SARG) resolves:

- That this report goes to the full Council as an Agenda Report

Executive Summary:

To provide SARG with a membership structure for consideration for the establishment of a standalone TSIRC Local Disaster Management Group.

Background:

In early 2013 the then District Disaster Coordinator advised TSIRC and TSC that, subject to Ministerial approval, the formation of one LDMG was approved. The formation occurred shortly thereafter in April 2013 upon approval by the then Minister for Police and Community Safety.

At the May 2020 Ordinary Meeting it was resolved to Committee conversations led by Mayor, Deputy Mayor and Chief Executive Officer, with reciprocal representatives of the Torres Shire Council, specifically in regard to separation of the combined Disaster Management arrangements.

It was also endorsed for TSIRC Mayor, Deputy Mayor and Chief Executive Officer to approach State Government stakeholders regarding the proposal separation.

An Information Report was presented at the January 2021 Ordinary Meeting which outlined the main steps and considerations that are required to be considered and addressed for the establishment of a standalone Local Disaster Management Group (LDMG). These steps and considerations were broadly categorised as being:

- Membership and Stakeholders
- Administration and Plans
- Legislative Requirements
- Local Disaster Coordination Centre

The report noted that to address the above items, the following main tasks are required:

- Engagement (with key stakeholders)
- Administration (revision of plans, reporting, governance arrangements)
- Infrastructure (equipment, technology, control centre, etc)

A report was issued at the March 2021 Ordinary Meeting which provided further detail in the form of a project timeline and project plan/task listing.

This information report specifically addresses the recommended Membership and Stakeholders of the proposed TSIRC LDMG.

Comment:

The membership of a Local Disaster Management group is set out in Division 3, Subdivision 3 of the ***Disaster Management Act 2003*** (the Act) and under Part 2 Disaster Management Groups – Membership and other matters of the ***Disaster Management Regulation 2014*** (the Regulation).

The Mayor, or another councillor of the local government, is appointed as the Chairperson of the LDMG. Membership of the LDMG is outlined in the Regulation and generally comprises of:

- Chairperson must be a councillor.
- Deputy Chairperson
- Local Disaster Coordinator (LDC)
- person nominated by the Commissioner, QFES
- other persons, which should include:
 - council representatives
 - local emergency services – Queensland Police Service (QPS), Queensland Ambulance Service, QFES
 - Representatives of functional lead agencies
 - NGOs such as welfare organisations or community groups
 - a Local Recovery Coordinator (LRC) also may be appointed.

Appointments under the Act can be made to a person or by position (as per s. 24A of the Acts Interpretation Act 1954). It is strongly recommended that appointments be made by position as this eliminates the need for a new appointment when a change in personnel occurs. However, where an appointment changes, a new appointment will be required, and the new incumbent will need to undertake training under the Queensland Disaster Management Training Framework.

LDMG members should have the necessary expertise or experience and delegated authority to assist with a comprehensive, all hazards, all agencies approach to disaster management.

Where a person or position undertakes a dual function as an LDMG and a DDMG member, appointing a deputy to both positions is recommended.

In addition to the legislated members of the group, LDMGs may appoint members or advisors to ensure adequate capability and capacity for specialist functions of disaster management.

It is proposed that the membership of the standalone TSIRC Local Disaster Management Group is as below.

Core Membership

- Chairperson – Mayor
- Deputy Chairperson – elected Member
- Local Disaster Coordinator – normally Chief Executive Officer or delegated officer
- Emergency Management Coordinator – QFES

- Chief Engineer
- Chief Operating Officer
- Manager, Engineering Operations
- Head of Community Services
- Head of Corporate Affairs and Engagement
- TSIRC Local Community Disaster Coordinator
- Inspector Torres Patrol Group – QPS
- Executive General Manager North – Torres & Cape Hospital and Health Service

Advisory Membership

- Queensland Fire & Emergency Services (Rural Fire Service)
- Maritime Safety Queensland (MSQ)
- Australian Maritime Safety Authority (AMSA)
- Volunteer Marine Rescue (VMR)
- State Emergency Service
- DATSIP
- Torres Strait Regional Authority
- Tagai
- GBK
- Seaswift
- CEQ
- Ergon Energy
- Telstra
- Department of Communities, Housing and Digital Economy. (DCHDE)
- Department of Agriculture, Water and the Environment (DAWE)
- Department of Foreign Affairs and Trades (DFAT)
- Australian Border Force (ABF)
- Australian Fisheries Management Authority (AMFA)
- Australian Federal Police (AFP)
- Queensland Department of Main Roads and Transport (TMR)
- Department of Local Government, Racing and Multicultural Affairs. (DLGRMA)

Considerations

Reputational

One of Council's values is accountability, which is achieved by being transparent, honest, and ethical to the benefit of the community. A reputational risk exists should Council not deliver on what is expected of both the department and community. By ensuring inclusiveness through consultation that will maintain trust amongst stakeholders and the community.

Consultation:

- Chief Engineer
- Emergency Management Coordinator - Queensland Fire & Emergency Services

Links to Strategic Plans:

- Outcome 6: Our Communities remain resilient to the effects of climate change and natural disasters

Statutory Requirements:

- *Disaster Management Act 2003 (QLD)*
- *Disaster Management Regulation 2014 (QLD)*
- Torres Strait Local Disaster Management Plan

Conclusion:

That the Strategic Advisory Reference Group (SARG) resolves that this report goes to the full Council as an Agenda Report

Author



Mathew Brodbeck
Manager, Engineering Operations

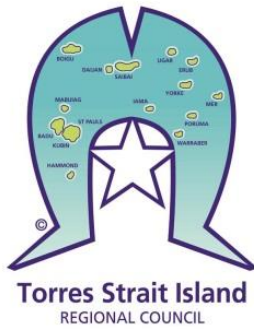


Recommended:

David Baldwin
Chief Engineer

Approved:

Ilario Sabatino
Chief Executive Officer



Briefing Note

To: Strategic Advisory Reference Group
Date: 28 March 2021
Subject: Information Report – Risk Management
Author: Nerida Carr, Manager of Risk and Ethics

Purpose:

To provide a summary of progress on the development of Council's Enterprise Risk Management (ERM).

Background:

In the 2020-2025 Corporate Plan, TSIRC has committed to "continuously develop and evolve our enterprise risk management and business continuity planning".

Following discussions with the Manager of Risk and Ethics and under the leadership of the Chief Executive Officer and Chief Financial Officer, a commitment was given in June 2020 to commence with the implementation of Enterprise Risk Management (ERM) as an integrated part of TSIRC's decision-making processes.

The Elected members confirmed this with the adoption of the first Risk Management Policy in July 2020.

Officer Comment:

Activities completed and planned are summarized in the attached Action/Activity Plan.

Part of the process was to take an organization snapshot, which involved one-on-one Risk maturity survey interviews. These were designed as a tool to identify current risk management activities and ascertain awareness, processes and culture within the organization. This included the extent to which risk management activities are communicated, documented and in evidence across TSIRC. A draft report was completed and presented to the A/CEO in January 2021 for circulation amongst the Executive Management Team (EMT) for feedback at the next workshop. The report can also be used as the baseline (starting point) to assess progress on the implementation of ERM at TSIRC.

The significant top three risk categories identified during the interview process were:

- Climate Change,
- Property and Assets Risk, and
- Contractual/Contractor Risks.

An ERM workshop on identifying Strategic Risks was held with EMT in February 2021. The workshop was to identify what strategic risks may have been associated with the Council's 12 desired outcomes within the Corporate Plan 2020-2025. This was compared with risks already identified in the risk software system, and those raised by the elected members at their November 2020 workshop. An updated strategic risk register is now being completed from workshop results and presented to EMT for further discussion in April 2021. This will be reviewed prior to the Strategic Risk Workshop planned for the second week of the May 2021 Councillor workshops.

Operational risks that impact the achievement of current strategies (for example, the Operational Plan and Budget) will reviewed in a similar workshop with those responsible for their management – EMT and Department/Functional Managers – on 14 April 2021.

Risk Management Software

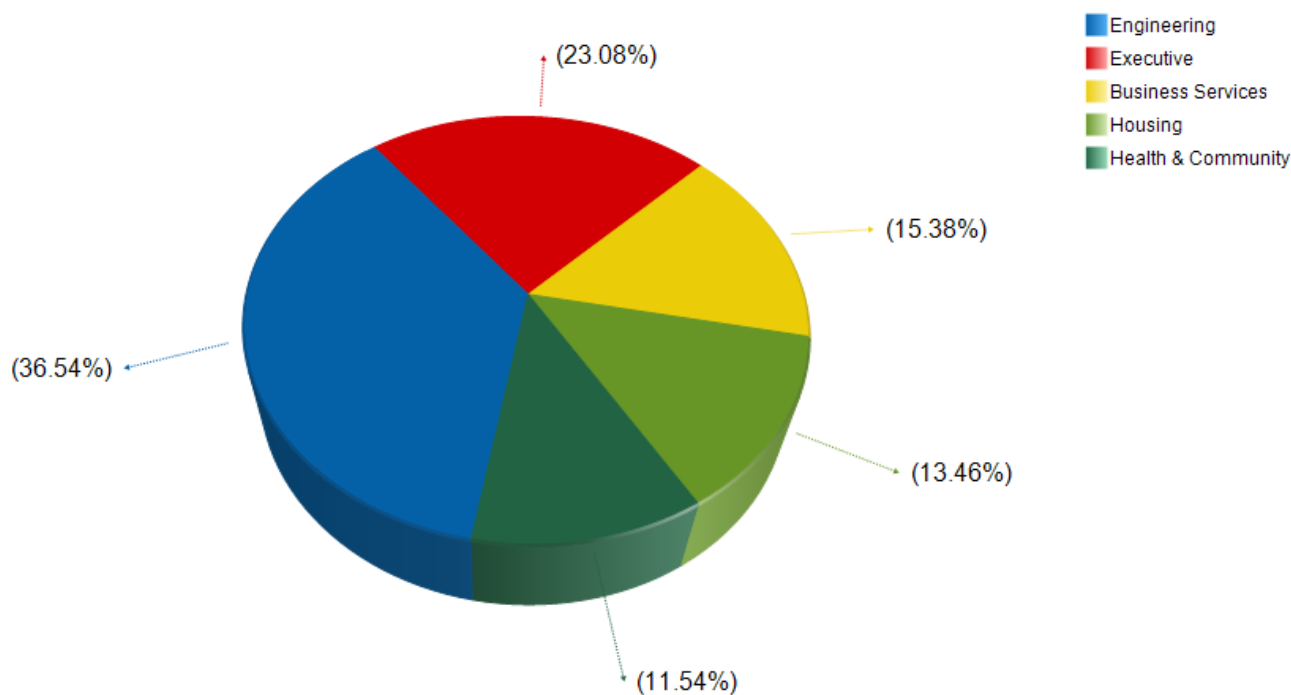
The refresh of Council's risk management software (RiskWare) is 90% complete. This involves:

- the addition of business units;
- more detailed business functions;
- alignment with the organizational structure;
- archiving of duplicate risks; and
- update of user access.

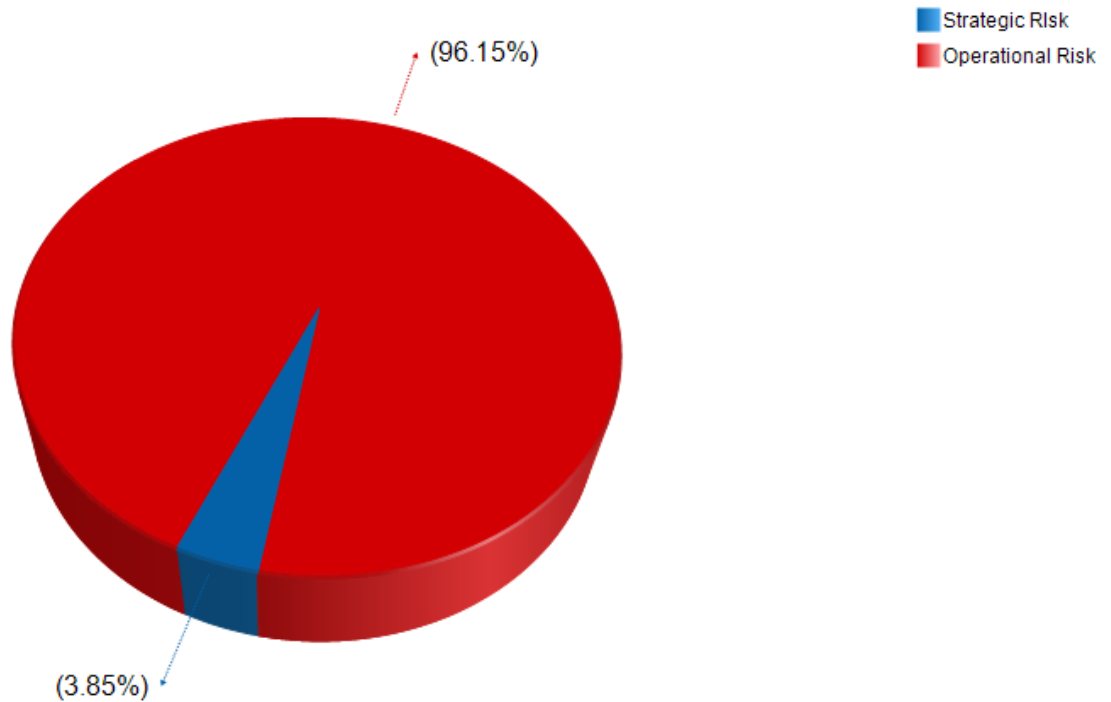
The changes are being made progressively by the Manager of Risk and Ethics in conjunction with the software provider.

Information from this system is being used to ensure it is considered and not lost. Summary examples of the type of information already recorded in RiskWare:

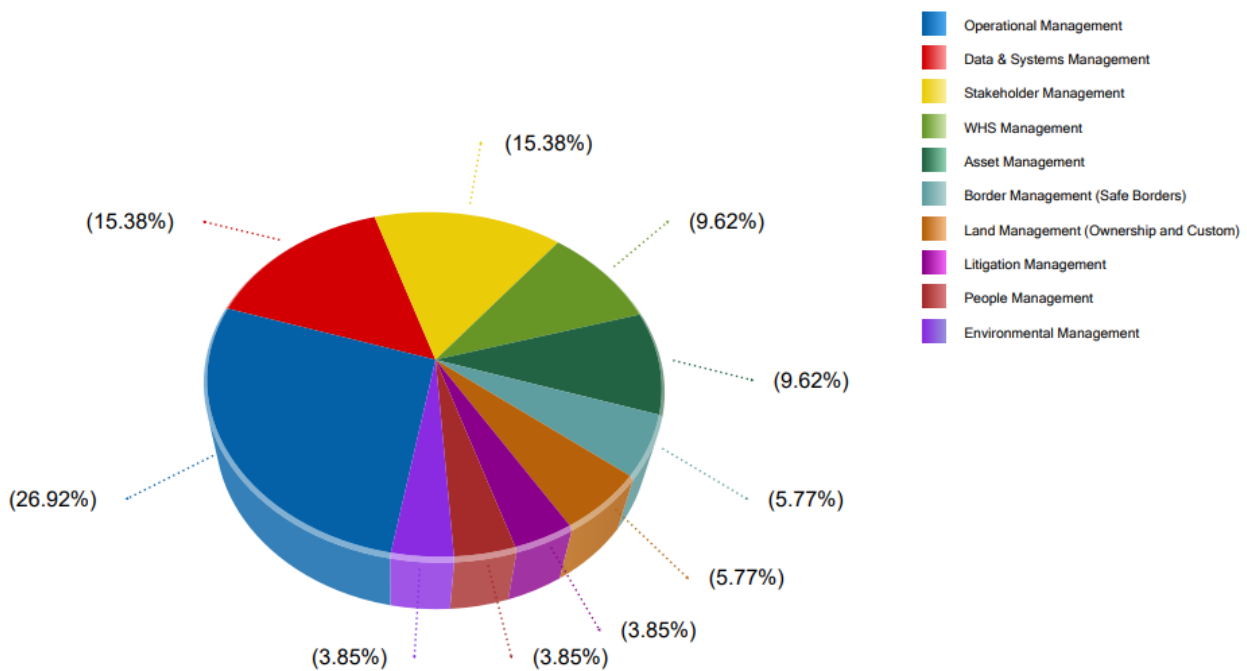
Risk Exposure by Business Unit



Risk Exposure by Risk Type



Risk Exposure by Business Function



Strategic Risk – Climate Change / Rising Sea Levels

Climate Change Mitigation and protection from natural disaster impact are one of TSIRC's priority focus areas, identified by both the elected members and staff as extreme risk. TSIRC have just joined the Queensland Climate Resilient Councils (QCRC) program, which is a joint initiative of the Local Government Association of Queensland (LGAQ) and the Queensland Government Department of Environment and Science. This involves (free) access to resources and funding opportunities. Engineering (as the lead

department delivering risk mitigation strategies such as sea walls) are reviewing these opportunities, which include a Climate Risk Management Strategy and decarbonisation initiatives.

Update on Fraud Risk - items implemented and underway

- The Fraud and Corruption Policy was reviewed, and Council adopted the updated version in January 2021. The policy name was changed to “Fraud and Corruption Prevention”, policy owner to the Chief Executive Officer to add weight to its significance as setting the tone from the top, and examples of Fraud and Corruption expanded as recommended.
- To manage risks and avoid conflicts in relation to employees running for local election, a separate procedure has been drafted. This will not be part of the Code of Conduct but referred to in the Human Resources Handbook (currently under review by People and Wellbeing).
- The format of the formal fraud tracking register was agreed with the A/CEO and Manager Legal Services. It will be based on the former “Lost and Stolen Property Register including claimable losses on Insurance” and held with restricted access.
- The Fraud Risk Register is being added to RiskWare as part of that system expansion.
- On-island employee communication about Fraud and Corruption has commenced, with the Executive delivering information sessions on Dauan, Kubin, St Pauls and Hammond Islands. As the Manager Risk and Ethics was on annual leave, a representative from Pacifica accompanied EMT on the first sessions. Future island visits are planned in conjunction with Executive Travel for consultations. The Manager Risk and Ethics will present Fraud, Risk and Ethical Conduct standards to meet the requirement for staff education and awareness, and community awareness.
- The first Public Interest Disclosure Policy and Management Program (whistleblowing) has been drafted and reviewed by Internal Audit and other stakeholders and approved by the Office of the Queensland Ombudsman. This has been presented under separate for review before adoption by Council is recommended.

Recommendations:

That the Strategic Advisory Reference Group notes the information provided.

Action/Activity Plan
Enterprise Risk Management
Torres Strait Island Regional Council

Components/outline	Activities	Responsible Officer	Planned (P) Completed (C) Date
<i>Preliminary Meeting</i>	<ul style="list-style-type: none"> • Discuss Council's interest in ERM • Conduct ERM awareness session with Executive Management Team (EMT) - (CEO, CFO) and Mgr Risk & Assets) • Executive Management Commitment 	RRC – Ian Barton Mgr Risk & Assets – Nerida Carr CEO	12 May 2020 (C) 11 June 2020 (C) 11 June 2020 (C)
<i>Council Policy</i>	<ul style="list-style-type: none"> • Council to resolve commitment to ERM 	Mgr Risk & Assets – Nerida Carr	21 July 2020 (C)
<i>Risk Maturity Diagnostic and/or ERM checklist gap analysis</i>	<ul style="list-style-type: none"> • Risk maturity survey questions to identify current risk management activities – interview 1 on 1 with EMT to ascertain how awareness, processes and culture filter down the organisation • Checklist – gap analysis - 1 on 1 interview, using standard questioning to establish ERM position 	RRC – Ian Barton RRC – Ian Barton Mgr Risk & Asset – Nerida Carr	1 October and 1 November 2020 (C) 13 July 2020 draft only
<i>Senior Management Commitment</i>	<ul style="list-style-type: none"> • Introduction presentation for Executive on LGMS Schemes and ERM • Conduct workshop for EMT on ERM process, practical application of risk management process and utilising risk tables. • Workshop to include establishment and determination of – <ul style="list-style-type: none"> ▪ ERM Risk Management Framework 	RRC – Ian Barton EMT	20 August 2020 (C) Draft guideline document compiled

	<ul style="list-style-type: none"> ▪ Risk Categories ▪ Likelihood table ▪ Consequence table ▪ Risk Matrix table ▪ Level of risk controls required ▪ Risk control rating (effectiveness of controls in place) ▪ Risk Treatment options <p>(This will assist in the development of ERM Guideline documents)</p> <ul style="list-style-type: none"> • Introduction presentation for Mayor & Councillors on LGMS Schemes and ERM project 		<p>(C) 31 July 2020</p> <p>Draft to be submitted to meeting for 20 August 2020 by RRC & Mgr Risk & Asset (C)</p> <p>12 November 2020 (C) at Cairns workshops</p>
<i>Development of Risk Registers</i>	<ul style="list-style-type: none"> • Strategic Risk Register - workshop • Operational Risk Registers 	<p>RRC – Ian Barton Council & EMT</p> <p>RRC – Ian Barton EMT & Senior Managers</p>	<p>EMT 4 February 2021 (C) Council May 2021 (P)</p> <p>14 April 2021 (P)</p>



TORRES STRAIT ISLAND REGIONAL COUNCIL

SARG AGENDA REPORT

ORDINARY MEETING:	April 2021
DATE:	6 April 2021
ITEM:	New Policy - Agenda Item for Resolution by Council
SUBJECT:	Public Interest Disclosure Policy and Management Program
AUTHOR:	Nerida Carr, Manager of Risk and Ethics

RECOMMENDATION

That the Strategic Advisory Reference Group endorse the Public Interest Disclosure Policy and Management Program for Council resolution.

PURPOSE

The purpose of this report is to present for adoption the Public Interest Disclosure Policy and Management Program for Council.

BACKGROUND

As part of Management's responses to the Internal Audit review of Fraud Risk and Ethical Conduct, Fraud Risk Management Policies and procedures are being developed and reviewed in accordance with updated legislation and best practice guidelines. One of the steps in the review is the adoption of a Public Interest Disclosure Policy by Council.

OFFICER COMMENT

Providing information about wrongdoing in the public sector is commonly known as "whistleblowing". The legal term for it is "making a public interest disclosure (PID)".

Corruption, maladministration and misuse of public resources contribute to increased costs of providing public services. These also reduce the quality of services because of unfair, unreasonable or unlawful decisions and actions.

Torres Strait Island Regional Council (TSIRC) is committed to fostering an ethical, accountable and transparent culture. This Policy demonstrates this commitment and ensures that practical and effective procedures are implemented which comply with the requirements of the [Public Interest Disclosure Act 2010](#) (PID Act).

Under legislation, the CEO has overall responsibility for ensuring that TSIRC develops, implements and maintains a PID management program. All Council personnel are responsible for:

- reporting PIDs in accordance with this policy;
- conducting their duties to a high level of professional and ethical standards; and
- acting in the public interest.

The proposed policy has been independently reviewed by The Office of the Queensland Ombudsman, the oversight entity under the PID Act, and confirmed as compliant.

CONSULTATION

Internal consultation initially comprised of the Manager Risk and Ethics liaising with relevant Executive, Legal Services and People and Wellbeing. Internal Audit (Pacifica) also conducted a review of the first policy draft. All recommendations were incorporated into the final version sent to the Ombudsman's advisory service for review. The Ombudsman's advisory service advised that the policy is compliant with the relevant requirements and legislations and recommend no changes.

LINKS WITH STRATEGIC PLANS

Our Values:

- Accountability: We are reliable, honest and ethical in all that we do.

Corporate Plan 2020-2025

- We manage Council affairs responsibly to the benefit of our communities.

STATUTORY REQUIREMENTS

- [Public Interest Disclosure Act 2010](#)
- [Public Interest Disclosure Standard No. 1/2019](#)
- [Public Interest Disclosure Standard No. 2/2019](#)
- [Public Interest Disclosure Standard No. 3/2019](#)

CONCLUSION

The Public Interest Disclosure Policy and Management Program has been drafted in line with the listed documents and legislation and is recommended for adoption by Council.

Hollie Faithfull
Chief Financial Officer

Ilario Sabatino
Acting Chief Executive Officer

ATTACHMENTS:

1. *Public Interest Disclosure Policy and Management Program*



TORRES STRAIT ISLAND REGIONAL COUNCIL

SARG COMMITTEE REPORT

COMMITTEE MEETING:	April SARG
DATE:	6 April
ITEM:	Agenda Item for SARG Committee
SUBJECT:	Interim capital delivery (plug-ins) program
AUTHOR:	Nicholas Sturges

Recommendation:

The SARG Committee consider the following two options for the Interim capital delivery (plug-ins) program and recommend one option for Agenda Item for resolution at the April Ordinary Meeting.

1. Council resolves to

- A) Give the A/CEO authority to apply to vary the Interim remote capital program funding agreement from seven (7) to Five (5) plug-ins with **zero impact to Council's budget.**

and

- B) Delegate Power to the Chief Executive Officer, pursuant to section 257 of the *Local Government Act 2009* to execute a letter requesting the aforementioned change, and negotiate, finalise and execute any and all matters associated with or in relation to this agreement including any further variations.

OR

2. Council resolves to

Instruct Building Services Unit to construct the seven (7) plug-ins identified in the Interim remote capital program agreement, with a **council contribution of \$1.3 million dollars.**

Executive Summary:

Due to Council's constrained financial position, option 1 is the preferred course of action, due to zero impact on Council's budget. Option 2 is the non-preferred option due to high risk (\$1.3M) to Council's financial position.

Building Service Unit will prepare an Agenda Item for resolution, reflecting the SARG recommendation, for consideration at the April Ordinary Meeting.

Background:

As presented at the March Ordinary Meeting, Council entered into a funding agreement with the State of Queensland under the Interim Remote Capital Program on 4 February 2020 for the sum of \$2,352,94, to fund 7 X two bedroom plug-ins to be built on to existing houses on the islands of, Badu, Dauan, Hammond, lama, Mabuig and Saibai.

At the time of entering the agreement, the funding body considered the most cost-effective approach would be delivery of plug-ins with an average price of \$300,000. When the units were costed, the average price was \$480,000 each, totalling \$3,360,000. This created a funding shortfall of \$1,007,059.

Comment:

An Agenda Item for resolution was presented at the March Ordinary meeting which resulted in Council requesting further information.

ConsiderationsRisk Management

BSU is working in consultation with Queensland Government colleagues to develop a presentation to the April Ordinary Meeting.

Council Finance

Council's existing budget allocation cannot address the funding shortfall.

Consultation:

- Business Services Accountant
- Corporate Affairs
- Remote Indigenous Capital Delivery team, Queensland Government.

Links to Strategic Plans:

The Corporate Plan commits Council to advocating for available options to overcome housing shortages and overcrowding and work with relevant agencies to increase housing allotment and construction opportunities within our region.

Statutory Requirements:

Local Government Act 2009

Local Government Regulation 2012

Conclusion:

Following the SARG Committee's review and recommendation on the preferred course of action (refer options 1 and 2 above) a report and resolution will be presented to full Council at the April 2021 Ordinary Meeting for endorsement.

**Endorsed:**

Nicholas Sturges
Acting Head of Building Services Unit



Ilario Sabatino
Acting Chief Executive Officer

Rachel Pierce

Recommended:

Rachel Pierce
Acting Chief Operating Officer



TORRES STRAIT ISLAND REGIONAL COUNCIL

SARG COMMITTEE REPORT

COMMITTEE MEETING:	April 2021
DATE:	6 April 2021
ITEM:	Agenda Item for SARG Committee
SUBJECT:	Building Services – Procurement Process
AUTHOR:	Nicholas Sturges

Recommendation:

That the Strategic Advisory Reference Group:

- note this report and
- recommend Council consider the Agenda Report – Contractual Matter 24 Main Street, Pauls at the April Ordinary Meeting.

Executive Summary:

The contractual matter – 24 Main Street, St.Pauls was tabled at the March Ordinary Meeting and Council requested further information be provided on the rationale for the recommendation. This report outlines legislative requirements and Council policy and procedure for procurement, and application of same to the contractual matter pertaining to 24 Main Street, St.Pauls.

Background:

To ensure the system of local government is accountable, effective, efficient and sustainable, Parliament requires that anyone who is performing a responsibility under the *Local Government Act 2009* does so in accordance with the local government principles:

- transparent and effective processes, and decision-making in the public interest;
- sustainable development and management of assets and infrastructure, and delivery of effective services;
- democratic representation, social inclusion and meaningful community engagement; and
- good governance of, and by, local government;
- ethical and legal behaviour of councillors, local government employees and councillor advisors.

These principles are reflected in the sound contracting principles, which Council must have regard to when entering a contract for supply of goods and services or disposal of assets.

The Sound Contracting Principles are:

- value for money
- open and effective competition
- the development of competitive local business and industry
- environmental protection
- ethical behaviour and fair dealing.

Default Contracting Procedures

The *Local Government Regulation 2012* (Regulation) provides the default contracting procedures for local governments.

The Regulation has provisions for medium and large sized contractual arrangements.

A local government cannot enter into a medium-sized contractual arrangement unless the local government first invites written quotes for the contract. The invitation must be given to at least 3 persons who the local government considers can meet the local government's requirements at competitive prices.

A local government cannot enter into a large-sized contractual arrangement unless the local government first invites written tenders for the contract. This invitation must be published on the local government's website for at least 21 days.

Medium sized is defined as 'a contractual arrangement with a supplier that is expected to be worth, exclusive of GST, \$15,000 or more but less than \$200,000 in a financial year, or over the proposed term of the contractual arrangement'.

Large sized is defined as 'a contractual arrangement with a supplier that is expected to be worth, exclusive of GST, \$200,000 or more in a financial year, or over the proposed term of the contractual arrangement.'

These values are further clarified to mean 'expected value of a contractual arrangement with a supplier for a financial year, or over the proposed term of the contractual arrangement, is the total expected value of all of the local government's contracts with the supplier for goods and services of a similar type under the arrangement'.

Contractual arrangements with a value under \$15,000 must be dealt with in a local Government's procurement policy – Torres Strait Island Regional Council Procurement and Ethical Sourcing Policy.

Council's policy states that for contractual arrangements under \$2,000 one written quote is required and for contractual arrangements between \$2,000 and \$15,000 two written quotes are required.

When Council calls for tenders and quotes, Council is under no obligation to accept any of these. However, if Council does decide to accept a tender, Council must accept the tender most advantageous to it, having regard to the sound contracting principles.

Exemptions

There are several exemptions to the above.

- Quote or tender consideration plan
- Approved contractor list
- Register of pre-qualified suppliers
- Preferred supplier arrangement
- LGA arrangement
- Sole supplier (requires Council resolution)
- Specialised/confidential (requires Council resolution)
- Genuine emergency
- Auction
- Second-hand goods
- Government agency

Council utilises some of the above exemptions:

Register of pre-qualified suppliers

A local government may establish a register of pre-qualified suppliers of particular goods or services, this must be done by inviting suppliers to tender to be on a register of pre-qualified suppliers.

A register of pre-qualified suppliers can be established when the preparation and evaluation of invitations every time the goods or services are needed would be costly.

A pre-qualified supplier is a supplier who has been assessed by the local government as having the technical, financial and managerial capability necessary to perform contracts on time and in accordance with agreed requirements.

Council currently has two registers of prequalified suppliers.

LGA arrangement

A local government may enter into a contract for goods and services without first inviting written quotes or tenders if the contract is entered into under an LGA arrangement. LGA arrangements are what is commonly referred to as Local Buy arrangements or contracts.

Local Buy is a company owned by the Local Government Association Queensland and conducts tender processes to establish registers of pre-qualified suppliers for use by all Queensland local governments.

Sole Supplier

When the local government resolves it is satisfied that there is only 1 supplier who is reasonably available.

Government agency

The contract is made with, or under an arrangement with, a government agency

Comment:

Council's Building Services Unit (BSU) endeavours to conduct procurement processes in a manner which is consistent with Council's Procurement and Ethical Sourcing Policy and legislation.

In accordance with Council policy and legislation all works with a value of \$15,000 or more but less than \$200,000 requires three written quotes. Although BSU can use exemptions as listed above, BSU still seek to obtain three or more quotes from contractors listed on Council's Register of Pre-qualified Suppliers.

By seeking at least three quotes for all works with a value over \$15,000 ensures that BSU is compliant with the sound contracting principle of open and effective competition.

All relevant contractors are supplied the exact same quotation documentation which must be returned to a specific tender mailbox, by a specified deadline. When quotations are received these are all opened at the same time and assessed by the same officers against the same criteria. This all ensures that Council is acting in a fair and equitable manner and that the process is transparent.

In the assessment officers look at the experience, capability and locality of the contractors. Consideration is given to contractors who are based in community or significantly contribute to local employment and economy.

Consideration is also given to the sound contracting principle 'value for money'.

This means that it is not only the up-front price that is considered, but the full value for money. The objective of the value for money principles is to ensure that all procurement and contracting activities represent the best return and performance for money spent from a whole-of-life cost perspective to assist Council to effectively and efficiently use public money.

Value for money should not be limited to price alone. In assessing value for money, officers must consider:

- The contribution to the advancement of Council priorities and vision, including buying from local Torres Strait Island businesses and organisations as first preference, community and

social benefits, and suitability considerations consistent with and supporting the strategic direction of the Corporate Plan;

- Factors such as fit for purpose, innovation, maintenance and support, relevant experience and performance, availability and suitability of staff, plant and equipment, application of relevant and sound systems of operational management, risk, legal and reputation exposure and business continuity; and
- Cost related factors including whole-of-life costs, transactional costs and risk exposure associated with the acquisition, use, administration, holding, maintenance and disposal of the goods and/or services.

As the application of the value for money principle may not necessarily favour the lowest price, contracting decisions must substantiate how application of the principles ensures council is receiving the most advantageous outcome for our community.

Based on the above Building Services aim to choose the quote most advantageous to Council to maximise profitability and service to the community.

Lot 24 Main St, St Pauls

Council submitted a tender to QBuild in 30 January 2020, with a submitted tender price for the works, which was accepted by QBuild. The successful tender was awarded to TSIRC on 23 June 2020.

To ensure Council does not lose money on works carried out for QBuild, the target contractor price for the subsequent tender process was established with additional factors of evaluation criteria including keeping spend in region as well as with local employment.

All tenderers (four in total and all located within region) submitted tenders with cost exceeding the amount budgeted by Council:

Tenderer 1 - above by 1.17%

Tenderer 2 - above by 11.03%

Tenderer 3 - above by 27.77%

Tenderer 4 - above by 28.27%

With such substantial percentage above Council's tendered works completion price the project works were awarded to Contractor 1.

Considerations

Risk Management

If Council does not follow legislation, policy and procedures there is a risk that Council will be subject to legal challenges which can incur both financial and reputational risks.

Council Finance

Council must act in line with local government principles and sound contracting principles to ensure Council is compliant and financially sustainable.

Consultation:

- Manager, Governance and Compliance

Links to Strategic Plans:

The above process refers to the strategic pillars of People, Prosperity and Business in Council's Corporate Plan.

Statutory Requirements:

Local Government Act 2009

Local Government Regulation 2012

Conclusion:

It is recommended Council consider the Contractual Matter – 24 Main Street, St Pauls at the April Ordinary Meeting.



Endorsed:
Nicholas Sturges
Acting Head of Building Services



Ilario Sabatino
Acting Chief Executive Officer

Rachel Pierce

Recommended:
Rachel Pierce
Acting Chief Operating Officer