

Torres Strait Island
REGIONAL COUNCIL

AGENDA

STRATEGIC ADVISORY REFERENCE GROUP

Date: Tuesday 9th February 2021

Time: 9:00am to 12:00pm

Venue: Video Conference

Strategic Advisory Reference Group Meeting
Tuesday 9th February 2021
Agenda

- | | |
|---------------------|---|
| 1. 9:00am – 9:03am | Welcome (Chair) |
| 2. 9:03am – 9:06am | Opening Prayer |
| 3. 9:06am – 9:08am | Apologies |
| 4. 9:08am – 9:10am | Conflict of Interest (COI)/ Material Personal Interest (MPI) Declaration |
| 5. 9:10am – 9:15am | Outstanding Strategic Action Items |
| 6. 9:15am - 9:20am | Minutes – SARG Meeting – 19 January 2020 – Cairns |
| 7. 9:20am – 10:00am | Deputation – TSIRC DOGIT Transfer – Peter Lawrence, Principal Land Officer, Department of Natural Resource and Mines |

Morning Tea - 10:00am - 10:15am

- | | |
|----------------------|-------------------|
| 8. 10:15am – 11:45am | Strategic Updates |
|----------------------|-------------------|
- 1. Mayor**
 - a. Secretariat for Regional Governance Resolution
 - b. State and Federal Deputation Policy
 - c. Council Meeting Deputation
 - d. 150th Community of the Light Celebrations
 - e. SWOT Analysis Report
 - f. Community Priorities Report Update
 - g. Grant Funding Update
 - h. May Workshop Agenda (November Councillors Workshop feedback)
 - i. Standing Committee's Update - verbal
 - Culture, Arts, Land and Heritage – Cr. Aven Noah
 - Governance and Leadership – Cr. Getano Lui
 - Economic Growth – Cr. Rocky Stephen
 - Housing and Safe and Healthy Communities – Cr. Keith Fell
 - Climate Change Adaptation and Environment – Cr. Hilda Mosby
 - 2. Chief Engineer**
 - 3. Chief Financial Officer**
 - a. CLOSED BUSINESS - Analysis of Freight Consolidation Business Case - **Late**

4. Chief Executive Officer

- a. Department of Housing Public Works Funding
- b. Building Services Unit Performance Update
- c. CLOSED BUSINESS – Industrial Matters 2 - **Late**

- | | |
|------------------------|-------------------------------------|
| 9. 11:45am – 11:50am | General/ Other Business (on notice) |
| 10. 11:55am – 11:57am | Next meeting date – March 2021 |
| 11. 11:567am – 12:00pm | Closing Prayer |



TORRES STRAIT ISLAND REGIONAL COUNCIL

AGENDA REPORT

ORDINARY MEETING: February 2021

DATE: 04/02/2021

ITEM: Agenda Item for Noting by SARG

SUBJECT: Department of Housing & Public Works Funding

AUTHOR: Ilario Sabatino

Resolution:

Strategic Advisory Reference Group (SARG) to Note report.

Executive Summary:

This report serves to advise and update the SARG of the Department of Housing and Public Works (DHPW) Program for the capital works program moving forward.

Background:

In 2018 the Queensland Government allocated \$40m to an interim remote housing program. At this time Mayors agreed to the funding being evenly distributed across Councils.

1. TSIRC was allocated \$2.35m under the Interim Capital Works program for the construction of 7 x new two-bedroom, 1 bathroom build-under or plug-in extensions. Of this amount TSIRC has received the first payment of \$700k. The 'plug-ins' locations are:
 - a. Badu x 2
 - b. Duan x 1
 - c. Iama x 1
 - d. Mabuiag x 1
 - e. Saibai x 1

As way of update - upon further review of this program rollout, it was found that the program scoping was over budget. Approximately \$900k.

The team is currently reviewing funding options for the shortfall. An alternative option would be to seek approval from the DHPW to offset with the \$14.428m. If not successful, council will be required to prioritise the plug-ins.

Since that time, the Australian Government committed \$105m to address overcrowding in remote and discrete communities. At this time, a Mayors Workshop was held in February 2020 to discuss the allocation methodology for these funds.

In the workshop the Mayors agreed to a methodology for distribution of the funds with weightings given for population 60%, overcrowding 30% and homelessness 10% and applying a Building Price Indices using Rawlinson's Construction Cost Guide.

2. TSIRC's allocation from this amount is \$14.428m.

As part of working through the next steps for the distribution of funds, First Nations Advisor, Mr Mick Gooda, has been engaging with communities and councils to discuss housing priorities, including home ownership, repairs and maintenance and progression of the forward capital program.

The funding methodology utilised for the \$40M interim capital works program will be applied. This is a three-stage tiered funding methodology based upon the following Stages with 30% payable for Stage 1, 60% for Stage 2 and 10% for Stage 3:

- A. Stage 1 (Planning and preparation) works need to be completed and evidence provided to the department before funding can be provided.
- B. Stage 2 works (Building)
- C. Stage 3 payment paid upon satisfactory completion of the works.

The Approved funding must be used to increase the supply of housing including new construction, extensions to existing houses, or land lot development. Noting, however there is flexibility in how this is to be delivered.

To support the distribution of the funds, the DHPW are now requesting a formal proposal from TSIRC for how the forward capital program should be delivered in the TSIRC Area. This will be via the Housing Investment Plan (HIP) 2020-2021 (Template attached).

Comment:

Correspondence from the DHPW have since confirmed that in brief:

- TSIRC allocation of \$14,427,863 is unchanged.
- The State has received the balance of funds from the Australian Government.
- Funds will be released once a Housing Investment Plan is endorsed by the department.

The HIP is intended to capture the capital investments most need in TSIRC communities. As advised TSIRC's allocation amount is \$14.428m. Therefore, as part of developing the HIP – firstly Council may wish to evenly distribute the funds evenly across all Divisions and identify projects per division accordingly or may which to identify priority projects across the region. Noting that Project Management fees etc. will also need to be considered within the total allocated amount.

Once the template is completed this will be returned to the department for consideration. The council team will initiate contact with department for support - in which a draft will be provided to SARG for consideration.

At this point the department is working with Council staff to determine convenient dates to commence the development of Local Housing Plans covering the TSIRC communities which provides a mechanism for identifying each community's specific housing aspirations and priorities.

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:

- Head of Building Services
- Head of Community Services
- Department of Housing and Public Works

Links to Strategic Plans:

Outcome 2: Our communities are safe, healthy, and active.

2.3 Facilitate community-led strategy for public social behaviour concerns.

2.4 Lead a strategic approach to healthy and active lifestyles.

Outcome 7: Our communities are consulted around liveable places, aligned to lifestyle and environmental suitability.

7.1 Facilitate improvement to community housing awareness and information.

7.2 Advocate for the development of more environmentally and culturally appropriate housing designs

7.3 Advocate for the increase to available options to overcome housing shortages and overcrowding.

Statutory Requirements:

Local Government Act 2009

Local Government Regulation 2012

Conclusion:

- That SARG resolves to note this report and consider the following options as the basis in which funding distribution and project identification for TSIRC HIP may be considered:
 - Council to evenly distribute the funds evenly across all Divisions and identify projects per division accordingly.
 - Retaining regional funding allocation. Council to identify priority projects across the region.
 - Noting that Project Management fees etc. will also need to be considered within the total allocated amount.



Endorsed:

Officer name

Position - Functional Manager

Recommended:

Officer name: Ilario Sabatino

Position - Chief Operating Officer

(Name of Council)

***Housing Investment
Plan***

2020-2021

Housing Investment Plan - \$105M Capital Housing Program

Context

- On 20 February 2020, the Commonwealth Minister for Indigenous Australians wrote to the former Minister for Housing and Public Works offering Queensland \$5 million for remote housing to address overcrowding in 2019-20, with a further \$100 million to be provided in 2020-21 - subject to five conditions including that Queensland would not seek any further Commonwealth funding for remote Indigenous Housing.
- On 22 April 2020, the former Minister for Housing and Public Works accepted the funding offer but reserved the right to negotiate with any future Australian Government for continued Commonwealth support for remote Indigenous housing and will support Mayors in their advocacy for continued Australian Government funding. The Queensland Government received correspondence from the Commonwealth on 26 June 2020 acknowledging the acceptance.
- On 6 February 2020 Mayors and Chief Executive Officers of Aboriginal and Torres Strait Islander Councils, Officers from DHPW, and the Australian Government National Indigenous Australians Agency (NIAA), attended a planning workshop to discuss the Australian Government's \$105 million funding commitment for housing in Queensland's remote Aboriginal and Torres Strait Islander communities.
- In the workshop the Mayors agreed to a methodology for distribution of the funds with weightings given for population 60%, overcrowding 30% and homelessness 10% and applying a Building Price Indices using Rawlinson's Construction Cost Guide.
- Approved funding must be used to increase the supply of housing including new construction, extensions to existing houses, or land lot development, however there is flexibility in how this is delivered.

Contact Information

Council: [insert]

Endorsed by: [insert]

Contact person: [insert]

Date: [insert]

1. Project Proposal

Please provide in the attached **Capital Works Schedule**, particulars regarding what Council would like to spend the funding allocation on.

Under this program the approved funding must be used to increase the supply of housing including new construction, extensions to existing houses, or land lot development, however there is flexibility in how this is delivered.

2. Outcomes / Need

Please describe how the proposed project:

- responds to housing need in the community (e.g. reduces overcrowding)
- increases housing supply and;
- achieves the best possible local outcomes.

Please provide evidence of need where appropriate.

Council may like to identify its priorities for the program (e.g. timeliness, employment outcomes, maximum yield, training opportunities).

3. Delivery

Please describe what role Council would like to take in delivery of the project, and how this would be approached. This may include:

- Project and Program management
- Land management and procurement of title suitable for new housing
- Design, design management, design approval process
- Builder (as Sponsor)
- Builder (as Principal Contractor)
- Sub-contractor for particular works

Please provide information regarding capacity to undertake the proposed functions. This should include consideration of licensing and other legislative requirements. If Council proposes to sub-contract or purchase particular elements, please make this clear.

Please also provide indicative timelines for delivery of the program.

4. Funding method

The funding methodology utilised for the \$40M interim capital works program will be applied. This is a three-stage tiered funding methodology based upon the following Stages with 30% payable for Stage 1, 60% for Stage 2 and 10% for Stage 3:

- *Stage 1 (Planning and preparation) works need to be completed and evidence provided to the department before funding can be provided.*
- *Stage 2 works (Building)*
- *Stage 3 payment paid upon satisfactory completion of the works.*

5. Service delivery and ongoing management

Please describe Councils preferred service delivery arrangements for the properties once complete, including tenancy and property management (i.e. For new constructions, does Council want to tenancy manage the house/s or does Council want to offer the department a 40-year lease over the property) This should include consideration of allocation processes, tenancy management, and contracting arrangements.

Aboriginal and Torres Strait Islander Housing
Capital Grants Program
(Name of Council) Council

Funding year: 2020/2021

Total Budget allocation:

Targeted Priority (e.g. Overcrowding, homelessness, senior’s accommodation etc)	Location – Lot Number / Street Address	New Construction / Replacement (include no. of bedrooms and building type for example; 3- bedroom detached dwelling, 2x2 bedroom duplex, 5- bedroom highset detached dwelling etc)	Extensions (Describe the type of extension for example, build-under, attached extension, detached extension)	Occupational Therapist Assessment requirement (Indicate yes/no whether an Occupational Therapist assessment is required)	Land Development (Description of land development including yield, Registered Plan and lot number)	Native Title Addressed (Indicate yes/no whether Native Title has been addressed)	Estimated start date	Estimated completion date	Estimated number of local people that will be employed	Estimated total project cost. (Indicate how much you think each project listed will cost to complete)

Aboriginal and Torres Strait Islander Housing
Capital Grants Program
(Name of Council) Council

This document represents an accurate reflection of the proposed priority list of works as determined by the Council.

Chief Executive Officer
(Council)

____ / ____ / ____
Date



TORRES STRAIT ISLAND REGIONAL COUNCIL

AGENDA REPORT

ORDINARY MEETING: February 2021

DATE: 9 February 2021

SUBJECT: Performance Report – Building Services

AUTHOR: Natasha Nelson – BSA – Building Services

Executive Summary:

This report is to provide an overview of Building Services' performance for the year to January 2021. Key matters and issues are highlighted, and an update is provided on the progress of existing projects.

Background:

The Building Services Unit (BSU) has seen many changes this financial year. New roles have been filled and changes to the organisational structure has allowed for better workflow. BSU has upheld Council's value to act as one team to achieve together.

Recoverable works are progressing well, with significant improvements made in processes and procedures. Employment and training opportunities are being made available to encourage local involvement in the workforce. These positive changes have set BSU on the right path to achieving its targets and drive Council to meet its goals.

Considerations:

N/A

Consultation:

Building Services Unit (internal)

Links to Strategic Plans:

[Corporate Plan 2020-2025](#)

Strategic Delivery Pillars – People, Sustainability, Prosperity

Statutory Requirements:

Local Government Act 2009

Local Government Regulation 2012

Conclusion:

BSU is on track per the budget review 20/21FY. The Department's focus is on completing the Warraber new build project and finalising all upgrade defects. Improvements in processes to the end of the financial year will provide for a reduction in total expenses.

Endorsed:

Peter Jacques
Head of Building Services

A handwritten signature in black ink, reading 'Peter Jacques'.

Recommended:

Ilario Sabatino
Chief Operating Officer

A handwritten signature in black ink, reading 'Ilario Sabatino'.

Building Services Unit

Progress Report – January 2021

Repairs & Maintenance

Ageing Jobs

The number of ageing R&M jobs (90days+) has reduced by 30% since July 2020. BSU have been in regular contact with QBuild where responses have been provided on ageing jobs advising whether jobs have been cancelled, are duplicates, are due for invoicing etc.

Service Agreement

Council to finalise negotiations with QBuild on the revised R&M Service Agreement. The revised agreement will allow BSU to recover direct costs for emergency travel, accommodation and freight which were previously not fully recovered.

Improvements

BSU has focused on ensuring the timely completion of R&M tasks in the Tech One system. This process has allowed tasks to be reviewed individually so costing issues and errors in supplier invoicing can be identified and prevented on future jobs.

BSU to consider applying a small markup to internal works to compensate for the time lost that could have been spent on profitable/recoverable works.

Upgrades

Defects

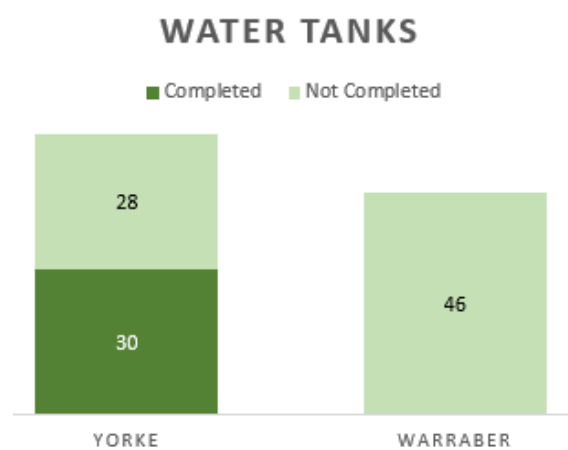
28 Home Ownership projects with defects identified by QBuild are now nearing completion and will be finalised by the agreed date.

Construction Management System

BSU has implemented the new CMS. The system allows for job cards to be completed more efficiently and photographic evidence to be captured instantaneously to satisfy QBuild billing requirements.

Water Tank Program

104 water tanks in total to be installed in the year.



Capital Projects (Council Owned Assets)

W4Q Round 3 projects

Kubin Community Hall	Completed	
Poruma Airport Waiting Shed	Works to commence	Currently with architect to draft the design change. Extension of time requested to 31 December 2021.
Saibai Airport Waiting Shed	Works to commence	Currently in re-design for budget. With Councillor for design approval.
Masig Builder/Mechanics Workshop	In progress	Insurance determination.
Hammond Undercover Shelter	In progress	On track. Design brief at 100%, tender docs at 70%.
Dauan Community Hall & B&B Court	Works to commence	Basketball court no longer forms this project. Court was found to be structurally unsound which requires works beyond the funding available. Basketball court to be funded by DHPW as a separate project.
Ugar Guesthouse Upgrade	In progress	On track
Iama Covered Sporting Facility	In progress	On track

Capital Projects - existing

Ugar/Mer	Fuel facility	With Committee and design brief
St Pauls	Eunice's House Rebuild Lot 162	Brief signed off by COO.
Masig	Mechanic Shed Repairs	QBE (Insurer) assessing
Erub	Staircase Refurbishment	Almost done – handrails to be completed
Boigu	Contractors Accommodation Reroofing	In progress. Works to be followed up.
Badu	Oval Lighting	Materials on-site. Geo and Structural RFQ 90% complete.
Masig	Mobile Igloo Shade Shelter	Materials ordered. Construction RFQ at 90%, tender Geo and Structural for footings & slab at 90%. Native Title still awaiting reply.
St Pauls	Bricks & police offices	95% complete – guttering to be fixed
Dauan	Basketball Court & Grandstand	Preliminary structural design at 100%. Awaiting Native Title. Funding provider reviewing electrical plans.
Waiben	TI Council Office roof	Needs to wait until wet season is over
Saibai	C/Care Centre School Rd	Works to be followed up.
Poruma	Mayor's Office	Completed
Various	Community Building Grant (7 plug-ins)	Head of BSU to meet with Dept on Mon 08/02/21 to seek additional funding. Currently under-funded by \$900k.
Masig	Comm Hall Roller Door Replace	
Erub	5 Star Accommodation Upgrade	Works to be followed up.
Iama	Mabuiag Point Road Houses for divestment	Head of BSU visited site. Demolition to commence.
Badu	Gazebo Lot 194	To be discussed with CFO

Capital Projects - new

Cairns	Air conditioning installation 7 Offices	Completed
Saibai	Fuel Infrastructure Upgrade	With Committee and design brief.
Dauan	Pontoon Damage	Reconstruction project – transported to Elphinstone St for inspection.
Erub	Trade Accommodation Donga Refurb	No update at this stage.

New Builds

Warraber duplex

Works starting and expected to be completed by June 2021.

Saibai Units

Progressing well and on track for completion by the original due date. Recent delays due to variations have been resolved. QBuild have accepted the variation so no loss incurred by BSU.

Other

Internal Audit

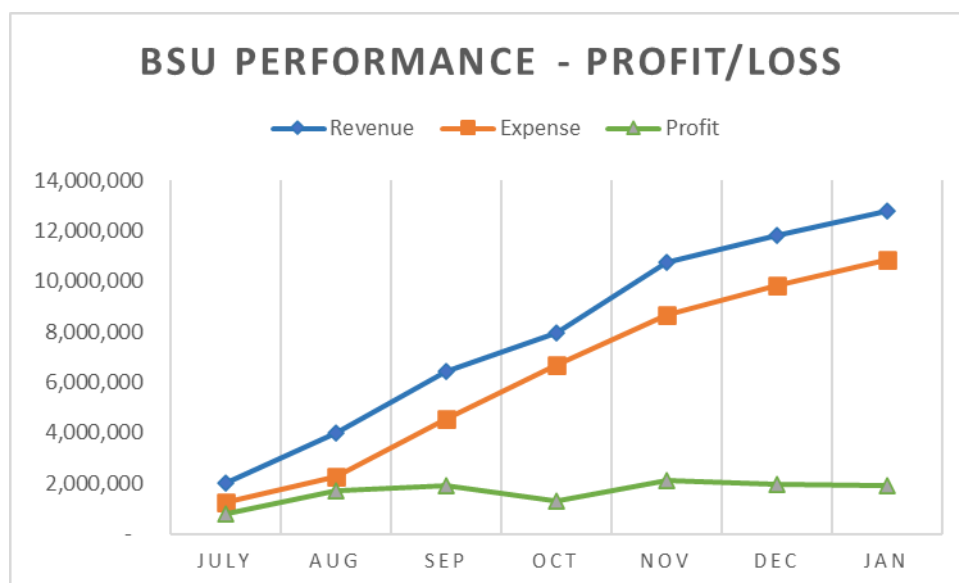
BSU has resolved 16 out of the 30 internal audit findings in the report dated August 2020. All remaining items to be closed by 30 June 2021.

Training/Employment

BSU in the process of providing employment progression opportunities to existing employees in the form of 3 x promotions to assistant supervisor roles. Following this, BSU will then make available employment opportunities for locals to fill vacant tradesmen positions. BSU to also host internal workshops to fill training gaps and up-skill employees.

Improvements

BSU has refined their monthly reporting and implemented a KPI tracker to measure key financial and non-financial targets within the department. This has allowed BSU to identify problem areas and improve decision making.



Financial Performance

	Actual Jan 2021	Where should we be?	Full Year Budget Review
New Builds	2,330,057	3,134,767	5,401,391
Upgrades	7,262,522	6,303,520	10,806,034
R&M (Int and Ext)	3,168,097	2,960,563	5,075,250
Total Revenue	12,760,676	12,414,894	21,282,675
Employee Benefits	2,216,677	1,822,356	3,124,039
Materials and Services	8,654,241	8,610,466	14,760,799
Total Expense	10,870,918	10,432,822	17,884,838
Capital Revenue	-	-	1,735,124
Profit/(Loss)	1,889,759	1,982,072	5,132,961

Revenues

- New Builds – Budgeted for the Warraber duplex to be nearly completed at this stage. However due to delays, project is now re-commencing. We expect to receive all revenues (\$1.2m) from this project by 30 June 2021.
- Upgrades – Progress is tracking as expected. Defects identified in the previous financial year have had to be fixed this year. This has reduced BSU's capacity to turnover the number of upgrades budgeted. Expect to see improvements in this area with the implementation of the Construction Management System.
- R&Ms – Performing well; team resolving aged jobs and turning over new jobs more efficiently.

Expenses

- Employee Benefits - \$260k in backpays to current employees following the Industrial Relations matter. Expect another payment this month for backpays to former employees. Amount yet to be finalised.
- Materials and Services – on track with expenses, however improvements needed in the recoverability of travel and accommodation on R&Ms. This will be resolved once the new Service Agreement is in place. Another factor being the timing differences in payments made to subcontractor compared to when money is received from QBuild for the Saibai new build works.

Capital Revenue

- This line item comes about from the changes in accounting standards. This is the revenue received by BSU for works performed on Council assets. Management are in the process of putting in place monthly procedures to recognize this revenue rather than as a year-end process like what has been done in the past.

Overall: BSU on track with budget. Focus on completing Warraber duplex and having all defects finalised. Improvements in processes will be made over time to reduce total expenses.