

ASSET SUSTAINABILITY

4.1. Asset Rationalisation Process - Second Rationalisation Recommendations

Prepared by: Christopher Accatino, Asset Engineer

Meeting Date: Thursday, March 11, 2021

Executive Summary:

Council's vision is to work collaboratively with community to ensure "We Love the Place We Live". One of Council's key initiatives to put downward pressure on rates and improve the financial sustainability of the region is the asset rationalisation project. This project comes in response to a 2015 Queensland Treasury Corporation Report that identified Council's growing asset base had placed a significant financial burden on the regional community and recommended the rationalisation or disposal of assets that had been earmarked as surplus to requirements.

The work undertaken by the Cassowary Coast Community Consultative Group has enabled broader community feedback on the rationalisation project to be gathered. This information, along with information from user group meetings and surveys, and officer's knowledge has been collated and Council is now in a position to consider a number of assets for rationalisation.

Recommendation:

"That Council:

1. Support the rationalisation of the following assets:

Callendar Park Accommodation Building;

Callendar Park Isolated Toilet Block;

Innisfail Dance School Building;

Girl Guides - MARCS Park;

Girl Guides - Tully;

Goondi Sports;

Mission Beach Progress Hall;

Mourilyan Kindergarten;

Innisfail Pipe Band Building;

Rotary Building - Tully Showgrounds;

Rowing Club Innisfail;

Tip Byrne Building and Toilet Block;

Tully Scouts Building.

2. Adopt the Recommended Rationalisation Approach for each asset as outlined in Attachment 1 to this report and delegate the final rationalisation process to the Chief Executive Officer."

Background:

In 2015 the Queensland Treasury Corporation (QTC) identified that Council's growing asset base had placed a significant financial burden on the regional community. QTC recommended that Council identify options to rationalise or dispose of assets that had been earmarked as surplus to requirements.

In comparison to neighbouring local government areas, Cassowary Coast Regional Council's asset to population ratio is high and contributes to higher rates for the community. The value of Cassowary Coast's asset base per rateable property in 2018/19 was \$73,230 compared to \$42,601 for the Tablelands and \$46,865 for the Hinchinbrook Shire. Recent advice indicates that CCRC's value is increasing. Without change, this will continue into the future with the potential to worsen as Council seeks to provide new and upgraded assets to meet changes in regulation, standards and community need.

As part of the 20/21 budget process Council identified the significant cost to ratepayers that comes with

owning \$1.8bn of infrastructure. High level analysis suggested that there are a number of assets within Council's portfolio that may not be providing value to the community as they once did. While it is acknowledged that most assets still have some form of usage, the costs to the ratepayer should be understood and informed, to enable sustainable and financially responsible decisions to be made.

Council acknowledges that this process of change may prove unpopular with individuals, groups and small sections of the community, however it sees this process as an opportunity to redirect funds from low use assets to higher value assets and services.

In determining assets for rationalisation, the following criteria have been used:

- Have limited use or sole use
- Have limited community value (asset serves a very small number of the community, or are underutilised)
- An alternative similar asset/facility or other means of providing the service is available
- Are not fit for purpose - e.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.
- May not need to be replaced as the service they provide can be delivered through new or other assets.
- The value provided by the asset benefits an individual/business – commercial use
- Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.
- Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.

Throughout the asset rationalisation process Council has committed to:

- Focusing on decisions that bring benefits to the whole community;
- Reducing depreciation, insurance premiums and other operational costs to improve its financial sustainability;
- Encouraging assets to be shared amongst multiple users/groups to increase utilisation rates;
- Work collaboratively with user groups throughout the project;
- Support affected user groups during and after implementation of Council's decisions;
- Acknowledge that different scenarios will require different responses and options;
- Ensure that there is a single point of contact for the project; and
- Engage affected user groups in a timely and inclusive way.

This project is one of many projects Council is working on towards delivering sustainable services to the community.

Asset Rationalisation Definition:

Asset rationalisation is the action of making an organisation or process more efficient, through the better use of its assets. Rationalisation may refer to a number of options, such as:

- Transfer ownership;
- Sell building;
- Set lease agreements with clauses that require users and not ratepayers to renew assets;
- Change end-of-life renewal treatments, e.g. concrete to deco;
- Remove asset;
- Replace with fit-for-purpose asset; and
- Increase usage through shared arrangements.

Asset Rationalisation Process:

To ensure that Council is successful in achieving its commitment to the ratepayer to generate savings, a process to support decision-making has been adopted. Council has engaged with the community in a range of different ways to seek feedback and consider input to the asset rationalisation proposals. there are two main approaches to the engagement process:

1. The Cassowary Coast Community Consultative Group has provided input into Council's asset rationalisation process; and
2. Direct engagement with users, clubs and groups that use some of the assets under consideration.

Furthermore, a survey of all known user groups that utilise Council assets has been undertaken as well as input from Council operations staff on their knowledge of use and asset condition and history.

While the Cassowary Coast Community Consultative Group has provided input into the process, their assessment is only one of the inputs for Council to consider in making its decision. Council is solely responsible for making decisions regarding the rationalisation of assets.

This report collates the information from the Community Consultative Group, community group discussions/surveys and officers' knowledge and makes recommendations on rationalisation opportunities and approaches.

Cassowary Coast Community Consultative Group

Three deliberative workshop sessions were planned with the Community Consultative Group (CCG) spread over a two-week period. The group members worked with the project team to understand the context and rationale for the project, considering the information that was available for each asset before then applying the assessment criteria to each of the assets.

The CCG is currently made up of 26 people from across the region who have diverse backgrounds and interests. Of the larger group, 14 group members were able to participate in the project and 11 group members contributed to all three sessions.

There were two approaches to the assessment of each of the assets. The first was a multi-criteria assessment, replicating what the project team had used in short-listing possible assets for rationalisation. The second was an overall consideration of each asset that followed the multi-criteria scoring using a 'three flag' rating system.

The three-flag approach provided the group with the following options:

Green Flag	Full support for the asset to be considered for rationalisation;
Amber Flag	Support the asset being considered for rationalisation but had some questions or reservations; and
Red Flag	Do not support the asset being considered for rationalisation with reasons to be provided.

Both the multi-criteria assessment and overall consideration data from the CCG's assessment is provided at Appendix 1 for each asset under consideration.

The group were also asked to provide comments related to the asset or their assessment. Where members raised concerns or made comments related to an 'Amber' or 'Red' assessment their comments were summarised in the Appendix and an officer's response provided.

CCG Constraints:

- There was some concern from the CCG about their specific role. They considered that they may be made out to be the decision makers and perceived a risk of retribution by community groups. CCG sought assurances that Council would be the ultimate decision making body and that the CCG would not be made a scapegoat if there was push back from the public.
- The amount and type of information that was available for CCG members was challenging at times. A parallel engagement process where all user groups were surveyed about their group and use of different facilities in the Cassowary Coast region was occurring in the early stages of the CCG deliberations. As new and more detailed information came to light then this was passed onto CCG members at their sessions.
- Where the CCG members had familiarity with the asset under discussion there was less of concern. In all instances, the CCG held strong expectations that impacted user groups and the wider public were engaged as part of this project. In order to provide some assurances to the CCG members, information was provided about all of the user groups that have been surveyed and an update on which of the impacted user groups had had face to face meetings with the project team was reported on in the third session with the CCG members.
- The CCG also had difficulty initially in understanding what 'rationalisation' meant in relation to the assets and fell into a trap of assuming that this automatically meant removal of the asset. At the second session with the CCG a number of examples of rationalisation with differing outcomes was presented to the group. This initiative as well as an opportunity to clarify possible implementation processes helped the group to understand what rationalisation options were under consideration and to give a more comprehensive assessment of each of the assets. The initial misunderstanding led to some of the assets that were being assessed at the start of the project as having generally less support than those assessed towards the end of the project.

Implementation Phase:

Once Council resolves to dispose of assets the project will enter the implementation phase. The Implementation phase of the process is where the finer details will be worked through for individual assets that will be rationalised. The following principles will be used to guide the implementation phase:

- Council will remain focused on delivering outcomes that benefits the whole community.
- Council is committed to reducing depreciation, Insurance premiums and other operational costs.
- Council encourages assets to be shared amongst multiple users/groups to increase utilisation rates.
- Council is committed to work with users to minimise the impacts where possible albeit the way they use Council infrastructure may change.
- Follow up on affected users after implantation is completed to maintain Council's support.

The implementation phase will initially focus on rationalisation options that allow for the savings to the budget to be achieved quickly. Some options will take longer to progress and in some instances the method of disposal may change due to final advice from Council's auditors. In a scenario where the rationalisation approach materially changes a further report will be brought to Council to advise of the change and recommend a new rationalisation approach.

Future Rationalisation Opportunities

While a number of assets in Council's asset portfolio meet the rationalisation criteria, the second round of assets is provided for Council's consideration, as it is considered sufficient information is available to inform a decision.

Reviewing and updating its asset base should be an ongoing process to ensure the assets Council own, operate and maintain are appropriate for its ratepayers both in terms of provision, but also in terms of affordability. It is expected that further rationalisation opportunities will arise in accordance with the Community Use of Asset principles and the subsequent Policy once approved.

Round 2 - Recommended Rationalisation

1. Callendar Park Accommodation Building
2. Callendar Park Isolated Toilet block
3. Innisfail Dance School Building
4. Girl Guides Marcs Park
5. Girl Guides Tully
6. Goondi Sports
7. Mission Beach Progress Hall
8. Mourilyan Kindergarten
9. Pipe band Building
10. Rotary Building Tully Showgrounds
11. Rowing Club Innisfail
12. Tip Byrne Building and Toilet block
13. Tully Scouts Building

Link to Corporate Plan:

Goal 2 - Community First

Objective: To work in partnership with the community to ensure that facilities and amenities meet the needs of local people and that Council delivers a consistent and high level of service. We will measure ourselves to ensure our performance keeps pace with evolving community expectations.

- 2.7.Council's services, amenities, partnerships and programs help communities connect to build a strong sense of place and cultural diversity now and in conjunction with planning for the future.

Goal 4 - Responsible Governance

Objective:

Ensure good governance is achieved by having efficient and effective decision-making processes and systems.

Maintain a well-managed, transparent and effective organisation that gives the community confidence, demonstrates financial sustainability and ensures our customers are satisfied with our services and our employees are proud to work here.

- 4.2.Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community.
- 4.6.Engage with the community to inform council decision making processes.
- 4.7.Provide inspirational leadership and contemporary management systems that drive a coordinated, motivated, highly effective and efficient organisation.
- 4.8.Commit to open, transparent and accountable governance to ensure community confidence and trust in Council.

Consultation:

Executive Management Team and Councillors;
Community Engagement Consultant;
Cassowary Coast Community Consultative Group; and
User Groups

The following groups were invited to complete a survey that sought to gather information about the group and their use of Council facilities. Council staff have followed up with all Clubs. Relevant information has been included for each asset under consideration. At the time of preparing this report, 42 of the 76 groups had responded to the survey. Staff are contacting groups to ensure a response is provided. It is possible that some groups are no longer active which may present further rationalisation opportunities.

Group	Group	Group	Group
Girl Guides Tully& Mission Beach	Boogan Stars Junior Soccer Association	Innisfail Golf Club	South Johnstone Youth & Community Assoc.
Graham Academy of Dance	Cardwell & District Historical Society Inc	Innisfail Horse and Pony Club Inc	Goondi Scout
Innisfail & District Gem & Allied Craft Club	Cardwell & District Pickleball Club Inc	Innisfail Mini Rail Club Inc	Tully Bow Hunters Club Inc
Innisfail & District Men's Shed Inc	Cardwell Lions Club	Innisfail Touch Association	Tully District Cricket Association
Innisfail & District Pipe Band Association	Cardwell Men's Shed	Innisfail United Football Club	Tully Gym & Tramp Club
Innisfail Brothers Rugby League	Cardwell Sport Fishing Club Inc.	Innisfail Woodworkers Guild Inc	Tully Junior Rugby League
Innisfail Combined Sports Association	Cassowary Coast Little Athletics Inc.	Innisfail Youth and Family Care Inc	Tully Junior Football Club
Innisfail Community Pre-School	Castor Park Management Committee	Innisfail Turf Club Inc	Tully Lions Club
Innisfail Rowing Club Inc	Coconuts Outrigger Canoe Club Inc	Kurrimine Beach Progress Association	Tully Motorcycle Club Inc
Innisfail Turf Club Inc	C4 mission beach	Kurrimine Crocs Cricket Club	Friends of the Con Inc
Mission Beach/Bingil Bay Progress Assoc.	Dallachy R/C Model Aero Club Inc	Mission Beach Artists Inc (Mission Arts)	Tully Show Society
Mourilyan District Kindergarten Association	East Palmerston Progress Association	Mission Beach Cricket Club	Tully Tennis & Social Club
Rotary Club of Tully	Etty Bay Surf Life Saving Club Inc	Mission Beach Football (Soccer) Club	Tully Tigers (Seniors)
Tully Support Centre	Hinchinbrook Regional Arts Association	Mission Beach Meals on Wheels	Tully Touch
Tully & District MensShed	Inarlinga Sporting Association	Mission Beach Outrigger Canoe Club	Tully/Mission Beach Pickleball Club
Tully Gem Club Inc	Innisfail & District Model Aero Club	Mission Beach Scouts	Innisfail & District Historical Society Inc
Tully Netball Association	Innisfail & District Show Society Inc	Mission Beach Tennis Club	Feast of the senses
Innisfail Creatives	Innisfail & District Tennis Association	Qld Police Citizens Youth Welfare Association	Innisfail Lionesses
Daradgee Environmental Education Centre	Innisfail & Districts Netball Association Inc	Silkwood Junior Soccer Club Inc	Innisfail District Model Aero Club Inc

The following groups have attended the community group briefing sessions and/or had one-on-one conversations with Council staff:

Group	Briefing session	One on One's
Tully Girl Guides	X	✓
Mission Beach Progress Association	X	✓
Innisfail & District Gem & Allied Craft Club (aka Innisfail Gem Club)	✓	✓
Innisfail & District Men's Shed Inc	✓	✓
Innisfail & District Pipe Band Association	✓	✓
Innisfail Brothers Rugby League (Innisfail Leprechauns)	✓	✓
Innisfail Rowing Club Inc	X	✓
Innisfail Turf Club Inc	✓	✓
Mission Beach Community Association	X	✓
Mourilyan District Kindergarten Association Inc.	X	✓
Innisfail Combined Sports Association	✓	✓
Tully Support Centre	✓	✓
Tully & District Men's Shed	X	✓
Tully Gem Club Inc	X	✓
Tully Netball Association	X	✓
Innisfail Creatives	✓	✓
Daradgee Environmental Education Centre	X	Previous conversations
Innisfail Lionesses	✓	✓
Feast of the senses	✓	✓
Tully Tramp Club	X	✓
King Ranch Cultural Centre	X	Previous conversations
Innisfail Show Society	X	✓

Legal Implications (Statutory basis, legal risks):

Changes to lease agreements will need to be undertaken in accordance with the Land Act and Regulations.

As the owner or trustee of community land, Council is obliged to ensure that any use of the land is conducted safely and in accordance with federal, state and local laws.

Council has given due consideration to the Human Rights 2019 (Qld) in passing any resolution emanating from the recommendations in this paper or otherwise.

Policy Implications:

Compliance with financial management policies and principles as set down in the Local Government Finance Standards and requirements of the *Local Government Act* and Regulation.

The way in which Council has historically managed the use of parks and facility assets has varied over time and has lacked consistency and transparency. To address these irregularities, Council resolved at its meeting on 12 December 2020 to adopt 15 principles to guide its management of the use of assets by the community into the future. Council also resolved to develop a policy and framework based on the 15 principles. To add clarity to the principles and paint a picture of what they will look like, or not look like in application, examples have been developed to guide the development of the policy and framework.

At the Local government meeting held on the 25 February 2021 Council resolved:

- Adopt the expectations and responsibilities detailed in the attachment;
- Utilise these expectations and responsibilities to guide the development of its Policy and Framework;
- Utilise these expectations and responsibilities in progressing the asset rationalisation project and any other matters that fall within the scope of the community use of assets.

The 15 principles are as follows:

- *Asset utilisation – Council manages fewer assets that are of a higher standard and are provided for shared use, providing greater benefit;*
- *We will support groups that support themselves;*
- *Ratepayers will support groups who can demonstrate community benefit and are sustainable;*
- *Council has a low risk appetite for non-compliance with legislation, regulation and policy. We want to partner with groups that comply;*
- *Groups who receive benefit from Council can demonstrate proper governance and financial management;*
- *We seek to support clubs appropriately and enable new groups to start while limiting the financial risk to ratepayers;*
- *If clubs reduce in size we will support them to move to more sustainable arrangements;*
- *Demonstration of track record, capacity and strategy is required to access greater support from ratepayers;*
- *We require accountability for agreements and deliverables;*
- *Clubs with greater access to finance through income generating activities made possible by ratepayer-owned assets should contribute more;*
- *We will support and incentivise groups to provide assets and services which are not on Council land;*
- *We expect groups to firstly look to fund ongoing costs through external (grant) funding to reduce costs to ratepayers;*
- *New or upgraded assets will only be supported where a sustainable business case demonstrates value, benefit and sustainability;*
- *We expect support and respect from those we support;*
- *For Profit and State and Federal entities will not be provided with ratepayer direct or in-kind support without a Council resolution;*

It is envisaged that the development of such a policy and framework will enable further conversations regarding rationalisation to be more easily facilitated, especially where groups have sole use of an asset. Such a policy should also enable Council to more effectively manage its asset base into the future. These

adopted principles will be applied in the implementation phase of the Asset Rationalisation project.

Risk Implications (Corporate, Operational, Project risks):

Failure to achieve the forecast savings will result in the budget surplus not being realised. It will be important that performance against the target be monitored and reviewed through quarterly budget reviews.

In some instances, there is some lack of clarity on what level of action will be required to support Council achieving the targeted savings. Council's Finance team are currently collating financial data and will be working with Council's Auditors to determine ways in which Council's accounting methodology can be used to facilitate responsible and sustainable decisions regarding future asset provision to be made. If this advice causes a material change in the outcome from the recommended rationalisation approach, changes will be reported back to Council.

There may be some negative feedback from individuals, groups or small sections of the community as Council undertakes this process. Through the CCG Council has validated that community are willing to consider a rationalised asset base, sharing of assets and the resultant impact on services as a means of producing downward pressure on rates.

Financial & Resource Implications:

Commitment from Whole-of-Council is required and community consultation will form a crucial part of this process. While there is significant opportunity to make savings, some difficult decisions are required to realise this. It will take a substantial commitment through the implementation phase from Council and staff to progress this process.

Council has a responsibility to provide long-term financial sustainability to the community. It must continuously plan, review and make decisions about the provision of assets and ensure that assets are well utilised and represent value to the community. By making changes that improve sustainability, Council will be able to invest in new infrastructure and improve services that will facilitate growth and improved outcomes for more of the community.

Individual savings estimates are provided for each asset in Appendix 1. Should Council decide to rationalise all of the assets in Round 2 and the depreciation savings are as expected, annual savings of \$299,000 could be achieved.

Council's annual insurance premium is usually calculated in May and paid in July. Savings in insurance will be realised in the 21/22 financial year.

Report authorised by:

David Goodman, Director Infrastructure Services

Supporting Documents:

1. Attachment 1 - Asset Rationalisation - 2nd Recommendation

Callendar Park Accommodation Building

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$9,300
O&M	\$500 - estimated
Insurance	\$2,300 - estimated split from the full Council Insurance Policy

Action required to gain financial savings

Set lease agreement to transfer ownership to club or Remove building.

Current use

The Accomodation building is managed by Brothers.

History

This facility (Callendar park) is well utilised. Brothers Football Club manages the facility on Council's behalf. New change rooms have been built via a grant. Council undertakes majority of the maintenance at Callendar Park.

Strategy for existing use

Continue under a new lease agreement.

Consultation

Survey	Information Session	One on One
Completed	Attended	Attended

Brothers report that in their view the assets adds value to their group and have indicated that they would be willing to enter into a lease agreement.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	4
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4
3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	3
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
With new change rooms being built, is this still used?	Yes, Brothers are currently using this building as player accommodation and dressing rooms on bigger game days. Discussion are underway with brother to determine what assets are required and options moving forward.

Recommended Rationalisation Approach

Discuss and offer all current non-for-profit user groups of Callendar Park an opportunity to enter into a lease agreement (initial term to match capacity/motivate performance) that transfers all financial responsibility to the lessee (relevant to the leased area). Remove these assets from the insurance and asset register.

Callendar Park Isolated Toilet Block

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$1,500
O&M	\$500 - estimated
Insurance	\$330 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Remove building

Current use

Used during big football games, community events and the like.

History

The toilet block in its entirety was transported on the back of a truck to its present location in Callendar Park back in the 1980's.

Strategy for existing use

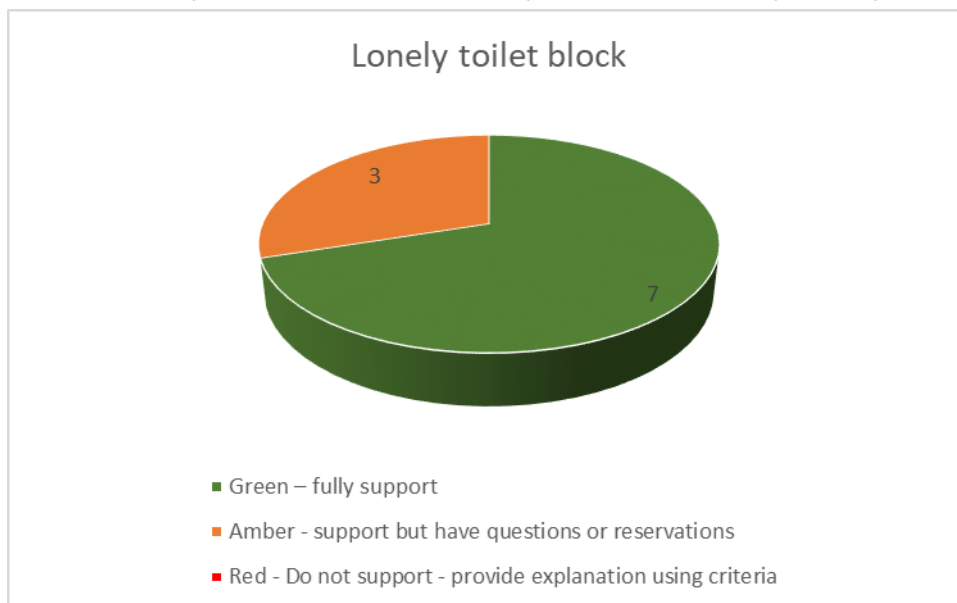
Utilise other toilet blocks within facility. On big events hire Port-a-loo's.

Consultation

Survey	Information Session	One on One
Completed	Attended	Attended

Brothers report that in their view the assets adds value to their group and have indicated that they would be willing to enter into a lease agreement.

Community Consultative Group Assessment (N=10)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	4
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4
3	An alternative similar asset/facility or other means of providing the service is available	4
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Review actual costs of portaloos, insurance not significant e.g. how many events.	The hire of port-a-loo’s are up to the event organisers to ensure they are providing enough amenities to cater for the event.

Recommended Rationalisation Approach

Discuss and offer all current non-for-profit user groups of Callendar Park an opportunity to enter into a lease agreement (initial term to match capacity/motivate performance) that transfers all financial responsibility to the lessee (relevant to the leased area). Remove these assets from the insurance and asset register.

Innisfail Dance School Building

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$15,600
O&M	\$500 - estimated
Insurance	\$3,800 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Set Lease agreement to transfer ownership to cover all expenditure including depreciation, or remove/sell asset

Current use

Exclusive use by Commercial Dance School – No Agreement in place. Currently Renting the studio through Brothers League club.

History

The building was originally the United Football Club base which is now located at Castor Park. Assuming it has been a Dance School for 20 years or more. Council undertakes some maintenance and the dance school does some maintenance.

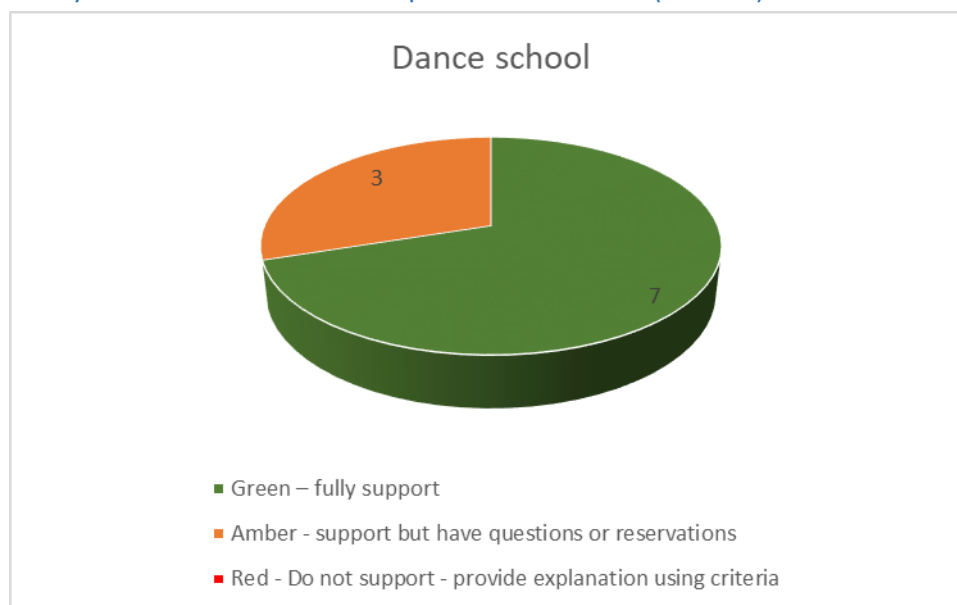
Strategy for existing use

Continue use under new agreement.

Consultation

Survey	Information Session	One on One
Completed	Did not Attend	Scheduled

Community Consultative Group Assessment (N=10)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	5

2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4
3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	4
6	The value provided by the asset benefits an individual/business – commercial use	5
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	4

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Commercial business operator who should be paying rent like any other business	The dance school is paying rent to Brothers as they are managing the Callendar Park facility on council’s behalf. Discussions are underway to ensure commercial market based rent is being charged and a formal agreement is established.

Recommended Rationalisation Approach

Enter into negotiations to establish a new agreement that ensures that the user covers all financial liabilities of the facility.

Girl Guides, MARCS Park

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$5,100
O&M	\$500 - estimate
Insurance	\$1,300 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Set lease agreement that transfers ownership or sell/remove asset.

Current use

The Girl Guides have sole use; however, the building is not currently being used, as they do not have any active members. From time to time, the hall has been used for meetings by other groups, eg. Rotary, community and other groups.

History

The building has been around since the 1940's. It was relocated to its present location about 30 years ago. No Agreement in place. No inspections conducted to ascertain condition.

Strategy for existing use

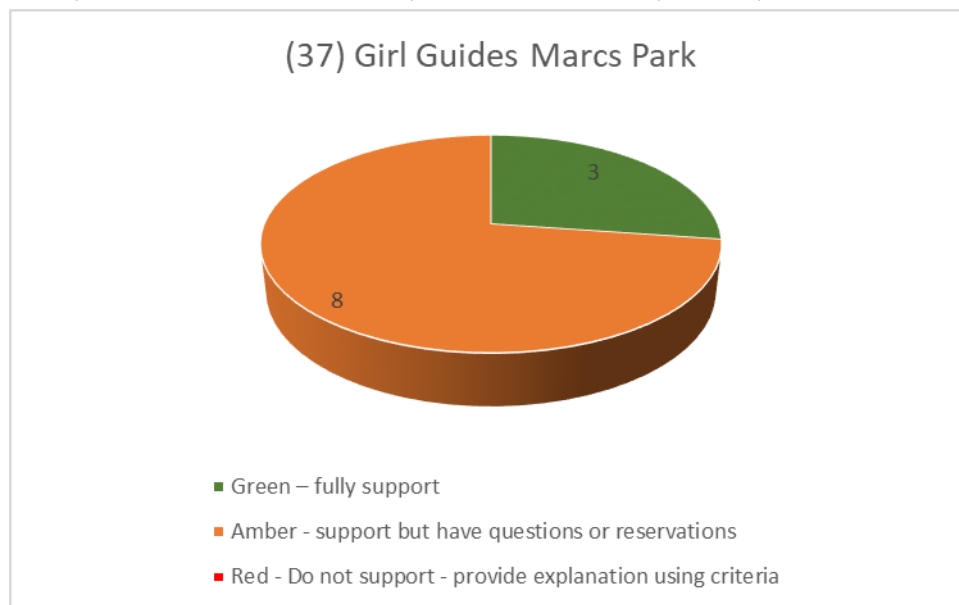
No current use. If the mission Beach Girl Guides reforms offer a shared facility.

Consultation

Survey	Information Session	One on One
Did not complete	Did not Attend	Attended

No current members and have not been active for over 12 months. Contact has been made with a previous committee member that provided this information.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	3
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4

3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	1
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	2
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
If girl guides want and can take lease agreement... best option, we need to support these types of activity	The group currently has no members. There are other shared facilities that they can utilise upon gaining members, which is in line with the principles of community use of assets.
Support if another venue is available for groups using this facility	

Recommended Rationalisation Approach

Remove from insurance register. Dispose by public auction. Work with Girl Guides to relocate to a shared facility upon gaining members. Remove from asset register.

Tully Girl Guides Building

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$6,200 to be added (currently not on the books but will require to be added with the expiration of the lease with Girl Guides)
O&M	Nil - no recorded expenditure in FY19-20
Insurance	Nil - will required to be added to CCRC policy as per the above.

Action required to gain financial savings

Amend lease agreement to transfer ownership of the building or sell building.

Current use

Tully Girl Guides operating under an expired lease with very low utilisation.

History

The building was gifted to the Girl Guides by the local Masonic Fraternity over 40 years ago. The Support Group (the fund raising side of Girl guides) has held a food stall at the Tully Show for over 40 years, raising the funds needed to pay all the expenses of the hut plus extras. Different organisations have used the hut for meetings in the past, such as, 4854 Moving Forward group, Cassowary Coast Economic Development Group & Cassowary coast Line Dancers used it for a short period of time.

The Club looks after the building well and pays some expenses. The building is in good condition.

Strategy for existing use

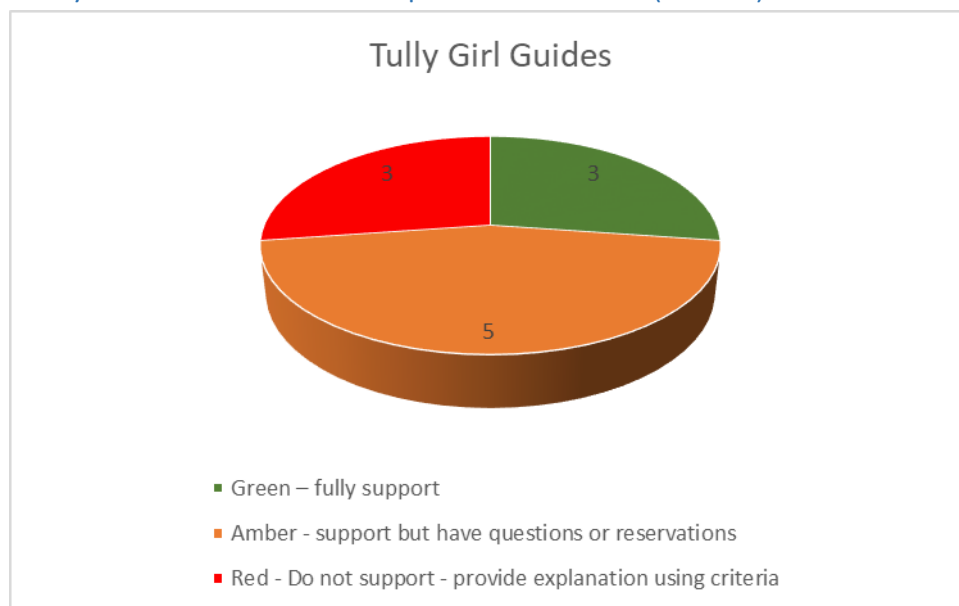
Offer Girl Guides a shared use facility that can be adjusted to suit change in numbers over time.

Consultation

Survey	Information Session	One on One
Completed	Did not Attend	Attended

The group initially reported that they had no members now they claim to have 11 members resisted.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	3
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	1
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	2
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Can't sell if not owned by council.	In the survey the group initially reported that they had no members. Recent advice is that they now have 11 members. There are other shared facilities that they can utilise upon gaining members, which is in line with the principles of community use of assets.
This building is fully maintained and financed by girl guides, still operating as a girl guide hut	

Recommended Rationalisation Approach

Offer Tully Girl Guides a shared use facility. Enter into discussions with the Tully Gem Club to take on a ground lease with a condition to remove at end of Lease.

Goondi Sports – Reduce to Fit-for-Purpose

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$78,166 – All assets at Goondi Sports oval
O&M	\$29,000 – Rates and utilities only
Insurance	\$12,100 – estimated split from full Council insurance policy.

Action required to gain financial savings

Reduce assets to be fit for purpose or enter into a grounds lease that covers all financial expenditure.

Current use

Goondi Combined Sports Club is the overarching body that runs the facility, which has 6 clubs currently active. These are Innisfail Cricket Junior and senior, Tigers soccer club, Innisfail Jr Rugby

Union, Crows Aussie Rules club, Katar Singh Sarabah Sports & welfare club, Order of Buffaloes Club.

History

The top Club House is used as a hall and hired out by Goondi Combined Sports Club. The bottom Club House is used for junior soccer and cricket who also use top clubhouse. Rugby Union has reduced to only being juniors and Junior Rugby League (Cowboys) has folded.

Strategy for existing use

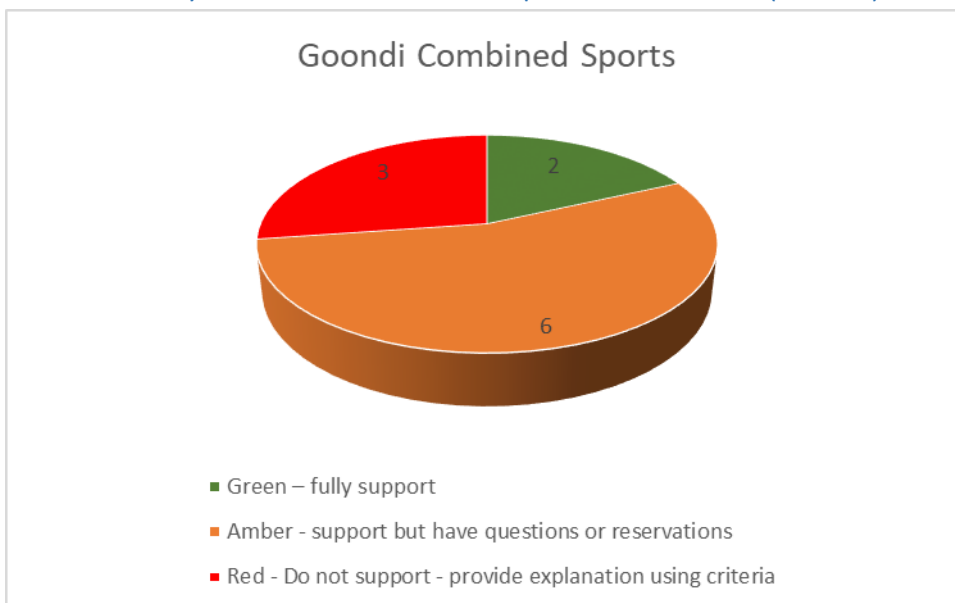
Continue under new lease arrangement that transfers all financial liability to the lessee, pending a full sport and recreational masterplan to be completed for the entire Cassowary Coast Region.

Consultation

Survey	Information Session	One on One
Completed	Attended	Completed

Well organised Association with a good cross section of sporting groups. Strong desire from the group to retain the Main hall and would enter into a lease if required. Discussions are continuing.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	2
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	1
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Consultation and feedback from stakeholders is necessary to make a proper and informative comment.	The Club have been consulted and further information provided by the club have been used to determine the recommended rationalisation approach below.
There will be a lot of codes supporting this venue, will there be scheduling issues in limited space	If council enters into a lease with the combined sports club it would be up to them to manage the shared arrangements to maximise their usage of the grounds.
All uses are major activities in community Rugby league, soccer, cricket - unsure of usage at better club	

Recommended Rationalisation Approach

Negotiations to be undertaken to determine a lease area with Goondi combined sports. Enter into a lease agreement that transfers all financial responsibility that includes ownership of the building by the lessee within the leased area. Remove relevant assets from the asset and insurance registers.

Mission Beach Progress Hall

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$16,600
O&M	\$1,500 - estimated
Insurance	\$4,000 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Set lease agreement to recover full costs or Remove/sell building.

Current use

Used for Yoga classes, movie group, Spanish classes, dance classes and opened during markets for use of the amenities. No agreement in place and no costs are recovered at all.

History

The hall was built in 1962 by local farmers John Parsons and Frank Rick using volunteer labour after significant fundraising by the local community and from donated materials. The hall served as a focal point for community activities, meetings and dances in the Mission Beach area for many years.

Strategy for existing use

Set user agreements or provide alternative facility.

Consultation

Survey	Information Session	One on One
Not Completed	Did not Attend	Completed

Ownership Claimed by the Mission Beach-Bingil Bay Progress Association, however there is no lease or tenure in place. MBBBPA have expressed a desire to retain the building via a lease, however they have not provided a full survey response only a few detail.

Community Consultative Group Assessment (N=10)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	2
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	2
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
<p>Support lease renegotiation, not building removal (or other arrangement that keeps building for community use)</p> <p>essential and very special building with timber sprung floor - arrange lease agreement DO NOT REMOVE</p>	<p>This asset is currently costing all ratepayers for a service that is used by small groups without any recouping of costs. Agreements need to be set up to facilitate this however requires a managing body that displays the Council agreed principles for the use of community assets to take this on. At this stage, the existing group has not yet demonstrated this. Discussions are taking place with other groups in the area.</p>

Recommended Rationalisation Approach

Continue discussions with interested parties on the basis to enter into a new lease agreement that transfers all financial responsibility that includes ownership of the building by the lessee. Remove from asset and insurance register. If no agreement can be sort remove/sell building.

Mourilyan Kindergarten, Mourilyan

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial Details

Annual Depreciation	\$16,000
O&M	Nil - no expenditure recorded in FY19-20
Insurance	\$3,800 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Change lease agreement to transfer asset ownership.

Current use

Leased to Mourilyan Kindergarten.

History

A 30-year lease has been in place since 1993. The Kindergarten pays all utility rate charges, operational costs and undertakes all maintenance and ground maintenance. Depreciation and insurance is the only cost to the Council.

Strategy for existing use

Continue under new lease agreement.

Consultation

Survey	Information Session	One on One
Completed	Did not Attend	Completed

Approximately 40 children attend the facility. Group reports that they have the capacity to meet the financial obligations of their lease.

Community Consultative Group Assessment (N=10)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	3
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	2
6	The value provided by the asset benefits an individual/business – commercial use	3

7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Education facility, needs deeper exploration	Education services are the responsibility of the State Government and should be able to be run without support from ratepayers. The group has reported that they have capacity to meet their lease obligations.
Have reservations around council ensuring 'transfer of ownership' does not result in 'giving assets to community groups/businesses as a commercial loss to council'	There was mixed views on the rationalisation approach with some members of the CCG raising concern about council giving away assets to a business while others supported the transfer of ownership.
Offer ownership of building	

Recommended Rationalisation Approach

Remove from insurance register. Enter into a new lease agreement that transfers all financial responsibility that includes ownership of the building by the lessee. Remove from asset register.

Pipe Band Building – Callendar Park

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$3,000
O&M	\$250 - estimated
Insurance	\$800 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Remove asset or set lease to transfer ownership

Current use

The Pipe Band still uses the building with reduced utilisation.

History

The Pipe Band may have had an agreement in place with Council many years ago. The Band still uses the building, paying very little towards the upkeep and maintenance of the building. Brothers Football Club pay the rates and water charges. The building is very old.

Strategy for existing use

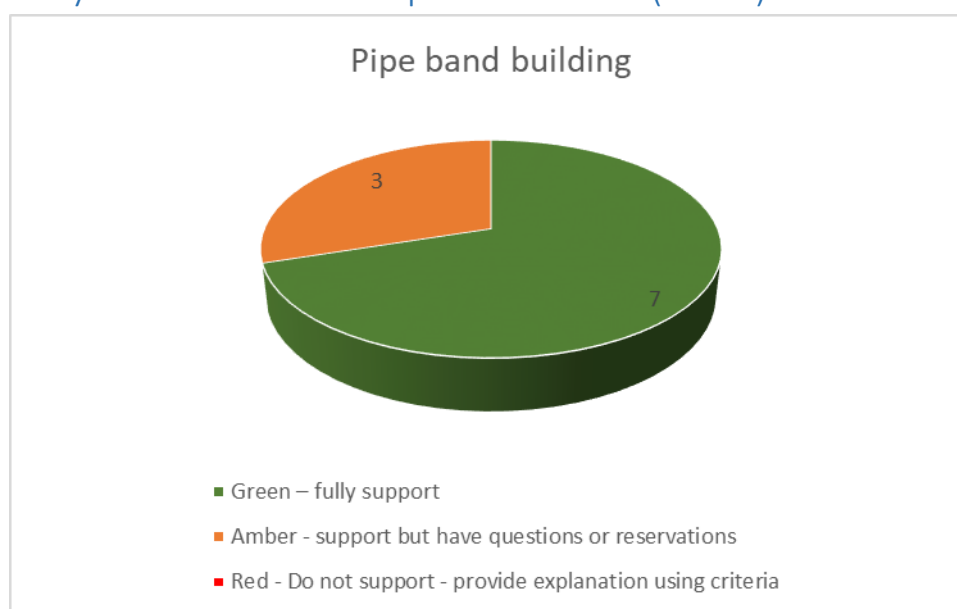
Continue under new lease agreement or provide alternative facility to utilise.

Consultation

Survey	Information Session	One on One
Completed	Attended	Completed

They have expressed a desire to retain the building and request that rationalisation be in the form of a contract or lease covering all costs.

Community Consultative Group Assessment (N=10)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	4

2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4
3	An alternative similar asset/facility or other means of providing the service is available	4
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	4
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
New lease agreement or provide alternative facility	Group will be given the opportunity to demonstrate that they can meet the principles of the community use of assets set by council to determine if an agreement can be set on the current building or enter into a shared facility.
User group pays or finds alternative location	

Recommended Rationalisation Approach

Remove from insurance register. Enter into discussions with pipe band to demonstrate their ability to meet the principles of community use assets. If the group can demonstrate sustainability, offer a short-term agreement. If not discuss relocation of group to a shared use facility. Do not renew building at end of life.

Tully Showgrounds –Rotary Kiosk Building

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$3,500
O&M	\$500 - estimated
Insurance	\$900– estimated split from full Council Insurance Policy

Action required to gain financial savings

Remove asset or Enter into lease agreement to cover all financial liabilities and do not replace at the end of life.

Current use

The building is well used during major events, eg. Tully Show, Bull n’ Bike Ride, Tully Tigers Home Games.

History

The new building was built in the 1970's, with subsequent sections built-on in the mid 1980's and early 1990's. The cost to build and upgrade was borne by the Rotary Club of Tully.

Strategy for existing use

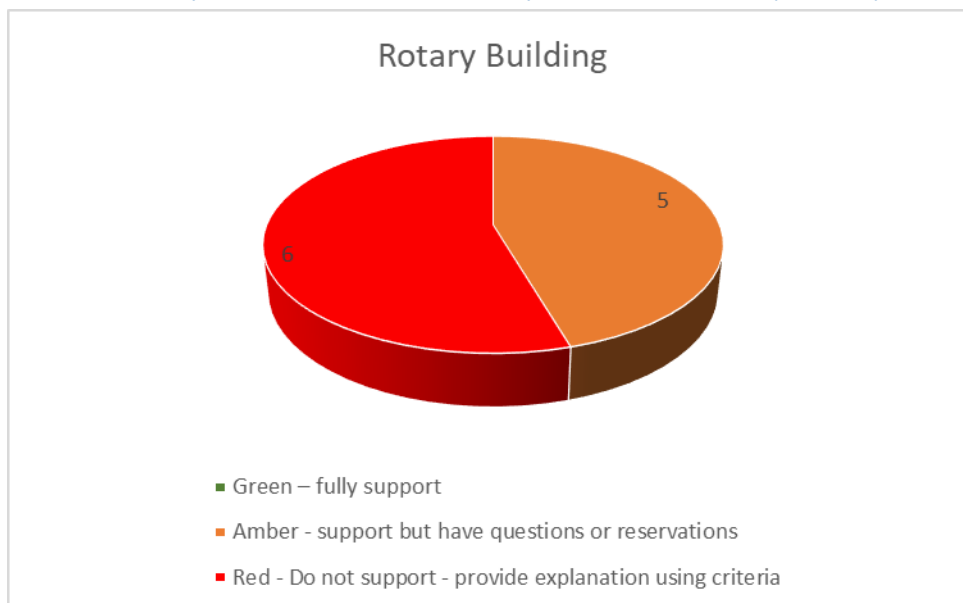
Promote the use of the new grandstand facilities.

Consultation

Survey	Information Session	One on One
Not completed	Did not Attend	Completed

Initial discussions with members of Rotary have indicated that they would be willing to enter into discussions about taking over a lease on the building.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	2

2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	2
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
support "do not replace at end of life" hesitant about "removal of asset at this time"	Discussions with Rotary have taken place and they are prepared to continue discussions about taking out a lease over the building. It would be up to them to secure a grant to replace at end of life if desired.
I don't agree for asset removal + manage asset (maybe cost to Rotary) ownership to rotary?	

Recommended Rationalisation Approach

Remove from insurance register. Enter into a lease agreement with Rotary that transfers all financial responsibility to the lessee. Remove from asset register.

Innisfail Rowing Club

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$21,200
O&M	\$500 - estimated
Insurance	\$5,000 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Remove Building or set lease arrangement to transfer ownership to lessee.

Current use

The Rowing Club has sole use and leases out the space to others (e.g. Yoga classes etc)

History

The building was built in the 1960's. The Rowing Club's lease has expired and is yet to be renewed, however conditions remain the same. The building appears to be in reasonable condition. The Rowing Club takes care of the facility and is quite active and longstanding.

Strategy for existing use

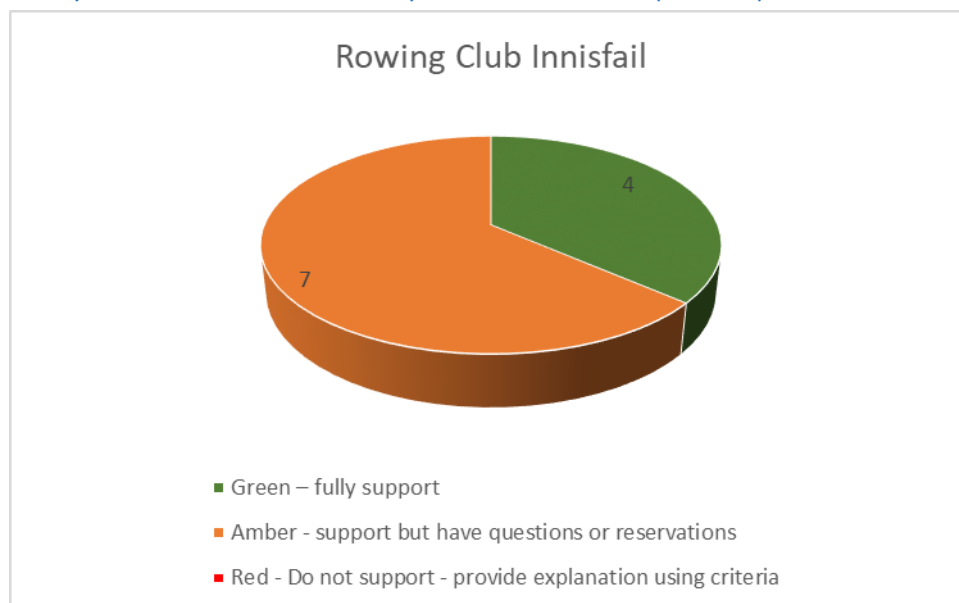
Set new lease agreement to transfer ownership

Consultation

Survey	Information Session	One on One
Completed	Did not Attend	Completed

Club is open to sharing the facility with other groups and organisations.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	4
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	4
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	2
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
The CCG generally supported the proposal to establish a lease that transfers responsibility to another group and there was limited support for removal of the building.	Officers are looking at opportunities to gain shared use in line with our principles for the community use of assets.

Recommended Rationalisation Approach

Enter into a new lease agreement with the Rowing club to cover the financial liabilities of their section of the facility. Consideration being made into the hall to be used as a shared facility to ensure that we maximise utilisation.

Tully Showgrounds – J P Byrne Indoor Sports Stadium (Igloo)

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$35,088
O&M	\$5,341 – average annual expenditure recorded
Insurance	\$8,252 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Set Lease agreement to cover all financial liabilities or Remove asset.

Current use

Management Agreement with Tully Netball Club. The Club has the option to rent the facility out with four standing annual bookings. It is no longer being used for senior netball competition as it

is under sized and doesn't accommodate many spectators. Currently used by Tully/Mission Beach Pickleball 4days per week.

History

The Igloo was opened in 1984. Prior to the development of the Tully Multi-Purpose Centre at the High School, the Igloo, a one court complex, was the primary facility for court sports in Tully. The facility is within an old army "igloo" and is not purpose designed for sports court use. The facility requires maintenance and is near end of life.

Strategy for existing use

Promote the use of the Tully Multi-Purpose Centre at the High School or cyclone shelter at the primary school. Both are modern and superior facilities, which comply by current standards. Work with pickleball group to find an alternative location.

Consultation

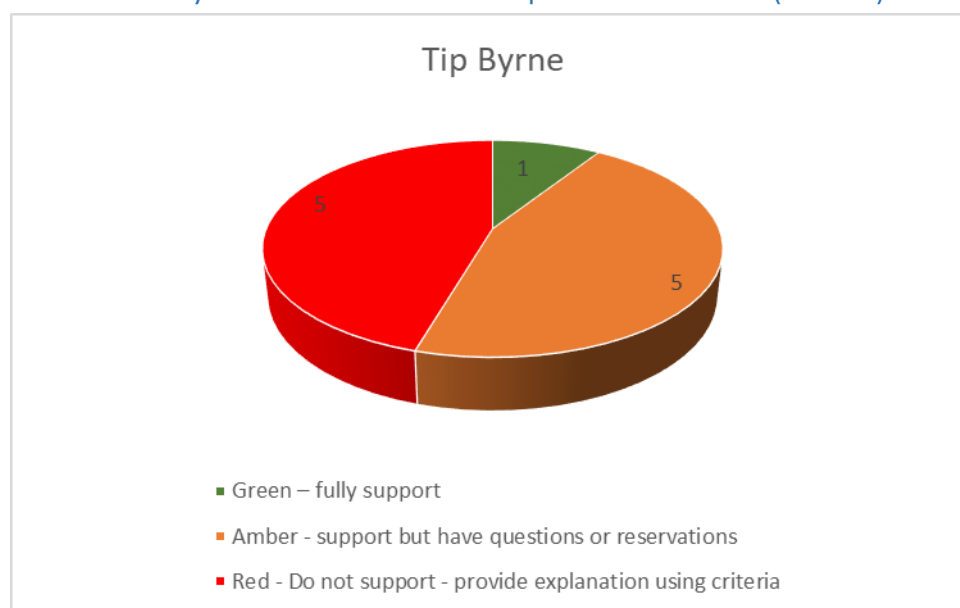
Survey	Information Session	One on One
Completed	Did not Attend	Completed

Tully Netball – Still have a desire to keep the Igloo for carnivals and rainy day.

Tully Pickleball – have 10 registered members.

Tully Youth Centre have indicated that they have interest in the possibility of taking over a lease on this building.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	3
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	1
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	3
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Transfer to user group, too good to remove	Discussions are continuing with interested parties to take on a lease over this facility. Tully currently has 3 large covered areas utilised for sporting; MPC, Cyclone shelter (Primary school) and the Igloo. Ultimately the cost of the Igloo to the community outweighs the benefits that it is providing with these other facility available.
A valuable community asset which could be put to good use	

Recommended Rationalisation Approach

Remove from insurance register. If any group can demonstrate the principles and sustainability, pursue lease agreement that covers all financial liability. If not plan to demolish as soon as practically possible and relocate pickle ball to shared facility.

Tully Showgrounds – Toilet located in close proximity to the J P Byrne Indoor Sports Stadium (Igloo)

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$5,080
O&M	\$6,800 annual cleaning (cleaned 4 days per week) - estimated split from CCRC amenities cleaning contract. Other O&M costs not captured at this level.
Insurance	\$1,100 - estimated split from full Council Insurance Policy

Action required to gain financial savings

Remove asset

Current use

Occasionally used in conjunction with Tully Netball and during large events at the Tully Showgrounds. Is also being used by pickleball group.

History

The toilet block was built in 1984 to support events at the J P Byrne Indoor Sports Stadium (the Igloo).

Strategy for existing use

Utilise the new toilets in the grandstand for large events in the showgrounds.

Consultation

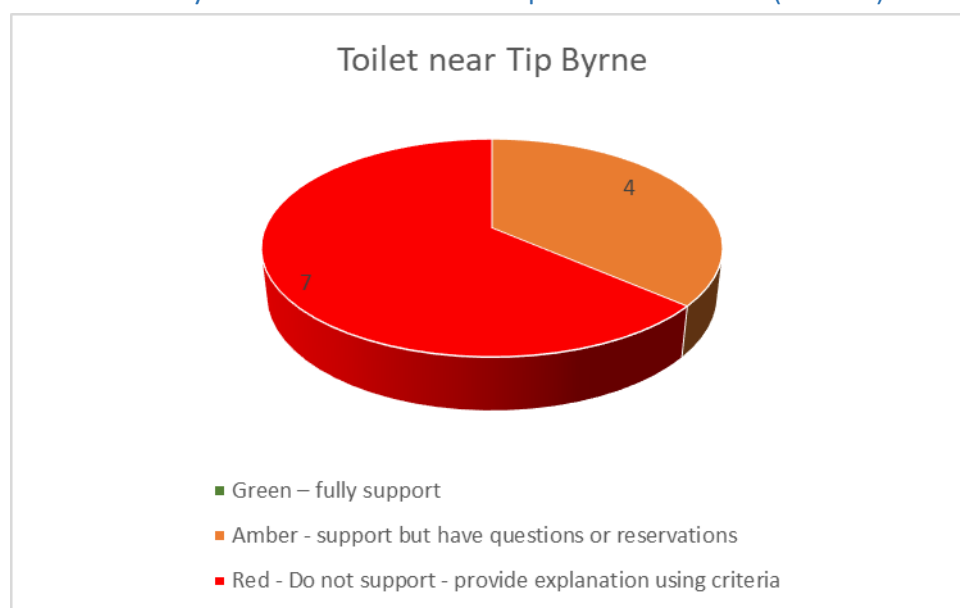
Survey	Information Session	One on One
Completed	Did not Attend	Completed

Tully Netball – Still have a desire to keep the Igloo for rainy day.

Tully Pickleball – have 10 registered members.

Tully Youth Centre have indicated that they have interest in the possibility of taking over a lease on this building.

Community Consultative Group Assessment (N=11)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	2
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	2
3	An alternative similar asset/facility or other means of providing the service is available	2
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	2
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	1
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	2
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	2

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
CCG indicating a strong view that toilets must be kept, particularly if the Tip Byrne building is going to continue to be used.	This Toilet block is being considered as a part of the igloo.

Recommended Rationalisation Approach

Remove from insurance register. If any group can demonstrate the principles and sustainability, pursue lease agreement that covers all financial liability. If not plan to demolish as soon as practically possible and relocate pickle ball to shared facility. Provide consideration in future budget for a new amenity block to be built strategically located within the showgrounds in accordance with events.

Tully Scouts Building

Initial Criteria Assessment

Criteria Number	Criteria	Relevant
1	Have limited use or sole use	
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	
3	An alternative similar asset/facility or other means of providing the service is available	
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	
6	The value provided by the asset benefits an individual/business – commercial use	
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council's asset networks.	
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	

Financial details

Annual Depreciation	\$3,800 to be added (currently not on the books but will require to be added with the surrender of the lease by Scouts)
O&M	Nil - no recorded expenditure in FY19-20
Insurance	Nil - will required to be added to CCRC policy as per the above.

Action required to gain financial savings

Remove/sell asset or set new lease in place to transfer asset ownership.

Current use

Not currently in use.

History

Scouts lease expired this year, however the group haven't used the building for 1 – 2 years. There was a tenant illegally using the building but this tenant has been removed. The Scout Group do not intend to renew the lease and the building is in poor condition.

Strategy for existing use

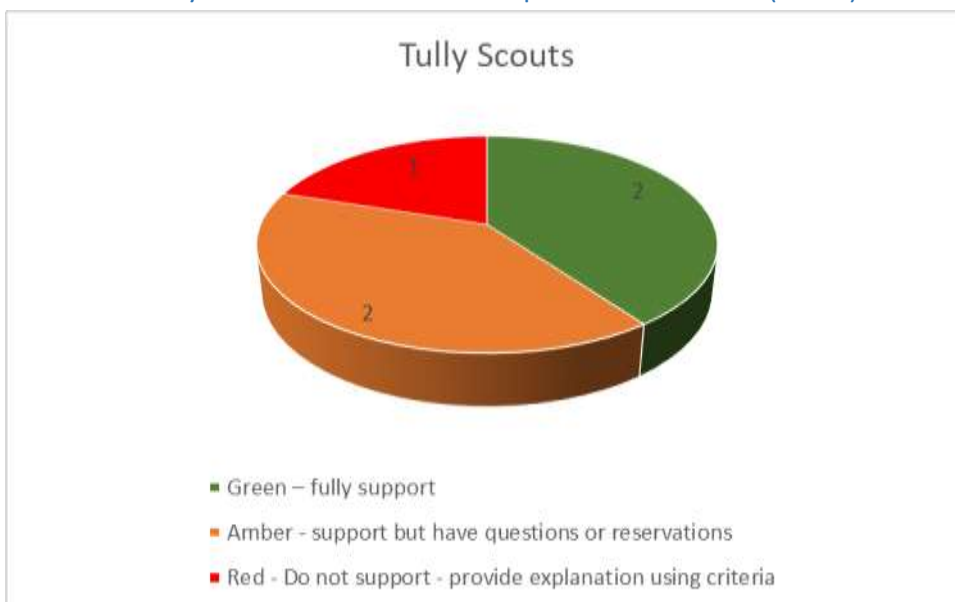
Set financial lease with the Tully men's shed.

Consultation

Survey	Information Session	One on One
NA	NA	NA

Tully Scouts have handed the building and all remaining improvements over to council as they have chosen not to renew or enter into another lease agreement with Council. Discussions with the Tully Men's shed to date have indicated that they would be will to take on a lease for this facility and cover all ongoing financial liabilities.

Community Consultative Group Assessment (N=5)



Criteria Number	Criteria	CCG Assessment
1	Have limited use or sole use	4
2	Have limited community value (asset serves a very small number of the community, or are unutilised)	3
3	An alternative similar asset/facility or other means of providing the service is available	3
4	Are not fit for purpose. E.g. A building which was once regularly used by a large number of the community is now infrequently used by a small group. A smaller shared facility may be better fit for purpose.	3
5	May not need to be replaced as the service they provide can be delivered through new or other assets.	3
6	The value provided by the asset benefits an individual/business – commercial use	2
7	Assets which provide an inconsistent level or excessively high level of service when compared to other assets within Council’s asset networks.	2
8	Assets which compete with other council assets, private assets or businesses by oversupplying the community and impacting on the sustainability of other businesses and private groups.	1

Criteria – 1 = Do Not Agree, 2= Somewhat Disagree, 3= Neither Agree or Disagree, 4 = Somewhat agree, 5 = Strongly Agree.

CCG Comments

CCG Comment	Officer Comment
Agree with council looking at alternative user groups to enter into a lease that ensures that the user pays	Council officers advised the CCG that they have been in discussions with the Tully Men’s Shed to enter into a lease agreement that covers all asset expenses by the group.

Recommended Rationalisation Approach

Negotiate new lease with Tully Men’s Shed that transfers all financial liabilities onto the lessee to manage. Do not add asset to the register.