

ASSET SUSTAINABILITY

4.2. Asset Rationalisation Process – 2021/22 Implementation Update – Quarter 1

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Meeting Date: Thursday, October 28, 2021

Executive Summary:

Cassowary Coast Regional 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 following report provides an update on progress made with the implementation phase of the asset rationalisation. Whilst a lot of work has continued behind the scenes only a small portion of savings have been recognised in the first quarter. The current implementation plan provides that by the end of the second quarter; it is anticipated over 50% of the ongoing saving commenced.

Recommendation:

"That council receive the report and note the status of the asset rationalisation implementation."

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, Cassowary Coast Regional Council's has committed to:

- Focusing on decisions that brings benefits to whole community
- Reducing depreciation, insurance premiums and other operational costs to improve its financial sustainability.
- Encourage 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
- 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
- Increase usage through shared arrangements

Implementation Phase update

Now that Council has resolved to adopt the recommended rationalisation approach for all 32 asset presented to council, the implementation phase of the process has begun where the finer details are being worked though for each individual asset. 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.

In accordance with the recommended rationalisation approach and considering the above principles, progress towards the resolved rationalisation option for the following assets has been achieved.

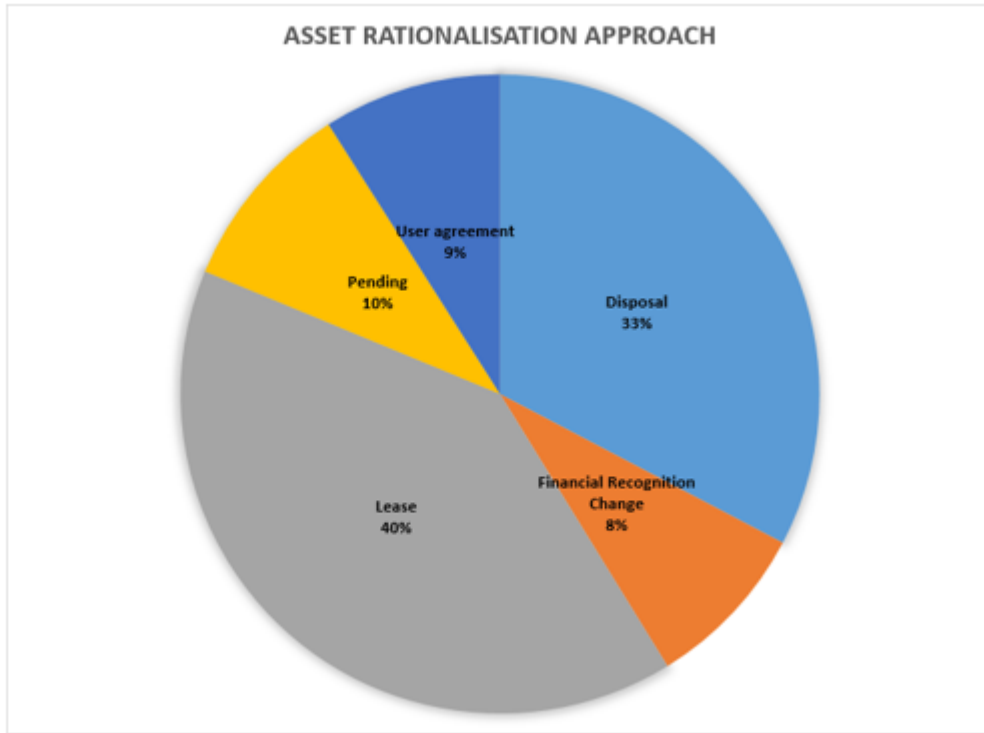


Figure 1. Asset rationalisation Approach % based on Est annual saving.

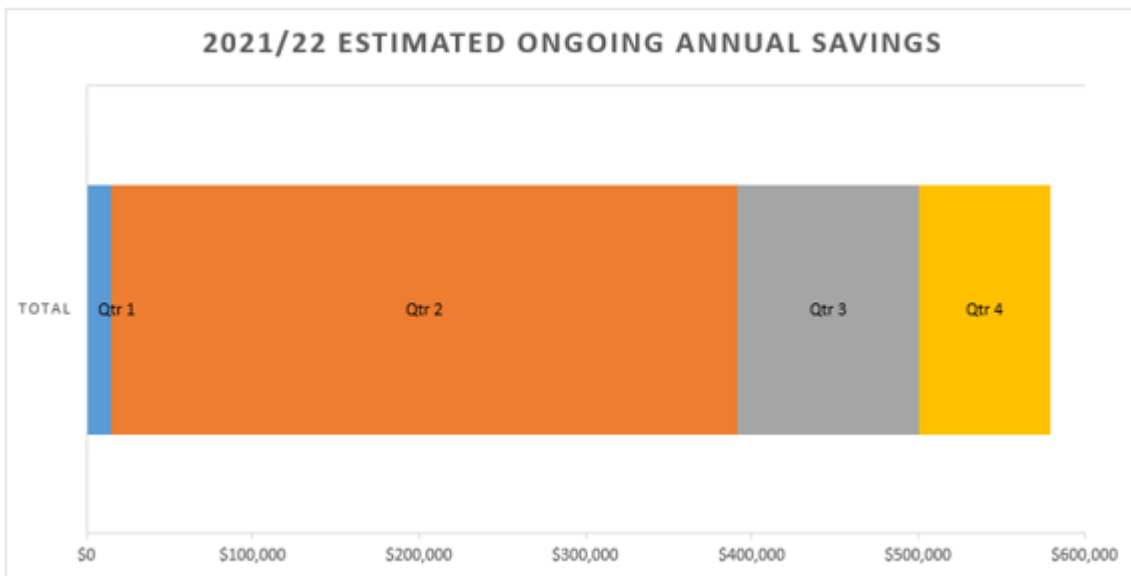


Figure 2. Period when estimated annual savings are expected to commence.

Note: Estimated savings is a combination of Annual depreciation and operational expenditure. In most cases, the operational expenditure is not captured down at the facility/asset level so some assumptions have been made to estimate these costs.

Disposal

The following asset have been identified to be disposed of via tender or auction. An attempt will be made to sell the building in its entirety for relocation otherwise for individual component salvage. If sale cannot be achieved, they will be programed for demolition.

Auctions has been organised for the sale of the following buildings:

- Demountable building Warrina Lakes
- Former caretaker residences at Warrina Lakes,
- Former caretaker residences at Tully Showgrounds
- Former caretaker residences at Pease Park

The following are proceeding via tender for disposal:

- Innisfail Fishing Club

- Silkwood Tennis Courts and Buildings

User agreements

Short-term user agreements have been established for the following groups so that Council can gain more understanding from the groups on their activities, membership and financial situation their overall alignment to Council's community use of assets principles.

The terms outlined in these agreements are generally require the groups to cover all out going (excluding depreciation). Therefore, any saving realised this FY will only cover operational expenditure such as but not limited to, electricity, water, and general maintenance, mowing and cleaning. At the conclusion of the agreements an assessment of the groups alignment with Council's Principles will be used to inform future arrangements for the group.

Executed user agreements:

- Rowing Club Innisfail
- Tully Girl Guides
- Innisfail Dance School

Draft user agreements sent to groups:

- Innisfail Pipe Band
- Goondi Combined Sports
- Lihs Rd Tennis Court (amenities block)
- Girl Guides Marcs Park
- Mission Beach Progress Hall

Leases

Lease templates have been drafted to be utilised for our leasing agreements moving forward. These have been compiled under the principles of the community use of assets and will ensure that Council provides consistency and transparency to all lessees.

Utilising the principles for community use of assets, negotiations have commenced to establish ground leases that transfer ownership of the built asset to the lessee. Where this cannot be achieved, user agreements are being pursued that promotes shared use and full cost recovery.

The following leases have been signed and executed.

- Flying Fish Point Caravan Park
- Pease Park – Woodworkers

Financial Recognition Change

This category is for the road networks and pathway renewal treatments review projects. These projects are expected to have little to no impact on current level of service and relate primarily to the financial recognition of these assets in the register aligning with current and future treatment options. Further work is ongoing in this space to ensure that any changes are in accordance with relevant accounting standards.

Pending

- Tip Byrne (Tully Igloo) – A submission has been received by council for a User Agreement to be considered over the Tully Igloo. This submission is under review by Council officers and a recommendation will be to council on the finding.

Refer to the table at **Attachment 1** for an update for each asset listed for rationalisation.

Link to Corporate Plan:

COMMUNITY - OUR PEOPLE

What we want to see by 2025

Council working in partnership with the community, to enhance and promote pride in and livability of the region.

Strategic Objectives

- C1 Increase community engagement, consultation, transparency in decision making and ease of access to information

INFRASTRUCTURE - OUR BUILT ENVIRONMENT

What we want to see by 2025

Regional infrastructure that delivers levels of service supported by the community and is financially sustainable.

Strategic Objectives

- I3 Sustainable asset management to effectively deliver services in a consistent and financially sustainable manner representing value to the community
- I4 Rationalised Council asset base

ORGANISATION - OUR TEAM

What we want to see in 2025

A safe, healthy, engaging and inclusive work environment where people are productive, multi-skilled, contribute to continuous improvement and, are provided with opportunities to achieve and develop and are recognised for their contribution.

Strategic Objectives

- O1 Provide leadership that supports creative thinking and innovation as well as desired values and organisational culture
- O2 Commit to open, transparent and accountable governance to ensure community confidence and trust in Council

Consultation:

Management Team and Councillors
Community Engagement Consultant
Cassowary Coast Community Consultative Group
User groups

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;

These principles have been pivotal in the discussion held with user group effected as they have laid the foundation of council's intentions in an open, transparent and consistent manor.

The disposal of all assets will be in accordance with the Asset Disposal Policy, FIN004.

Risk Implications (Corporate, Operational, Project risks):

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.

Report authorised by:

David Goodman, Director Infrastructure Services

Supporting Documents:

1. Assets Listed for Rationalisation

Asset	Est. Annual savings	Recommended Rationalisation Approach	Action	Update	timeframe
Dalrymple Esplanade Path - Concrete to Deco	\$4,716	Investigate options further to ensure savings will be realised and develop strategy for pathway material preferences. A network approach would produce criteria and service standard so that any changes in approach could be applied at a network level resulting in potentially greater savings.	Financial Recognition Change	Latest evidence shows that the unit rate variance between bitumen seal and deco pathways are closer than previously thought, therefore the cost saving may be less. Further investigations are required when resources allow.	Beyond
Tully Scouts	\$-	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.	Lease	Lease has been executed.	completed
Dance School	\$9,780	Enter into negotiations to establish a new agreement that ensures that the user covers all financial liabilities of the facility.	User agreement	Innisfail Dance School are now paying rent to Council and rent will be adjusted in July 2022 to the full commercial rate. Innisfail Dance School is now considering its ongoing business plan. If the Dance School vacates the building, it is recommended that the building be disposed. Commercial opportunity will need to be publically advertised.	Qtr 1
Rowing Club Innisfail	\$5,096	Enter into a new lease agreement with the Rowing club to cover the financial liabilities of their section of the facility at minimum. Investigate further into the hall to be used as a shared facility to ensure that we maximise utilisation.	User agreement	Agreement has been signed by the rowing club for 12 month user agreement, with a review after 10 months, based on the reestablishment of their members post COVID.	Qtr 1
Tully Girl Guides	\$-	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.	User agreement	Tully Girl Guides have expressed an interest in continuing to use the Girl Guides building and are willing to meet all operating costs. Recommendation is to enter into a short-term agreement to meet all financial liabilities associated with the asset, including asset depreciation, all operating and maintenance costs, general rates and utility service fees. If they are unable to meet all costs, then the building will be sold. UPDATE - USER AGREEMENT EXECUTED ON COST RECOVERY BASIS	Qtr 1
Innisfail Cultural Complex	\$3,514	Remove from insurance register. Allow existing clubs to remain, enter into new user agreements and progressively relocate groups. Manage building by doing minimal maintenance to mitigate safety risk until high risk. Do not replace asset at end of life. Sell any items of value/use/salvage via public auction.	User agreement	The ICC is being setup as a shared facility and each user group will enter into an agreement that covers all financial liabilities of the portion of the asset they are occupying. Complete Agreements include: Gem Club, FoS and Lioness'	Qtr 1
Innisfail Radio Club	\$6,764	Remove from Insurance Register. Dispose by public auction, clean-up site. Remove from asset register.	Disposal	Auction scheduled for the end of October. Once advertised depreciation can be stopped prior to financial disposal.	Qtr 2
Council Employee Housing (Pease Park, Warrina Lakes, Tully Showgrounds)	\$50,105	Remove from insurance register. Once houses are vacant dispose by public auction the Pease Park caretaker house, Warrina Lakes caretaker Residence and Tully Showgrounds Caretaker Residence buildings only. Sell the land and house at Stoters Hill. Remove from asset register.	Disposal	Auction scheduled for the end of October. Once advertised depreciation can be stopped prior to financial disposal.	Qtr 2
Pipe Band Building	\$250	Remove from insurance register. Enter into discussions with pipe band to demonstrate their ability to meet the principles of community use assets with the intent of offering a short term agreement. Do not	User agreement	Draft agreement complete - with User group for approval and execution	Qtr 2

Asset	Est. Annual savings	Recommended Rationalisation Approach	Action	Update	timeframe
		renew building at end of life and offer group an alternative shared facility at end of lease.			
Goondi Combined sports - Reduce to Fit for purpose	\$29,000	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.	User agreement	Draft User agreement presented to club. Awaiting approval from committee. Discussion with little athletics moving site too.	Qtr 2
Rotary Building	\$4,000	Remove from insurance register. Enter into a lease agreement with rotary that transfers all financial responsibility to the lessee. Remove from asset register.	Lease	Draft lease with Rotary for review - chasing feedback and approvals	Qtr 2
Racing Infrastructure - Responsibility (ownership mtce insurance renewal to Turf Club)	\$55,400	Remove assets from the insurance register. Seek amendment to current lease that assets shall be removed at the end of the lease period, remove assets from asset register. Give written notice to the Innisfail Turf Club that all lease conditions will be applicable.	Lease	Pease Park has 7 lease agreements over the parcel of land, with a current value of all assets totalling \$11.9 M, it is considered the highest priority. Variations to their deeds have been sent to be signed by the lessees. Woodworks lease has been signed and executed. Work ongoing with groups however Council will be applying lease as of October 2021	Qtr 2
Innisfail Fishing Club	\$12,300	Dispose of building by public auction. Restore site as open space. Sell any items of value/use/salvage via public auction.	Disposal	Feast of the Senses have signed a user agreement at the Innisfail Cultural Complex (ICC) as a shared facility. The Innisfail Fishing Club building is now vacant and progress towards disposal is underway.	Qtr 2
Gem Club	\$5,500	Remove from insurance register. Relocate Gem Club to an alternative facility, potentially the old Scout Building and have the club share this facility with the Men's Shed. Gym equipment to be relocated into other facility at Showgrounds and appropriate agreement with Tully Rugby League formalised (to include all use of the showgrounds inc Grandstand, Field, Lighting etc). Dispose of the building by public tender or demolish if not sold. Remove from asset register.	Disposal	Negotiations underway to move the Gem Club to a shared use facility within the Tully & District Kennel Club.	Qtr 2
Transfer ownership of Caravan Park Building Assets to lessee	\$111,500	Remove from insurance register. Seek deed of amendment to lease conditions. Remove assets from asset register.	Lease	In principle support from the lessees have been verbalised to take over ownership of the assets. Draft variation deeds are being drafted. Flying Fish Caravan Park lease variation has been signed and executed.	Qtr 2
King Ranch Cultural Centre	\$9,400	Remove from insurance register. Investigate options to dispose of building and land or demolish building and dispose of land. Undertake minimal and safety related maintenance only until asset is disposed. Remove from asset register.	Disposal	Preliminary discussion have occurred with the adjoining landholders to purchase the property. Market valuation required prior to a proposal offered.	Qtr 2
Innisfail Mens Shed + BMX track	\$10,145	Remove from insurance register. Negotiate new lease with appropriate conditions. Remove from asset register.	Lease	Ground lease negotiations are underway.	Qtr 2
Covered car parking corner of Grace and Owen	\$2,700	Remove from insurance register. Enter discussions with interested parties on entering into a lease agreement that includes ownership or remove structures and maintain as uncovered parking.	Disposal	Sale of this property is progressing with adjoining landholders expressing interest in the property.	Qtr 2
Lihs Rd Tennis Court	\$3,500	Lock facilities and demolish when considered high risk. Remove assets from insurance register. Sell any items of value/use/salvage via public auction.	User agreement	Tully Sugar have expressed an interest in retaining the toilet block at this facility to be used by Cane Train operators. A proposal has been sent that Tully sugar will cover all financial cost (depreciation and fire levy) of the amenities and the removal of the tennis court infrastructure.	Qtr 2

Asset	Est. Annual savings	Recommended Rationalisation Approach	Action	Update	timeframe
Mullins Hall	\$20,500	Remove from insurance register. Relocate Tully Youth Centre to an alternative facility. Demolish facility when high risk. Sell any items of value/use/salvage via public auction.	Disposal	Agreement negotiations underway to offer shared facility use for the Tully Youth Centre.	Qtr 2
Old Tully VIC CRACA	\$4,400	Remove from insurance register. Dispose via public auction any items of value/use. Demolish facility when high risk.	Pending	Council has agreed to extend the timeframe by two months from 22/7/21 for any community group to demonstrate its commitment to the principles of community use and to cover the financial liabilities of the asset. Building report received. Assessing options to dispose by lease.	Qtr 2
Silkwood Tennis (No Club)	\$10,500	Remove from insurance register. Dispose by public auction of storage shed and other saleable items. Remove courts and fencing. Provide minimal maintenance to mitigate safety risk. Demolish buildings when considered high risk due to asset condition.	Disposal	RFQ to remove with the Fishing club. to be complete bt 31/12/2021	Qtr 2
Council Employee Housing (Stoters Hill)	\$19,394	Remove from insurance register. Once houses are vacant dispose by public auction the Pease Park caretaker house, Warrina Lakes caretaker Residence and Tully Showgrounds Caretaker Residence buildings only. Sell the land and house at Stoters Hill. Remove from asset register.	Disposal	Planning on having this advertised for auction by November. Waiting on valuation report and quotes for auction.	Qtr 2
Mourilyan Kindergarten	\$16,000	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.	Lease	Ground lease negotiations are underway.	Qtr 2
Girl Guides Marcs Park	\$-	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.	User agreement	Mission Beach Girl Guides have expressed an interest in continuing to use the Girl Guides building. Recommendation to enter into a short-term agreement to meet all financial liabilities associated with the asset, including asset depreciation, all operating and maintenance costs, general rates and utility service fees. If the group are unable to meet all costs, then the building will be sold.	Qtr 2
Mission Beach Progress Hall	\$1,500	Continue discussions with interested parties on the basis to enter into a new agreement that transfers all financial responsibility of the building by the lessee. Remove from asset and insurance register.	User agreement	CCRC takes back possession 14/09/2021. Further details received from MBBBPA – under review against CCRC's principles.	Qtr 2
Change all F Class gravel roads to tracks - No Gravel 66.5 km	\$45,022	Review the asset revaluation methodology and Asset Management Plan. Provide future report to Council for adoption and also report to Audit Committee.	Financial Recognition Change	This work will be included as part of the Road Network review. Any changes to the network are required to go to Council for a decision.	Qtr 3
Converted Bar - Away Change Room - Accommodation Building	\$9,800	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.	Lease	User agreement only until a masterplan of Calendar Park is complete. Discussions are underway.	Qtr 3
Lonely Toilet Block	\$2,000	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.	Lease	Request from Brothers to retain this building until a Masterplan of the site is complete.	Qtr 3

Asset	Est. Annual savings	Recommended Rationalisation Approach	Action	Update	timeframe
Tip Byrne (Igloo)	\$40,429	Remove from insurance register. Pursue lease agreement that covers all financial liability and not replace at end of life. Otherwise plan to demolish within 2 years, relocate pickle ball to shared facility.	Pending	Council has agreed to extend the timeframe by two months from 22/7/21 for Tully Pickleball to demonstrate its commitment to the principles of community use and to cover the financial liabilities of the asset. If the Club are unable to meet Council's requirements then the asset will proceed to disposal via tender or public auction. Submission has been received and under review.	Qtr 3
Toilet near Tip Byrne	11,880.00	Remove from insurance register. Pursue lease agreement that covers all financial liability and not replace at end of life. Otherwise plan to demolish within 2 years, relocate pickle ball to shared facility.	Pending	As per Tip Byrne (Igloo) above	Qtr 3
Enforce lease conditions	\$25,000	Audit all current leases/agreements to identify where Council is incurring costs that should be borne by the lessee/group (eg Insurance, Electricity, Rates, Depreciation, Maintenance, Mowing and Cleaning). Write to the lessee/group and request compliance with lease/agreement conditions, timeframes for compliance of 21 days to 90 days are anticipated for most cases. Should lessees/groups fail to comply, follow the process in the lease/agreement terms that the lessee/group agreed to for default/termination.	Lease	Lease templates have been drafted to be utilised for our leasing agreements moving forward. These have been compiled under the principles of the community use of assets and will ensure that council provides consistency and transparency to all lessees. Utilising the principles for community use of assets, negotiations have commenced to establish ground leases that transfer ownership of the built asset to the lessee. Where this cannot be achieved user agreements are being pursued that promotes shared use and full cost recovery.	Qtr 4
Daradgee Wharf	\$13,800	Transfer ownership to Education Queensland. If Education Queensland considers that the asset does not add sufficient value to their programs to warrant owning it adopt an alternative approach. This may include restricting access to the structure and demolishing when condition reaches a point where environment/safety become high risk.	Disposal	Discussions with Education Queensland are underway. Included in these discussions are Council maintained ovals that are used by Schools.	Qtr 4
TMR Rest areas (fred drew park & diggers creek)	\$40,000	Transfer ownership to TMR	Disposal	TMR have advised that from July 1 they will meet the costs to service and maintain the fatigue management service under Councils Road Maintenance Performance Contract. TMR have also agreed to support the surrender the road licence at Fred Drew Park and work towards transition of asset ownership from Council to TMR in future years.	Qtr 4